

865,000 women left the workforce last month

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2021 COVID-19 IMPACT STUDY MINORITY WOMEN IN BUSINESS

A STUDY FROM WALKER'S LEGACY FOUNDATION

COVID-19 has been harder on
women business owners. These 11
ways can help

BUSINESS
Women and the pandemic: Fe
minority-owned businesses fin
ways to survive

By Pandemic
Coronavirus Pandemic Hits Minority-
Owned Small Business
Women who inspire: Entrepreneurs who are
resetting amid COVID-19

color still struggle to

The global impacts of COVID-19 are undeniable. As small businesses across the nation work to understand the short- and long-term implications on business operations, the Walker's Legacy Foundation (WLF) is determined to provide a voice for the fastest growing entrepreneurial segment in the nation: Multicultural women in business.

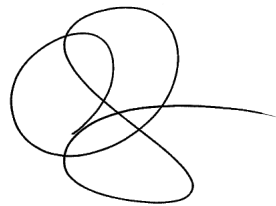
Walker's Legacy studied the impact of COVID-19 on women entrepreneurs of color and the long-term implications for measurable change. This report is based on research funded by the Bill & Melinda Gates Foundation. The findings and conclusions contained within are those of the authors and do not necessarily reflect positions or policies of the Bill & Melinda Gates Foundation. This COVID-19 impact study is designed and informed by minority women entrepreneurs who understand the unique position faced by this demographic. Walker's Legacy's 15-city national footprint includes city chapters in our largest and most diverse regions such as New York, Los Angeles, Atlanta, Philadelphia, Washington, D.C. and Chicago.

The timing and need for this study cannot be more critical as decision makers seek information to best identify the way forward. With this research, women entrepreneurs of color will speak, be heard, and have a seat at the table. Our aim is to:

- Measure and communicate in a meaningful and sustainable way, critical information to our leaders that will shape future policy and the impacts on minority women entrepreneurs.
- Identify and address gaps in existing COVID-19 survey data. We intend to ask and answer the questions that are important to the survival of this largest growing entrepreneurial segment.

Through this research, Walker's Legacy seeks to explore quantitative and qualitative data on the effects of COVID-19 to assist Multicultural businesswomen and develop an action plan to support this historically underrepresented business community to combat economic setbacks based on the current environment.

Signed,



Ayris T. Scales

CEO, Walker's Legacy Foundation



The Walker's Legacy Foundation is the nonprofit sister arm of Walker's Legacy, a digital platform for professional and enterprising women in business that exists to inspire, equip, and engage professional and entrepreneurial Multicultural women through thought-provoking content, educational programming, and a global community. For more information, visit www.walkerslegacy.com

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WALKER'S LEGACY

Walker's Legacy is a digital platform that exists to inspire, equip, and engage professional and entrepreneurial Multicultural women through thought-provoking content, educational programming, and a global community. For more information, visit www.walkerslegacy.com.

BILL & MELINDA GATES FOUNDATION

The Bill & Melinda Gates Foundation is a nonprofit organization fighting poverty, disease, and inequity around the world. For 20 years, the Foundation has been committed to fighting the greatest inequities in the world and is committed to being a leader in COVID-19 global research initiatives. For more information visit www.gatesfoundation.org

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Fresno Metro Black Chamber of Commerce & Chamber Foundation - Fresno, CA
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Long Island African American Chamber of Commerce, Inc. - Uniondale, NY
Louisiana Chamber of Commerce Foundation - New Orleans, LA
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Dr. Kristen Adejuwon is the COVID-19 Impact Lead Research Analyst within Walker's Legacy. She joined the team March 1, 2021. In this role, she supports research, data evaluation and report development for our inaugural COVID-19 Business Impact Study. As a result of interpreting quantitative and qualitative data, Dr. Adejuwon will assist Walker's Legacy and our stakeholders in navigating the way forward for multicultural business women in combating the effects of COVID-19. Her research focuses on African American women entrepreneurs. She has investigated African American women entrepreneurs' experiences in Apparel/Retail. Her findings provide additional insight to their overall experiences, motivations, and challenges within this context, and prior to the start of COVID-19 pandemic.

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This research offers a longitudinal perspective on the impact of COVID-19 on multicultural businesswomen in the U.S. over ten months from February to December 2020. More than 1000 female multicultural business owners were surveyed across industry sectors and geographic locations over a 60-day period from November 2 to December 31, 2020. These business leaders represent those who survived the worst economic decline in the U.S. from February to April 2020 due to COVID-19 and possessed a unique rear-view perspective of the operating climate that left as much as 41 percent of their fellow business owners permanently closed (COVID-19 African American/Black business closures).¹

More than 90 percent of survey respondents identified as being of Black or African descent with the remaining respondents representing all other minority and ethnic groups defined as multicultural businesswomen. For the purpose of this study, multicultural businesswomen include those who identify as female or non-binary/gender-fluid business owners and are Black or African American, Hispanic or Latino, Asian or Asian American, American Indian or Alaska Native, Native Hawaiian or Other Pacific Islander, and Other/Multicultural – which excludes non-minority, white women.² When analyzing women from these racial groups, other relevant literature might use the following terminology: minorities, women of color, people of color, etc. This study will use the term ‘multicultural’ businesswomen when referring to the findings specific to all racial/ethnic groups mentioned above.

This study explored how multicultural women business owners’ operations have been affected by COVID-19 and what are the short- and long-term implications on the survival of these businesses. In particular, we sought quantitative data to create a demographic, geographic, and industry profile of multicultural businesswomen. We then looked to inform the business owners’ response to crisis through the lens of preparedness, supply chain disruption, and technology use. The availability of funding and aid to mitigate crisis is also discussed. A review of qualitative data offered a broader perspective on business owner wellness and work-life balance as they navigated their crisis response. Future research will inform broader policy recommendations and create an action plan to improve crisis response and reduce the negative effects of future crises on multicultural women business owners.

