

en:labs

Community Entrepreneurship


en:labs

Introduction

Centric

The COVID-19 pandemic exposed and worsened existing health inequalities and racial disparities within BAME communities across the country. The death of George Floyd and the rise of the Black Lives Matter movement further deepened distrust in health research among these communities. To address this, Dr. Shaun Danquah, the founder of Centric with 22 years of experience, developed a community research model. This model aims to empower seldom-heard communities by involving them directly in research. It shifts power back to these communities through a fair and collaborative approach that encourages mutual learning and capacity building.

Centric has been able to harness the entrepreneurial spirit and energy of communities in the innovation and growth of the organisation. In turn Centric have strived to support their own entrepreneurial initiatives, providing mentoring, resourcing and brokering relationships with black and ethnic minority communities to drive growth of their businesses (such as Life of a Tree). In this way, Centric, although a community research company, was founded to support entrepreneurship and economic development. It identifies revenue streams by ideating and innovating with communities to develop products and services and take them to market. Additionally, Centric provides an ongoing income stream through community research, which communities can use to invest in their businesses. The organisation supports an ecosystem of "below the radar" entrepreneurs who do not currently engage with financial and health institutions and are not known to them. Therefore, Centric's positionality provides a unique relationship with these communities, offering unprecedented access to entrepreneurs who are not known to outsiders.

Cen Labs

Entrepreneurs from Black and ethnic minority communities have flourished in creating businesses through their entrepreneurial flair and innovation to create income streams towards their own economic empowerment. However, they are often hampered by a lack of access to finance, networks, and business management skills. Despite their new and innovative ideas, these entrepreneurs are typically rejected by mainstream funders and investors due to their lack of capacity to navigate systems and the formal economy to receive investment and support to grow and scale their business ideas.

Centric has been working to support these entrepreneurs by providing an income stream through subcontracting, leveraging its networks with partners to secure funding for projects and business ideas, and providing infrastructural support by acting as a fiscal host to bridge the gap in procurement processes. Cen-Labs is the evolution of Centric’s existing work, serving as an innovation and entrepreneurial hub to fill a critical gap in urban areas by supporting communities to develop and sustain their ideas, combining social impact and profitability.

We do this by supporting innovators and disruptors to develop business plans, create financial statements, register their businesses, navigate regulatory agencies, raise investment, and pursue other types of financing. We offer one-to-one support as well as workshops, and connect entrepreneurs with both targeted and broader networks to enable them to grow their own networks and facilitate partnerships.

Positionality and Those Well-Placed to Explore These Narratives

A researcher with the requisite experiential knowledge and familiarity with those participating in the research greatly facilitates rapport and access to stories and narratives that would otherwise remain below the radar. External consultants, traditional researchers, and those attempting to access communities as outsiders often lack the credibility to engage with these narratives. Therefore, distant, detached, and colonial approaches to community research are unable to access such authentic stories and narratives.

Centric's community researchers, on the other hand, are equipped with direct involvement in local entrepreneurship and innovation, whether through personal experience, social networks established as members of these communities, or professional connections. This positions them well to gain what Jupp refers to as 'narrative credibility' (Jupp, 2013: 10). Consequently, Centric is entrenched as an organisation with extensive networks of individuals and business owners who, through strong and trusted relationships, have engaged in this research.

This research explores the stories and narratives of entrepreneurs, many of whom operate under the radar in the informal economy, and their journey of growing a business nothing to something.

Centric's Community Research Model: The Value of Lived Experience

We recruit, train and upskill researchers from local communities who will solve local problems through research.



We are part of the communities we are serving.



Our team has a diverse range of skills, cultural backgrounds and expertise.



We have a bespoke ethics approval process that champions community consent and ownership.



Our model has been designed and is run by community Researchers themselves.



The programme is accessible and offers unique progression routes for community Researchers.



The programme is accessible and offers unique progression routes for community Researchers.

COMMUNITY LED

AUTHENTIC INSIGHT

CULTURALLY NUANCED

Centric Engagement Models

The Continuum Model

The continuum model states the equitable engagement and involvement of communities at each phase of the research process. This is delivered through the community research team and research methodology.