The short-term effect of COVID-19 has been devastating to the global economic footprint with widespread adverse impacts on both employers and employees. The qualitative data collected allows multicultural women to openly express the challenges they faced while attempting to lead and manage themselves and others, with the added stress of attempting to keep their doors open from the first, through to the third, wave of the pandemic. Multicultural businesswomen report that they are resilient, adaptable, and greater networked as they navigate the crisis environment.

Profiles of these women show that they are operating under crisis conditions as limited liability corporations (LLCs), possibly single member LLCs, and solopreneurs. More than 80 percent of multicultural businesswomen report working from home more than 49% of the time. These multicultural businessowners are also primary care givers (44.48%). Some fit the start-up profile of new business owners born out of pandemic inspired conditions. They are among 865,000 women who were pushed out of the workforce in September of 2020 alone. Among these women were 324,000 Latinas and 58,000 Black women.³ Others are seasoned business owners who have an average of five years of business ownership under their belt. They exist among a pool of survey respondents who identified as having owned a business ranging from startups to 37 years in operation.

1. Fairlie, Robert, W. (2020), The Impact of Covid-19 on Small Business Owners: Evidence of Early-Stage Losses from the April 2020 current population survey, Working Paper 27309, National Bureau of Economic Research, Cambridge, MA.

2. Survey of Business Owners and Self Employed Persons (SBO). Census.gov <https://www.census.gov/programs-surveys/sbo/about.html>

3. National Women’s Law Center (October 2020) Four Times More Women Than Men Dropped Out of the Labor Force in September. <https://nwlc.org/resources/four-times-more-women-than-men-dropped-out-of-the-labor-force-in-september/>

KEY FINDINGS

DISASTER PREPAREDNESS

- More than 80% of multicultural businesswomen did not have a disaster preparedness plan.
- More than 60% of multicultural businesswomen believe business interruption insurance would have been helpful.

SUPPLY CHAIN DISRUPTION

- 60% of multicultural businesswomen indicated that supply chain disruptions impacted their business operations.

TECHNOLOGY

- Multicultural businesswomen, seven on a scale of 10, were using technology prior to the pandemic, this increased to eight of 10 during the pandemic.

FUNDING

- More than 90% of respondents saw a decrease in sales due to COVID-19.
- 60% of multicultural businesswomen were awarded government funding to support their business and/or family due to the COVID-19 pandemic.
- 65% of multicultural businesswomen have not applied for private sector funding.

WELLNESS & WORK-LIFE BALANCE

- Multicultural businesswomen acknowledge that COVID-19's impact has affected their mental health (75.07%).
- Multicultural businesswomen (80%) are currently working from home more than 49% of the time.
- Almost half of multicultural businesswomen are primary care providers (44.48%).
- Impacts on work performance of primary care providers varied by industry with 59% reporting a decrease in work performance compared to about a quarter of respondents (23.49%) reporting seeing an increase in their work performance.

RECOMMENDATIONS

Creating new models of crisis leadership. Multicultural businesswomen are a unique demographic of businessowners and their ability to lead through crisis offers a new model of crisis resilience that demands further exploration and modeling to inform best practices for crisis management and crisis leadership for this fastest-growing business demographic.

Embedding technology in pre-crisis operating environments to mitigate risks of under insurance and lack of preparedness. Normal operating environments with embedded technology capabilities may present a critical advantage to multicultural women business owners' ability to successfully pivot in a COVID-19 operating environment. The ability of respondents to continue operations through the pandemic despite lack of adequate preparedness, coupled with loss of income, begs strategic exploration of how the implementation of certain types of technology resources may mitigate business closures early on.

Expanded business ecosystems to ensure early deployment of community resources, coaching, and policy guidance. Multicultural businesswomen were especially hard hit by work-life balance issues stemming from the double impact of loss of work performance due to added responsibilities of primary caregiving and loss of work opportunities. While larger employers may provide caregiving support incentives, solopreneurs and single-member limited liability corporations operated by multicultural businesswomen require a different approach that includes considerations for strategic deployment of supportive community resources, business coaching programs, and new modernized policies to better leverage capabilities within the surrounding business ecosystem.

Multicultural businesswomen need additional education and training on available insurance and benefits. Multicultural businesswomen can benefit from additional education and training on the benefits of preparedness, planning, and insurance to mitigate risk and exposure from different crisis types. Insurance agencies and benefit providers should explore channels to improve communication and deliver resources tailored to the needs of these businesses.

CONCLUSION

Walker's Legacy evaluated the impact of the COVID-19 Global Pandemic on multicultural businesswomen and provide insight into operational challenges multicultural businesswomen faced over 10 months of uncertainty and unprecedented economic loss. The timing and need for this study cannot be more critical as decision makers seek information to best identify the way forward. Our aim is to measure and communicate in a meaningful and sustainable way, critical information to our leaders that will shape future policy and help minimize the adverse impacts of future economic crises on multicultural women entrepreneurs. We also sought to identify and address gaps in existing COVID-19 survey data in order to answer critical questions that are important to the survival of this largest growing entrepreneurial segment.

We found that multicultural businesswomen are survivors who are ready and capable of addressing crisis environments and challenges, both predictable and unknown. This ability to endure has been supported by technology and historical challenges more so than traditional methods associated with crisis and disaster preparedness.

The next phase of this research will take a closer look at qualitative data that gives us greater context gleaned from the experiences and perspectives taken from the words of survey respondents. A series of talking papers will be produced from a review of combined quantitative and qualitative data, additional literature, and related research to provide evidence-based policy recommendations and a roadmap of best practices.

This report is based on research funded by the Bill & Melinda Gates Foundation. The findings and conclusions contained within are those of the authors and do not necessarily reflect positions or policies of the Bill & Melinda Gates Foundation.

PROFILES OF MULTICULTURAL BUSINESSWOMEN

PRE-COVID-19

1

Prior to 2020, new business startups by multicultural businesswomen were experiencing exponential growth and represented the largest segment of new businesses in the U.S. This growth was led by black women business owners who experienced growth rate of 179% from 2002 to 2012 compared to 52% growth for all women-owned businesses and 20% for all businesses during the same period.⁴ This trend has steadily increase over the immediate past decade with no signs of slowing. The exodus of black women from the boardroom to the entrepreneurial space stems from an abundance of evidence that points to systemic gender and racial bias in the workplace and a desire to achieve economic freedom.

Entering 2020, multicultural women business owners are now facing new challenges resulting from limited equity and access to business opportunities, even when showing profitability and generating at-or-above-market returns, according to a report by Morgan Stanley.⁵ The report further estimates that as minority-owned businesses are taking on a larger percentage of American firms, failure to invest in these businesses equate to a loss of up to \$4.4 trillion in business opportunity.

Black women business owners represent the largest group of respondents to this survey (90%). Prior to the pandemic this group of multicultural businesswomen were more susceptible to business failure. Additionally, “the gap between African American/ Black women-owned businesses’ average revenue and all women-owned businesses is the greatest of any minority group.”⁶ Prior research by Walker’s Legacy support findings that show black women business owners earn lower receipts than all other genders. Additionally, the report cited access to capital, access to business education, access to mentors and support networks, discrimination, fear, and family responsibility as key barriers to economic equity. Despite these challenges, the economic impact of black women entrepreneurs amounts to \$42 billion in total gross receipts.⁷

This portrait of multicultural women business owners, and in particular black women business owners, offers a pre-COVID-19 profile of the systemic challenges and motivations behind this community’s response to the pandemic and, for many, these preconditions may have influenced their management decisions and ability to lead themselves and their businesses over the longer term.

4. Gines, D. (n.d.). Black Women Business Startups. The Federal Reserve Bank of Kansas City. <https://www.kansascityfed.org/documents/301/community-BlackWomenBusinessesReport.pdf>

5. The Growing Market Investors Are Missing The trillion-dollar case for investing in female and multicultural entrepreneurs. (2018). Morgan Stanley. <https://www.morganstanley.com/pub/content/dam/msdotcom/mcil/growing-market-investors-are-missing.pdf>

6. The 2018 State of Women-Owned Businesses Report (pp. 1–16). (2019). American Express.

7. (2016) Black Women Entrepreneurs: Past and Present Conditions of Black Women’s Business Ownership. Walker’s Legacy

2

PROFILES OF MULTICULTURAL BUSINESSWOMEN

THE COVID-19 OPERATING ENVIRONMENT

This survey was conducted from November 2 through December 31, 2020 during what was considered the third wave of the COVID-19 pandemic following the infection, quarantine, and social distancing periods. These business leaders represent those who survived the worst economic decline in U.S. history with more than 3.3 million business closures occurring over two months from February to April 2020 due to COVID-19.⁸ The operating environment for business owners included periods of high uncertainty met with inconsistent local, state, and federal quarantine and social distancing guidelines. After being hit with the most severe operational challenges, active businesses were bracing for longer term losses while continuing to face broader environmental challenges including the threat of unknown health risks, prolonged sickness, and death.

A. DEMOGRAPHIC PROFILES

This study sought to capture important demographic data to create a profile of respondents across four areas: (1) gender or sexual identity, (2) race/ethnicity, (3) age, and (4) years in business.

Walker's Legacy launched the survey in November 2020 and incentivized it with a \$500 COVID Relief Micro Grant awarded at random to eight multicultural businesswomen who completed the survey. More than 1000 multicultural businesswomen responded and represented all targeted demographics. The largest pool of respondents were African American/Black women (90%) followed by Hispanic or Latino (4%). Less than one percent of survey respondents (.44%) identify as non-binary or gender fluid business owners, while the remaining population identify as female.

Survey participants also represent a diverse age group. The age range of multicultural businesswomen in this report represent cohorts between the ages of 17 to 74, from Generation Z (born from mid-to-late 1990s) to the Silent Generation (born between 1928-1945).

The average age of respondents by group is early 40s, with the exception of Native Hawaiian or Other Pacific Islander who averaged 59 years of age. This data is consistent with research that suggests black women, representing the largest group of respondents, tend to start their businesses between the ages of 35 and 54.⁹

TABLE 1: MULTICULTURAL BUSINESSWOMEN AGE, AND RANGE BY RACE/ETHNICITY

RACE/ETHNICITY	AVERAGE	RANGE
BLACK OR AFRICAN DESCENT	43	17-82
HISPANIC OR LATINO	40	20-66
ASIAN OR ASIAN AMERICAN	42	34-62
AMERICAN INDIAN OR ALASKAN NATIVE	41	33-49
NATIVE HAWAIIAN OR OTHER PACIFIC ISLANDER	59	52-66
OTHER/MULTICULTURAL	41	26-74

8. Fairlie, Robert, W. (2020). Ibid.

9. Gines, D. (2018). Black Women Business Startups. The Federal Reserve Bank of Kansas City. <https://www.kansascityfed.org/documents/301/community-BlackWomenBusinessesReport.pdf>

B. BUSINESS STRUCTURE

More than eighty percent of multicultural businesswomen choose to operate under a Limited Liability Corporation or LLC business structure (62.89%) or operate as a Sole Proprietorship (20.05%). The remaining operating structures include C or S Corporation (9.43%), Nonprofit (6.21%), and Partnerships of any type (1.43%).

In this study, Native Hawaiian or Other Pacific Islander and American Indian or Alaska Native prefer having a sole proprietorship, while Black or African descent, Hispanic or Latino, and Asian or Asian American, and Other/Multicultural primarily obtain an LLC business structure.

The choice of Limited Liability Company over a Sole Proprietorship is likely influenced by the benefits provided under LLC business entities that include legal and financial protections that are not available to sole proprietorships. Whereas these LLC's offer additional protections that may limit business liability exposures and safeguard personal assets, it may still be possible that these businesses are "single-member" enterprises, having only one owner.