- **Data Collection, Analysis & Evaluation**
  Identifying hidden nuances in a non-extractive manner.
- **Recommendations, Solutions & Implementation**
  Co-designing and co-producing interventions on issues and how best to implement them.
- **Community-Led Research & Community Looping**
  Community is part of the whole research journey from start to finish. We also ensure we give regular updates on project progression and emerging themes.
- **Ideation & Innovation**
  Developing an ideas culture based on the communities lived reality.
  They provide invaluable insight on the future for Centric's product development.
- **Community Empowerment & Capacity Building**
  Upskilling the community researchers and community members.

APC Model

APC gives us unique, sustainable and dynamic access across the urban locale. The far-removed intervention approach of traditional institutions is too outdated to make real change. We socially broker between organisations and communities to co-design, co-produce and co-evaluate. Our equitable collaboration framework provides mutual value by rebuilding trust and creating platforms for equitable knowledge and skills exchange.

Accessibility
We specialise in delving into the heart of 'hard to reach' communities across the distrust nexus that traditional institutions struggle to access. Furthermore, we are unearthing business approaches that are off the radar. We provide access for emerging and offstage nuances to be able to engage with mainstream platforms and sectors equitably.

Positionality
We utilise an 'inbetweener approach' in which we straddle between institutions and underserved communities across all urban locales through our informal networks that are constantly expanding. We collaborate with organisations 'closer to the curb' that are less process driven and more involved with communities at a grassroots level.

Credibility
We hold a valued, relevant and healing voice within the urban locale that allows our work to have a desired impact. Empowerment of various types of community leaders give us a consistent audience, sense of ethics and direction. Our 'Urban Looping' model helps retain this credibility by checking in with community at key phases of our work.

Community Research vs Traditional Models

	COMMUNITY RESEARCH	ACADEMIC INSTITUTIONS	GOVERNMENT AND PUBLIC SECTOR	FRONT-LINE/NOT-FOR-PROFIT ORGANISATIONS	RESEARCH AGENCIES
Cultural Relevance	Yes	No	No	Yes	Yes
Scientific rigor and robust research methodology	Yes	Yes	Yes	No	Yes
Ethical research methods	Yes	Yes	Yes	Yes	Yes
Access to community members	Yes	No	No	Yes	No
Community capacity building	Yes	No	No	Yes	No
Holistic research methods	Yes	No	No	No	No
Researcher Career/ Professional Development	Yes	Yes	Yes	No	Yes
Wellbeing and pastoral support	Yes	No	No	Yes	No

Centric Partnerships

UKRI/Innovate UK - No Limits Platform
Centric have formed a partnership with UKRI on the No Limits Partnership platform, providing an overview of opportunities available for communities, innovators and entrepreneurs.

London School of Economics and Political Science (CenX podcast with LSE)
Centric has partners within the Care Policy and Evaluation Centre on innovation-led projects in health inequalities and currently developing training modules from entrepreneurs.

Digital Health London (Health Innovation Network)
Collaborative talks including the brokership between DHL's training programmes for SMEs to create opportunities for entrepreneurs to access resources and expertise, through Centric.

Southwark and Lambeth Council's
Centric maintains long established partnerships across council departments supporting the brokership with communities through culturally appropriate methods. We are able to tap into our longstanding relationships in community to support the council to understand their needs and meet their strategic objectives.

Impact on Urban Health
Centric is currently working with IoUH on an air pollution programme to support eco-entrepreneurship across South London.

Project Team



Shaun Danquah
Founder



Muhammed Rauf
Project Director



Sylvana Walcott
Director of Operations



Esther Agyeman
Community Researcher



Elle Kingwill
Community Researcher



Danna Rodriguez
Community Researcher



Marcia Cunningham
Community Researcher



Dion Tansey
Community Researcher



Paul Addae
Research Associate



Community Entrepreneurship

Executive Summary

Building on our previous literature review, which identified individuals operating in enterprise spaces often below the radar (not publicly known or to those outside their locale of operations), we have partnered with Social Finance to better understand their experiences and how they can be supported to grow and scale their businesses in the formal economy. Our aim is to identify gaps in financial products and services available to support them. Therefore, it was crucial to explore the experiences of those who have built businesses from the ground up without formal support and expertise.