YEARS IN BUSINESS

Multicultural businesswomen are mature in age and they are seasoned business owners who possess an average of five years of experience operating a business. Asian or Asian American businesswomen may have the most business experience, reporting an average of 10 years of business ownership.

TABLE 2: MULTICULTURAL BUSINESSWOMEN YEARS IN BUSINESS, BY RACE/ETHNICITY

	AVERAGE	RANGE
BLACK OR AFRICAN DESCENT	6	0-37
HISPANIC OR LATINO	6	0-20
ASIAN OR ASIAN AMERICAN	10	2-25
AMERICAN INDIAN OR ALASKAN NATIVE	4	3-6
NATIVE HAWAIIAN OR OTHER PACIFIC ISLANDER	7	7
OTHER/ MULTICULTURAL	5	0-20

NOTE: 0 RANGE REPRESENTS STARTUPS UNDER ONE YEAR

TABLE 3: MULTICULTURAL BUSINESSWOMEN PRESENCE PER PHASE

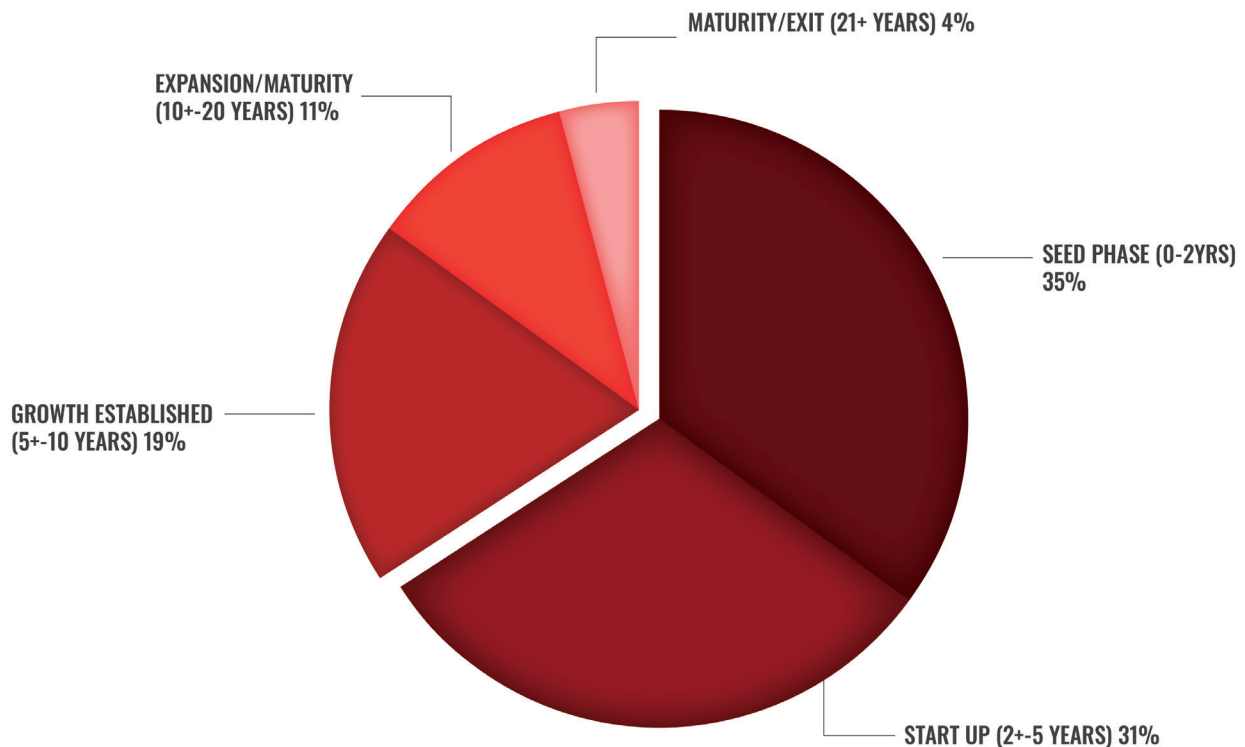


TABLE 5: TOP FIVE MOST FREQUENT STATES, BY RACE/ETHNICITY

	OREGON	MICHIGAN	FLORIDA	GEORGIA	TEXAS
BLACK OR AFRICAN DESCENT	76	75	45	40	36
HISPANIC OR LATINO	3	—	1	1	1
ASIAN OR ASIAN AMERICAN	—	—	—	—	—
AMERICAN INDIAN OR ALASKAN NATIVE	2	1	—	—	—
NATIVE HAWAIIAN OR OTHER PACIFIC ISLANDER	—	—	—	—	—
OTHER/MULTICULTURAL	3	2	2	—	1
TOTAL	84	78	48	41	38

D. INDUSTRY PROFILES

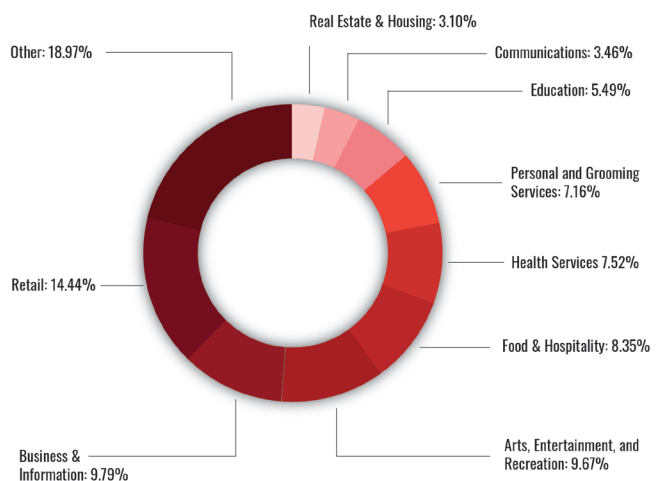
According to American Express’ 2019 study, half of all women-owned businesses are concentrated within the following fields: Other Services, Healthcare and Social Assistance, and professional/Scientific/Technical services.¹⁰

In this study, the top three fields in order of the largest representation of multicultural businesswomen by industry include: (1) Other, (2) Retail, (3) Business & Information, and (4) Arts, Entertainment, and Recreation. This contrast of business preferences for multicultural businesswomen in this study, compared to all women-owned businesses referenced in the American Express study, suggests a preference for retail; business & information; and arts, entertainment, and recreation fields with more than a third of multicultural businesswomen operating in these areas (33.9%).

Public facing businesses were the hardest hit by COVID-19. The ability of these businesses that include public facing storefronts to pivot and continue operations well into the third wave of the pandemic opens the door for further exploration on the resources and best practices these businesswomen deployed.

The top ten industries among Multicultural business:

1. Other: 18.97%
2. Retail: 14.44%
3. Business & Information: 9.79%
4. Arts, Entertainment, and Recreation: 9.67%
5. Food & Hospitality: 8.35%
6. Health Services 7.52%
7. Personal and Grooming Services: 7.16%
8. Education: 5.49%
9. Communications: 3.46%
10. Real Estate & Housing: 3.10%



10. CDC. (2020, February 11). Community, Work, and School. Centers for Disease Control and Prevention. <https://www.cdc.gov/coronavirus/2019-ncov/community/workplaces-businesses/index.html>

3

QUANTITATIVE FINDINGS

THE IMPACT OF COVID-19 ON BUSINESS OPERATIONS OF MULTICULTURAL BUSINESSWOMEN

MORE THAN 80% OF MULTICULTURAL BUSINESSWOMEN DID NOT HAVE A DISASTER PLAN FOR THEIR BUSINESS.

A. DISASTER PREPAREDNESS PLANNING AND PROTECTIONS

Businessowners of all backgrounds and business structures have experienced the increasing threat of natural disasters over the past decade. Protections from these disasters are available but come with additional costs that may be perceived as a hardship for some business owners. The alternative is disaster mitigation through preparedness planning that is designed to reduce risk and the cost of insurance.

However, more than 80% of Multicultural businesswomen did not have a disaster preparedness plan for their business. Within racial/ethnic groups, no one who identified as American Indian or Alaska Native and Native Hawaiian or Other Pacific Islander, in this study, had a disaster preparedness plan.

Among the group of those who answered yes to having a preparedness plan, the overwhelming majority (75%) had already implemented their disaster preparedness plan. Within the racial/ethnic groups whose disaster plans were already implemented, all Asian or Asian American and Other/ Multicultural businesswomen had implemented their plans, while 76% of Black or African descent and 43% of Hispanic or Latino had done so. It is undetermined why 25% of those with disaster preparedness plans had not implemented them by the third wave, when this study was launched.

The COVID-19 pandemic proved to be more challenging as business owners struggled to understand and educate themselves on available insurance protections. Insurance coverages for businesses offer important benefits for employees' health and safety as well as liability protections and recovery of financial losses. However, 61% of multicultural businesswomen report they did not have insurance for their company and employees. Among the nearly 40% who did have these protections, the racial/ethnic groups included Hispanic or Latino (36.67%), Asian or Asian American (33.33%), Black or African descent (32.65%), and Other/Multicultural (24%).

When asked if their coverages were sufficient, 62% of multicultural businesswomen felt their current insurance coverage was not sufficient for the current economic and political circumstances. No one who identified as Asian or Asian American felt their coverage was sufficient. Three racial groups that answered 'yes' or 'somewhat' to coverage being sufficient are: Black or African descent (39.67%), Other/Multicultural (37.5%), and Hispanic of Latino (28.57%).

62% OF MULTICULTURAL BUSINESSWOMEN FELT THEIR CURRENT INSURANCE COVERAGE WAS NOT SUFFICIENT FOR THE CURRENT ECONOMIC AND POLITICAL CIRCUMSTANCES.

In this study, respondents' coverages included Disaster Recovery, Business Interruptions, Life/ Health Insurance, and Other (for participants this included General or Professional Liability insurance and Worker's compensation). Sixty-three percent of Multicultural businesswomen believed Business Interruption insurance would have been helpful. The participants' qualitative responses echo the need to become more educated regarding the benefits and limitations surrounding insurance coverage options.

"I have business interruption [insurance] however it did not cover pandemic related incidents"
 - Black or African descent respondent in Personal and Grooming Services from Garland, Texas

Insurance industry experts report that small businesses with business interruption insurance could file a claim if they demonstrated they could not operate the business during a pandemic. Multicultural businesswomen may need additional information and education on what scenarios qualify for a valid business interruption claim stemming from the pandemic.

B. SUPPLY CHAIN











Sixty percent of multicultural businesswomen believed that supply chain disruptions impacted their business operations. These disruptions affected all racial/ethnic groups over varying proportions. The group most impacted by supply chain disruptions included those who identify as Black or African descent (60.8%) and Other/Multicultural (55.56%). Hispanic or Latino and Asian or Asian American, felt their business operations were disrupted by 44% and 33% respectively. All four respondents who identified as American Indian or Alaska Native, and Native Hawaiian or Other Pacific Islander, felt the supply chain disruption impacted their business.

Multicultural businesswomen have been affected differently across industries. The below list displays the industry fields with the largest presence of multicultural women business owners who reported supply chain disruptions.

1. Retail
2. Other
3. Personal and Grooming
4. Arts, Entertainment, and Recreation
5. Food & Hospitality
6. Business & Information
7. Health Services
8. Education
9. Communications and Transportation
10. Real Estate and Housing

MULTICULTURAL BUSINESSWOMEN BELIEVE THAT SUPPLY CHAIN DISRUPTIONS IMPACTED THEIR BUSINESS OPERATIONS (60%).