This project details experiences of individuals across South London in business and enterprise. Many of the accounts are from people who had no formal training at business school. However, what we did find are three 'i's: initiative, ingenuity, and innovation. This work has arrived at a key moment in time when the new government of the UK is also exploring how to better support small businesses, especially those from black and ethnic minority backgrounds. Our main findings include:

- Stories of transition for the informal to formal economy.
- Existing entrepreneurial ecosystems in the black and ethnic minority communities.
- Lack of financial literacy and knowledge of entrepreneurs impacting their business.
- Distrust for financial institutions, products and services.
- Lack of accessibility for online funding applications.
- The importance of informal support systems through family, social networks and mentors.
- The influence of religion and community in shaping entrepreneurial initiatives.
- The utilisation of social media in the modern age to support growth.

Among our recommendations are the following:

- Training programmes tailors to the needs of entrepreneurs and street corner innovators to provide adequate business skills and know-how to function in the formal economy.
- The formation of an entrepreneurial hub in South London to support specific needs on the black and ethnic minority communities in financial literacy, business development and entrepreneurship.
- Development of a digital application to centralise resources to support entrepreneurs in a means that is accessible to them.
- Further research into the stories of entrepreneurs across subgroups within Black African and Caribbean communities to understand the historical and cultural influences that have shaped their businesses
- Bespoke training on financial literacy, management, sales and social media to support growth of businesses.
- Brokering relationships with Labour ministers to support new funding routes into entrepreneurship for those who are are already operating below the radar.
- New funding approaches that are accessible to black and ethnic minority communities and new metrics to better assess their business value, away from traditional financial measures.
- New methods of pitching business ideas via creative methods such as video .



Centric's Literature in Entrepreneurship



Street Corner Innovation
The Three 'i's: Ingenuity, Initiative and Innovation

There are stories of street-corner innovation in the urban locale of Brixton and South London over the last few decades as individuals in Brixton with limited and minimal resources have been able to establish their own businesses and enterprises, having nothing but the three 'i's: initiative, ingenuity, and innovation.

These offstage transcripts of unconventional pathways into business and enterprise are compelling and need to be explored as those involved do not usually speak to the system about their businesses.

Moreover, based on these entrepreneurial experiences at a grassroots level, Centric identifies an opportunity to build a training programme and package for young people from low-income communities to enter the formal economy.

DOWNLOAD



The Counter-Public Spheres of South London and the Repercussions for Business and Enterprise: Brixton as a Case Study

Brixton has been home to individuals who have been cultivated into resistance identities largely developed out of experiences in the 1960s through to the 1980s which led to opportunities to become familiar with other narratives of resistance that had similar sentiments to associated discourses around equality, belonging, accommodation, employment, police brutality, institutional racism and marginalisation.

In this way, subaltern counterpublic spheres, leading to unconventional entrepreneurial ecosystems, have flourished as it converges with broader resistance perspectives which people residing in Brixton have been both accustomed to and have had to adopt to navigate wider racism, discrimination and inequality.

DOWNLOAD

The Brixton area as a realm for multiple subaltern counterpublic spheres has been discussed prior (Addae and Danquah, 2021) and it was noted that resistant ideas were freely exchanged in Brixton. Among a plethora of topics, a deliberative arena for enterprise-related issues to be discussed was also facilitated and hence a counter-hegemonic domain.

In Brixton for instance, there have been mosques, churches, voluntary organisations, charities, soup kitchens, social clubs, Jerk chicken shops, music shops, African centred community centres, gyms, information shops, vegan eateries, and other establishments have all contributed to Brixton's dynamic counterpublic sphere, serving functions related to health, wellbeing, socio-economics, psycho-social support, and spirituality. They have not merely served as sources for advancement politically, socially and economically but have also been arenas for critical discussion, debate and dialogue within the community.

Context and Methodology

Context and Understanding of Entrepreneurship in Black Communities

A research inquiry conducted by a committee of cross-party MPs and the Federation of Small Businesses in 2020 found that two-thirds of Black and Asian business owners felt unable to access state-backed loans and grants during the early days of the COVID-19 pandemic. These businesses faced rejection or barriers due to strict qualification criteria and a lack of information. Additionally, there is a significant lack of trust among Black business owners due to these processes. As a result, many Black entrepreneurs face systemic disadvantages and experience worse business outcomes compared to their white counterparts. This issue was highlighted in the report Alone Together: Entrepreneurship and Diversity in the UK, a research project conducted by the British Business Bank and Oliver Wyman.