TABLE 6: TOP TEN INDUSTRIES IMPACTED BY SUPPLY CHAIN DISRUPTION

											
BLACK OR AFRICAN DESCENT	19.14%	16.12%	10.33%	9.57%	8.31%	6.55%	6.8%	4.03%	3.27%	4.03%	2.77%
HISPANIC OR LATINO	7.14%	7.14%	7.14%	—	7.14%	28.57%	—	7.14%	7.14%	—	7.14%
ASIAN OR ASIAN AMERICAN	—	—	50%	—	—	50%	—	—	—	—	—
AMERICAN INDIAN OR ALASKAN NATIVE	—	33.33%	—	33.33%	—	—	—	—	—	—	—
NATIVE HAWAIIAN OR OTHER PACIFIC ISLANDER	—	—	—	—	—	—	—	—	—	—	—
OTHER/MULTICULTURAL	20%	13.33%	6.67%	13.33%	6.67%	7.41%	6.67%	6.67%	13.33%	—	—

C. TECHNOLOGY USAGE

While the average number of multicultural businesswomen using technology prior to the pandemic was relatively high, the average increase for this group went up one point, moving to an eight on a scale of 1-10, during the pandemic. Technology usage most frequently used in business operations include social media, virtual meetings, and virtual payment software followed by various forms of document and project management software.

Ethnic/racial groups that had limited use of technology prior to the pandemic included American Indian or Alaska Native and Native Hawaiian or Other Pacific Islander who used only four or one type of technology, respectively.

While the presence of using different forms of technology doesn't seem to have changed much when analyzing the quantitative data, the qualitative findings in this report show that multicultural businesswomen are seeking ways to be more effective in their technology usage.

MORE THAN 90% OF RESPONDENTS SAW A DECREASE IN SALES DUE TO COVID-19

Pre-COVID-19, Multicultural businesswomen have reported financial challenges as an ongoing barrier to growth. This is especially true for businesswomen of Black or African descent who experience major funding concerns. Current research finds that Black women-owned firms with employees are less likely to receive funding in general and are more likely to use personal funds when operating their business. Further, they are more likely to apply for financing from noncommercial lenders such as credit unions, online lenders, and community development financial institutions (CDFIs) than nonminority women owners.¹³

As COVID-19 impacts have demanded a more collaborative effort to help small business owners, multicultural businesswomen are seeking funding wherever it is given. For example, they have sought funds available by Federal, State, Nonprofit, and For-profit organizations. Multicultural businesswomen of Black or African descent are most likely to seek out diverse funding sources, followed by Hispanic or Latino, and Other/Multicultural.

Seventy percent of Multicultural businesswomen applied for government-supported funding for small businesses and independent contractors. Of those who applied for government funding, 60% were awarded. Also, the higher the funding amount the fewer individuals were awarded.

Multicultural businesswomen funding applications include a wide range of funding opportunities that primarily included Disaster Loans, Payroll Protection Program, Unemployment, and Stimulus Funding for Individuals and Families. Additional opportunities included 7A Interest Free Loans and in the category of "other" options, American Indian or Alaska Native applied for other programs than the options listed. Native Hawaiian or Other Pacific Islander did not apply for any loans among the list of options given.

11. Digitalundivided. (2020, May). The State of Black Women Entrepreneurs during COVID-19. <https://www.digitalundivided.com/covid-19-report>

12. The Impact of COVID-19 on Black Business Owners. (2020). Hello Alice. https://alice-data-production.s3.us-east-2.amazonaws.com/data_reports/HelloAliceImpactReport-BlackBusinessOwners-COVID-19.pdf

13. Gines, D. (n.d.). Black Women Business Startups. The Federal Reserve Bank of Kansas City. <https://www.kansascityfed.org/documents/301/community-Black-WomenBusinessesReport.pdf>

MULTICULTURAL BUSINESSWOMEN ARE SEEKING WAYS TO BE MORE EFFECTIVE IN THEIR TECHNOLOGY USAGE.

D. FUNDING AND AID

Not surprisingly, more than 90% of respondents saw a decrease in sales due to COVID-19, which is in alignment with earlier studies.^{11 12} Multicultural businesswomen, especially those who identify as Black or African descent, are most likely to face the threat of business closure if they do not receive sufficient financial assistance during the COVID-19 pandemic.

E. FUNDING BY RACE/ETHNICITY

As for private sector funding, Multicultural businesswomen have been less likely to apply for this type of funding. Sixty-five percent of respondents have not applied for private sector funding. Of those who applied for private sector funding, from highest to lowest percentage area: Native Hawaiian (100%), Asian or Asian American (50%), Other/ Multicultural (40%), Black or African descent (35.36%), American Indian or Alaska Native (33.33%), and Hispanic or Latino (26.67%).

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QUANTITATIVE FINDINGS

COVID-19 MULTICULTURAL BUSINESSWOMEN EXPERIENCES AND PERSPECTIVES

Walker's Legacy conducted the COVID-19 Impact Survey: Minority Women in Business in the final months of 2020 to better understand the longer-term effect of the pandemic on business operations of multicultural businesswomen. During this time that we refer to as the third wave of the COVID-19 pandemic, business ecosystems were shifting out of full to partial quarantine while maintaining continued social distancing. On the horizon, hopes of mass inoculation were becoming more promising.

Open-ended survey questions, used as qualitative data, provides an understanding of business operations from their perspectives after more than 10 months of operating in survival mode for most, and in growth mode for the few who found themselves in industries that experienced minimal impact from the downward economic shift set in motion by the pandemic.

Respondents were asked to share any key takeaways that helped or are helping them to navigate the current landscape. We will discuss the work-life experiences here. Best practices and crisis leadership roles will be discussed in the final series of talking papers.

“Sense of hopelessness...”

- Black or African descent respondent in Other (industry selection)
from Dearborn Heights, Michigan

A. WELLNESS AND WORKPLACE BALANCE

During the COVID-19 pandemic, 80% of Multicultural businesswomen were working from home more than 49% of the time. While balancing the pressures of work and family is not a new phenomenon for multicultural businesswomen, the pandemic highlighted and intensified challenges of being a primary care provider.

MULTICULTURAL BUSINESSWOMEN WHO ARE PRIMARY CARE PROVIDERS (44.48%) SAY BEING A PRIMARY CARE PROVIDER WHILE RUNNING A BUSINESS DURING COVID-19 IMPACTED THEIR WORK PERFORMANCE (82.55%).

For many Americans, the COVID-19 pandemic exacerbated the pre-existing role of women, and their responsibilities as primary care providers. Current research finds that businesswomen in general are disproportionately affected regarding their business perceptions and decision-making when dealing with hardships like business health, staff increases/ likeliness to hire, making investments, revenue expectations,¹⁴ balancing work and family, experiencing labor divisions, caregiving responsibilities, and dealing with societal expectations.¹⁵

14. Special Report on Women-Owned Small Businesses During COVID-19. (2020, August 25). U.S. Chamber of Commerce. <https://www.uschamber.com/report/special-report-women-owned-small-businesses-during-covid-19>

15. Barroso, A., & Horowitz, J. M. (2021, March 17). The pandemic has highlighted many challenges for mothers, but they aren't necessarily new. Pew Research Center.

B. PRIMARY CARE PROVIDERS & WORK PERFORMANCE

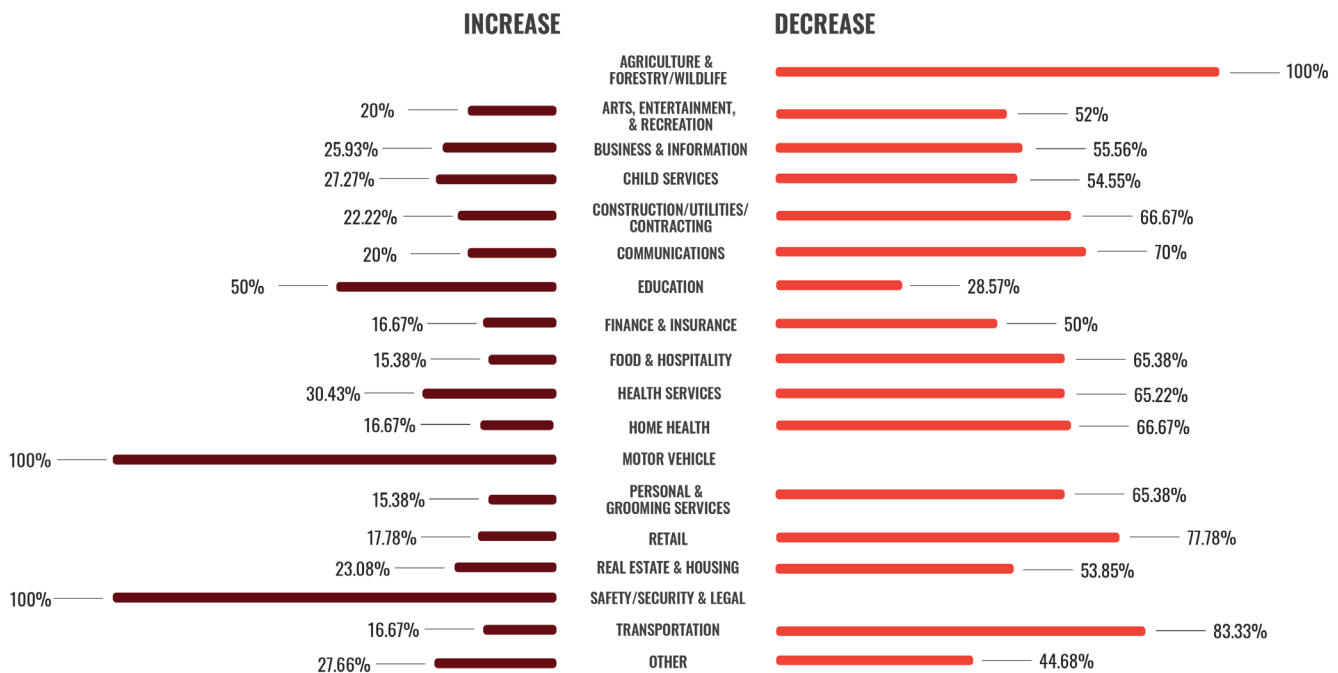
Almost half of multicultural businesswomen (44%) responding to this survey serve as primary care providers to their children, senior/ (s) parent/(s) or guardian/(s), extended family, spouse/sibling/(s), and disabled individuals in their homes or within their communities. Among this group of primary care providers, more than 80 percent say being a primary care provider while running a business during COVID-19 either positively or negatively impacted their work performance (82.55%).

“Significant needs of family members...”

- Black of African Descent respondent in Agriculture & Forestry/Wildlife

When comparing both the increase (23%) and decrease (59%) in work performance among all multicultural businesswomen who were also primary care providers, some industries did better than others. Three racial groups experienced an increase in their work performance during COVID-19: Black or African descent (25%), Hispanic of Latino (20%), and Other/ Multicultural (15%). The increase and decrease in work performance among primary care providers by industry, is listed below.