Super Diversity

It should not be assumed that Black entrepreneurs are a monolith who all have a turnover running into six figures. The small-scale street-corner entrepreneur will not have the same access to finances and resources as a larger business-owner. Economically advantaged Black individuals may be able to navigate systems and institutions that align with their own backgrounds and experiences. However, this is not the reality for many smaller Black-owned businesses and street-corner entrepreneurs. What we have identified here aligns with our findings in other work, such as our recent exploration of the Black Identity/Category Nexus. This topic, in itself, requires further investigation.

Entrepreneurial Activism as a Vehicle for Social Change

If one wants to be involved in moving the dial of change, this is fraught with difficulties when one has a 9-5 job. It is for this reason why many adopt the path of entrepreneurship often from unconventional roots. Entrepreneurship in Brixton and South London is not merely about making money or maximising profits, it also involves amplifying voice, making a change and advancing a societal cause. Monteverde et al (2023) have also discussed how activist entrepreneurs champion a specific cause that drives and motivates their business ventures. They suggest that there are three aspects of activist entrepreneurship: cause advocacy; community generation and boundless action.



Methodology: Narratives and Stories of Enterprise and Business

Personal storytelling is a vital means of knowledge production (Riessman, 1990; Skeggs, 2002). Plummer (1995: 19) describes this period as the 'narrative moment'. Narratives offer ways to make sense of language, including that which is not spoken (Riessman, 1990) and they also provide ways to understand interactions among individuals, groups and societies (Plummer, 1995, and Riessman, 1993, 2002) and they are able to authorise the stories that ordinary people tell.

Narratives are selective accounts of past events, directed to the present listener, who can be real or imagined, which make some point about the narrator (Presser, 2009: 179). Narrative enquiry includes a variety of approaches to research that emphasises "collecting, analysing and representing people's stories as told by them" (Etherington, 2004: 75). We heard stories of how individuals and communities developed their own parallel entrepreneurial ecosystems which run counter to dominant mainstream entrepreneurial avenues which may have traditionally been difficult for some people to enter.

This has been seen since the Windrush Years, and then with various arrivals of communities from India, Pakistan, Turkey and Somalia. Not to mention individuals from low-income, and even underclass backgrounds who have developed their own entrepreneurial ecosystems as "an empty stomach leads to a creative mind".

Methodology: Narratives and Stories of Enterprise and Business, and Cultural Divergence

The hidden transcripts which underpinned such activity formed a liberating entrepreneurial paradigm far from the purview of official regulations and stipulations. Linked to this is how we have also identified how particular communities have been more attracted to business and enterprise. For instance:

1. The Pakistani and Indian communities up and down the United Kingdom, who have pioneered in terms of the local corner-shop phenomenon. Often working unsociable hours in order to bring convenience to a local street. Alongside other avenues of conventional enterprise.

2. The Turkish communities of North London who have also been well-represented in convenience store businesses, and also working long, unsociable hours.

3. The Somali communities of London, Leicester and Birmingham for example, who have entered into business and enterprise yet have sought to avoid what for them are morally questionable aspects of business which are contrary to their religious values. i.e. the selling of alcohol, pork etc. Hence, Somali business-people in the UK have gone into: international monetary transfer agencies, internet cafés, etc.

4. British-born Black entrepreneurs, some of whom have developed their own entrepreneurial ecosystems. As we will come across shortly, they would then take their businesses to the next level and expand.

Research Methodology

Locations: Nationally (Leicester, London)
Globally (Ghana)
1st of June - 31st July

Methodology
20 semi-structured interviews (UK)
3 case studies (London)
1 case study (Ghana)

Approach
Utilisation of relational ethics by building strong and trusted relationships with participants to be leveraged for recruitment and delivery of interviews and case studies.
Narrative analysis approach to allow for people to tell their stories.

Ethical Research Considerations and Limitations

- **Financial Trauma and Sensitivities:**

There are heightened sensitivities around discussing finances due to the trauma present in Black and ethnic minority communities. Many of these communities do not speak openly about financial matters. Therefore, the community research team had to be cautious with language, framing, and managing conversations in these areas to avoid triggering research participants.

- **Researcher Safety:**

When engaging with entrepreneurs who operate below the radar, it is crucial to consider the environment into which they are being invited. Community researchers working across South London conducted interviews with individuals from well-known estates such as Brixton Hill, necessitating strong, trusted relationships.