TABLE 7: PRIMARY CARE PROVIDER INCREASE/DECREASE IN WORK PERFORMANCE BY INDUSTRY



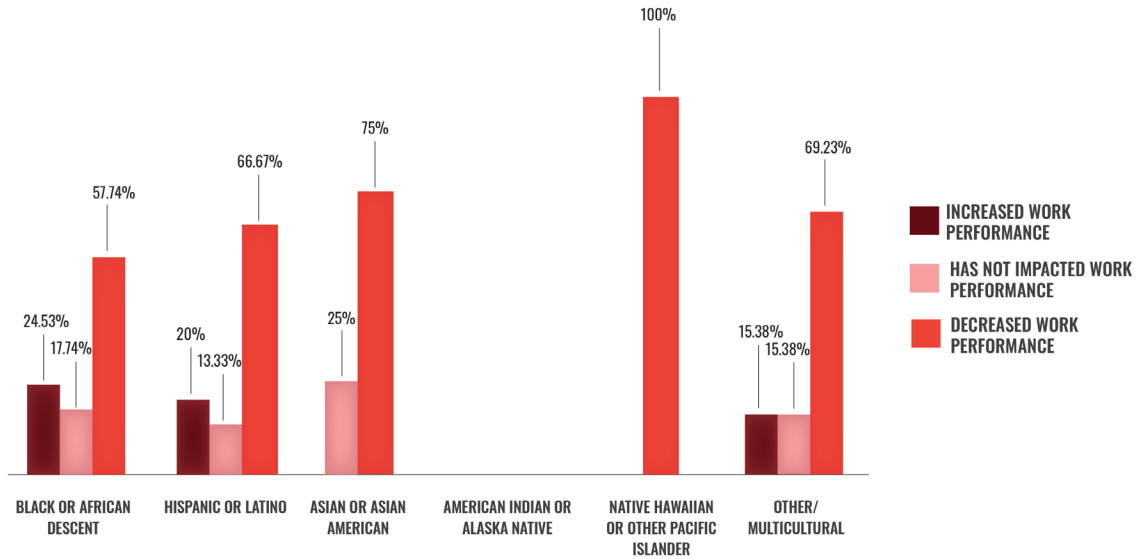
Increase in Work Performance (23% of primary care providers)

- Other
- Business & Information
- Education
- Health Services
- Child Services
- Real Estate & Housing
- Motor Vehicle
- Safety/ Security & Legal

Decrease in Work Performance (59% of primary care providers)

- Retail
- Arts, Entertainment, and Recreation
- Food & Hospitality
- Personal and Grooming Services
- Construction/ Utilities/Contracting
- Communications
- Finance & Insurance
- Home Health
- Transportation

TABLE 8: WORK PERFORMANCE OF PRIMARY CARE PROVIDERS BY RACE



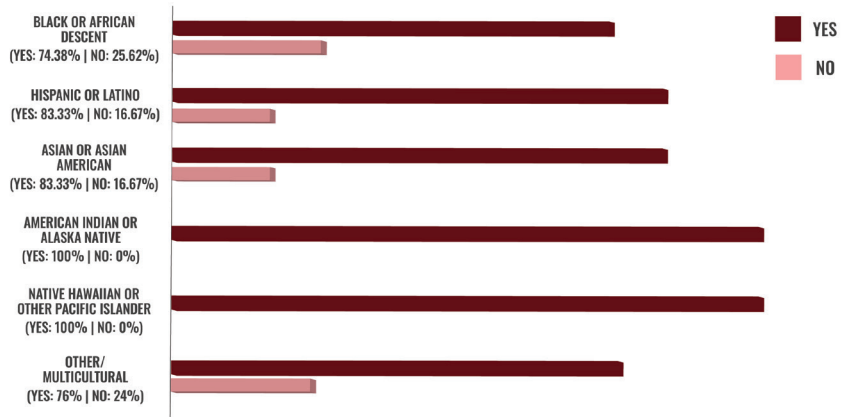
“...how [do I] support myself much less my business”

- Black or African descent respondent in Retail

C. MULTICULTURAL BUSINESSWOMEN AND MENTAL HEALTH

The negative effects of being a multicultural businesswoman in a COVID-19 operating environment was also reflected in emotional and mental health. Seventy-five percent of multicultural businesswomen felt the impact of COVID-19 negatively affected their mental health. All respondents who identified as Native Hawaiian or Other Pacific Islander and American Indian or Alaska Native felt COVID-19’s impact on their business affected their mental health. In contrast, 83% of Asian of Asian American and Hispanic of Latino American felt this way. Respondents identifying as Other/Multicultural and Black or African descent felt the impact of COVID-19 on their businesses also had a negative affected their mental health, 76% and 74%, respectively.

TABLE 9: MENTAL HEALTH BY RACE



Stressors among these Multicultural businesswomen involve increased anxiety/depression, increased sense of isolation and loneliness, decreased or irregular sleeping habits, and increased food consumption or hoarding.

“...feeling of uncertainty, total-loss, [and] overwhelm[ed]”

- Black or African descent respondent in Business & Information

QUALITATIVE RESEARCH

5

Open-ended survey questions, used as qualitative data, provides an understanding of business operations from the perspectives of multicultural businesswomen after more than 10 months of operating in survival mode for most, and in growth mode for the few who found themselves in industries that experienced minimal impact from the downward economic shift set in motion by the pandemic.

Almost 75% (737 respondents) provided additional first-person insights into their work-life experiences and best practices that sustained their business operations. This additional data provides evidence of how businesswomen practiced both reactive and proactive operational decisions while dealing with the uncertainties surrounding the COVID-19 pandemic. One central and recurring theme summarizes the perspectives of these multicultural businesswomen: Adapting to a Constantly Changing Environment.

A goal of this survey is to take a deeper look into the emotional, wellness, and mental health conditions of these businesswomen and how these factors affected their ability to perform and manage business and work-life concerns. Respondents reflect a clear understanding of the multiple roles they play as individuals, women, mothers, business owners, and community members. In these commonalities, multicultural businesswomen are adapting and leading themselves and others. In return, they fully recognize the consequences of their actions as multicultural businesswomen to individuals within their immediate contacts, broader community ecosystem, and the larger part of society. They are making sacrifices and express a need for additional assistance individually and professionally in order to survive this pandemic.

FURTHER RESEARCH & ANALYSIS

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The next phase of this research will take a closer look at qualitative data that gives us greater context gleaned from the experiences and perspectives taken from the words of survey respondents. A series of talking papers will be produced from a review of combined quantitative and qualitative data, additional literature, and related research to provide evidence-based policy recommendations and a roadmap of best practices.

Please access this full final report and additional talking papers from our [COVID-19 Research Page](#).