- **Researcher Wellbeing:**

Those conducting the research place a strong emphasis on empathy for the stories of research participants, reflecting the relational approach taken by community researchers. Consequently, there is a significant focus on the wellbeing of our team, ensuring that appropriate reflective and financial measures are in place to support them in managing any traumatic experiences they may encounter during the project.

- **Limitations (Short Time Frame):**

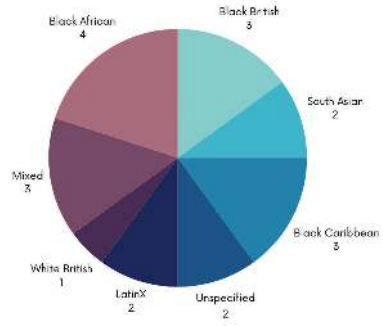
Given the nature of the research project, which involved engaging with street-corner innovators and entrepreneurs, we were limited in our ability to fully explore the diverse range of businesses and approaches across London and Leicester, as well as understanding the cultural nuances involved.

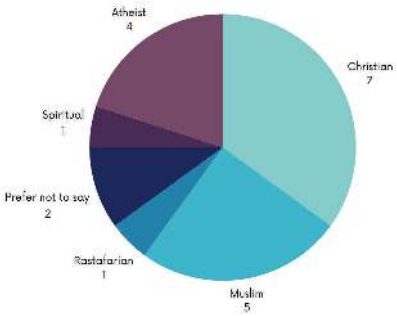


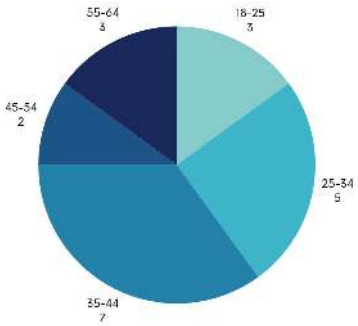


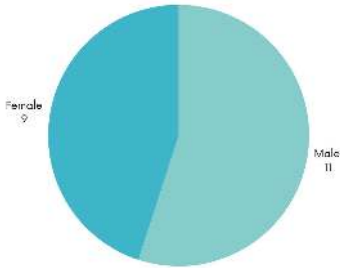
Project Insights

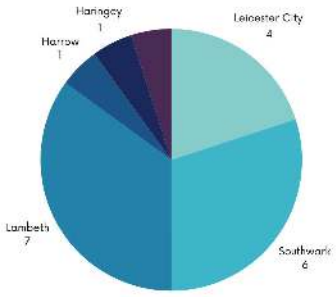
Interview Demographics (London and Leicester)











Key Insights:

Entrepreneurial Childhood

- **Selling at School**

A few participants shared their experiences as young entrepreneurs, recalling how they started by selling sweets at school. This early venture marked the beginning of their entrepreneurial journey, teaching them how to capitalise on selling in a market with restricted supply by identifying needs and providing products. This skillset has stayed with them well into adulthood.

- **Entrepreneurial Environment**

Some participants described having an entrepreneurial mindset from a young age, influenced by their local environment. Living in estates where financial resources were limited, they learned to think creatively to support themselves. As a result, they developed innovative ways to earn money, including washing cars, doing shopping for older residents, and fixing bikes. They used whatever skills or resources they had to generate income from a young age.

- **Parental Influences**

Participants, particularly from South Asian communities, highlighted a strong encouragement from their parents to become entrepreneurs. This drive often stemmed from inspiration or direct advice and upbringing, motivating them to start their own businesses.

> "I would do anything from car washes, selling sweets, and doing what I needed to do."

> "I always knew I wanted to do property. But, you know, still still being brought up by Asian parents."

> "My dad owned businesses so I was always taught to do something for myself, rather than work for someone else."

Key Insights:
Innovation from the Streets

- **Building a Brand, from the Streets**

A number of participants discussed how they expanded their businesses by incorporating conventional strategies into what were, for them, largely unconventional enterprises. Additionally, to differentiate themselves, one participant adopted branding concepts from industries outside their primary focus, presenting a street-corner chic with their products.

- **The 'Transgression Arena'**

This has been highlighted by Salas and Pérez-Sáinz (2019: 28) in their paper "Youth, Labor Market Exclusion and Social Violence in Central America". They note that youth involved in gangs forge, via their networks, an alternative route into business.

We believe that this alternative route can significantly benefit these young people later in life, particularly after they have left behind violence and criminality. Some participants shared how their previous involvement in illicit activities, such as selling cannabis on their housing estate, provided skills that they later harnessed in a legal and honest trade. Although their new ventures remained somewhat unregulated, informal, and unconventional, they still drew on a strong work ethic, hard work, hustling, selling, interpersonal skills, customer service, and networking.

> "I realised that this business is like selling drugs, but with a different product! It's really just about transferring your skills. That's when I kinda got into the whole mindset of entrepreneurship. This thing is not really actually as hard as we think it is, or as hard as people go on let it out to be. It's just basically transferring your skills from one product, one way of life to another. So that's what it was, it clicked in my mind. I went on from there and I've carried on."

> "The BAME community has to resort to drugs, or criminal activities, so I wanna show people that there are options you just gotta show people that it can be done, and the only way I can do it is that I have to show people how it's done."



Key Insights:
Shifting to Entrepreneurship Post COVID

- **Entrepreneurship following the COVID-19 Pandemic**

Some participants decided to switch from a job to entrepreneurship following the COVID-19 pandemic. This was either due to redundancies, changing work environment, or reflection upon their personal goals, and the misalignment with them in their current profession. Following what has now been called "The Great Resignation" people realised how insecure their jobs are, and for some how little they were valued. For many this was a turning point in their life, where they wanted to try something new, on their own terms.

"COVID was a turning point, once everything changed, I really had to think about what I wanted to do for my future, and I chose working for myself."

For others this was an opportunity to test their ideas and put them into practice, using the skills they had picked up on their journey as one participant speaks to starting content creation for social media. This provided an opportunity for their creative side to flourish while for others, they had been left in a financial precarious position and wanted to become self-reliant. Either way the COVID-19 pandemic forced people to choose their purpose in life, and bridge this with their business ideas to develop an income. The resulting landscape of the UK's current employment market has resulted in Gen-Z taking similar approaches working toward entrepreneurship as opposed to careers with institutions and organisations who do not share their values and are part of a corporate culture they are adverse to.

"In the pandemic, I was made redundant. And I was just like, you know, I'm gonna take a minute because it's not working out the way I want it to. And essentially I was, it's just like I wanna do something creative. So I started baking and some of my degree came in useful because then I started making video content."



Key Insights:

Rejection of Higher Education

- **Experience of Graduates**

Some participants expressed their disillusionment with higher education and the lack of opportunities following graduation. Although they pursued degrees with the expectation of high-paying careers, the reality was often much bleaker, with many struggling to find jobs. They indicated that they would not repeat the experience and have turned to entrepreneurship to create an income stream, disheartened by the lengthy and challenging recruitment processes.

- **Cultural Influences**

For some, pursuing degrees at the behest of their parents has led to regret, as they initially had no desire to follow that path and wished instead to explore other avenues. This reflects a cultural and generational aspect where South Asian and African communities often favour higher education as a route to professions such as law, accountancy, or finance. Although higher education was once a highly regarded pathway to successful careers, the lowering of entry barriers has resulted in many graduates struggling to find employment. This has contributed to a rise in entrepreneurial endeavours among these graduates and younger generations, who seek to learn from the mistakes of previous generations.

> "This piece of paper that I was told is gonna get me so far. It's gonna give me so many opportunities and it hasn't even propped the door open in my opinion."

> "Don't let people live out their dreams through you because it's yours,"

> "There's a lot of anger to be forced into higher education because now that I look back at it, I have so many ideas of what I could have potentially done."



Key Insights:
The Impact of Financial Knowledge

- **Lack of Knowledge and Financial Literacy**

Financial knowledge and expertise were highlighted by almost all participants as major challenges when starting their businesses. For some, this stemmed from cultures where finances are not discussed with children. For others, a lack of financial education within their households meant they were not taught these skills. In Black communities, there is often financial trauma associated with debt, income issues, and the consequences of living paycheck to paycheck. This can make financial discussions a taboo subject or a source of pain and anger. Consequently, many participants from Black communities, as well as entrepreneurs in general, identified financial management, knowledge, and access to capital as primary issues they face in business.

Conversely, one South Asian participant shared the extensive financial knowledge they had accumulated even before becoming an entrepreneur, gained from working as a plumber and through their mother's teaching on managing her private property portfolio. This experience suggests a potential cultural gap in financial literacy compared to other ethnic minority communities. However, the sample size is too small to draw definitive comparisons on this occasion.

> "It could have been talked about a lot more because maybe in my culture, there's this thing about kids should be seen, not heard. So like there's certain questions that you wouldn't even think about asking your parents."

> "I'm going to these places asking for funding and they're like, well, we need to see what your relationship is with money and how you spend and how you interact with money. How reliable you are. Do you pay your bills on time? And like, it was crazy."

> "We probably prefer not to do that because it's, it's a lot cheaper to raise finance through an investor than it is to get a loan. But sometimes, you know, down the line, you might have to use bridging finance, you might have to get a mortgage."



Key Insights:
Financial Products and Institutions

- **High Interest Rates**

Many participants described loans as a last resort, citing that many available options come with high interest rates, which they do not find viable. There is a trauma related to high-interest loans and debt within the community, which influences the attitudes of Black individuals who have experienced the negative consequences of debt. The recent prevalence of payday loans further impacts attitudes towards loans and financial products perceived as high risk.

- **Distrust in Financial Institutions and Products**

Some participants expressed reservations towards financial institutions and their products. Many lack financial literacy and are extremely wary of institutions, which they believe profit from their lack of financial education and attempt to "trap" them in agreements they do not fully understand.

- **Negative Experiences with Funding**

One participant shared their experience of receiving a grant in the past, but the lack of financial management knowledge led to legal issues. As a result, they remain cautious about accessing capital in the future.

> "So on loans, if I was to look at getting a loan, I feel like seeking it from a bank or an institution would be my last point of contact just because of the interest rates."

> "You obviously have to give something back. So that's why I never looked at, because I thought there's always something, there's a small print and everything"

> "I managed to obtain a grant, however the company lost money and I ended up in court, as I didn't manage it properly



Key Insights:

Accessibility of Online Funding

- **Criteria for Funding**

Some participants highlighted difficulties in understanding their eligibility for funding applications and faced exclusion due to complex eligibility criteria. The application processes were described as overly complicated, posing challenges for entrepreneurs unfamiliar with such procedures and favouring those with the know-how. Many of the entrepreneurs we spoke to operate informally and lack an online or formal business presence, creating additional barriers and excluding them from these processes. This leaves them with few options other than seeking financial support from their social networks or family, potentially increasing the risk of turning to illicit activities due to the lack of legitimate funding opportunities.

"I don't know, like I will fill out a form and I'll get to the second page and they'll be like, oh, actually your business isn't viable because we're not supporting hospitality or food businesses."

"They're asking me questions and I don't know what that means. I don't know who to get in contact with and even if I do come across information, I don't know how credible it is. So I'm now at the point where I feel like everyone's lying"

- **Accessibility Issues**

One participant expressed that accessing capital can be a barrier due to the online nature of applications and their lack of technical skills to complete them adequately. It was noted that overcomplicated application processes often limit the scope of those who can apply without support.

Mentorship and Support

- **Community Mentorship**

Some participants highlighted the benefits of having mentors who support them on their entrepreneurial journey, teaching them lessons they might not have otherwise learned. This support is particularly valuable given the challenges faced by these communities. It is crucial that mentorship is culturally and otherwise a good fit to ensure a strong connection with the mentee, as this has a significant impact on individuals. The Centric team has experienced firsthand the value of culturally appropriate mentorship in this context.

"I've had three different gurus who I've learned different things from. And yes, I invested a lot of money in them. But, you know, it's got me to where I am today and it's kind of forged me as a businessman and an entrepreneur essentially"

"I've had like a lot of people that kind of stepped up like my best mates, dad, my football coach at the time, like these kind of people."

- **Support Systems**

Conversely, participants spoke about the value of support systems within their immediate networks when professional support was lacking. Friends, family, and others provided financial advice and guidance that greatly benefited them. The research observed that those with strong support systems tended to flourish and maintain a positive outlook on the future of their business. This underscores the importance of considering support networks in any scaling and investment processes for new or small businesses moving forward.

"I don't have enough educational support in my education or career, I don't have that. I'm not great at maths. "

Key Insights:

Religious Influence and Social Media

- **Brotherhood and Religion**

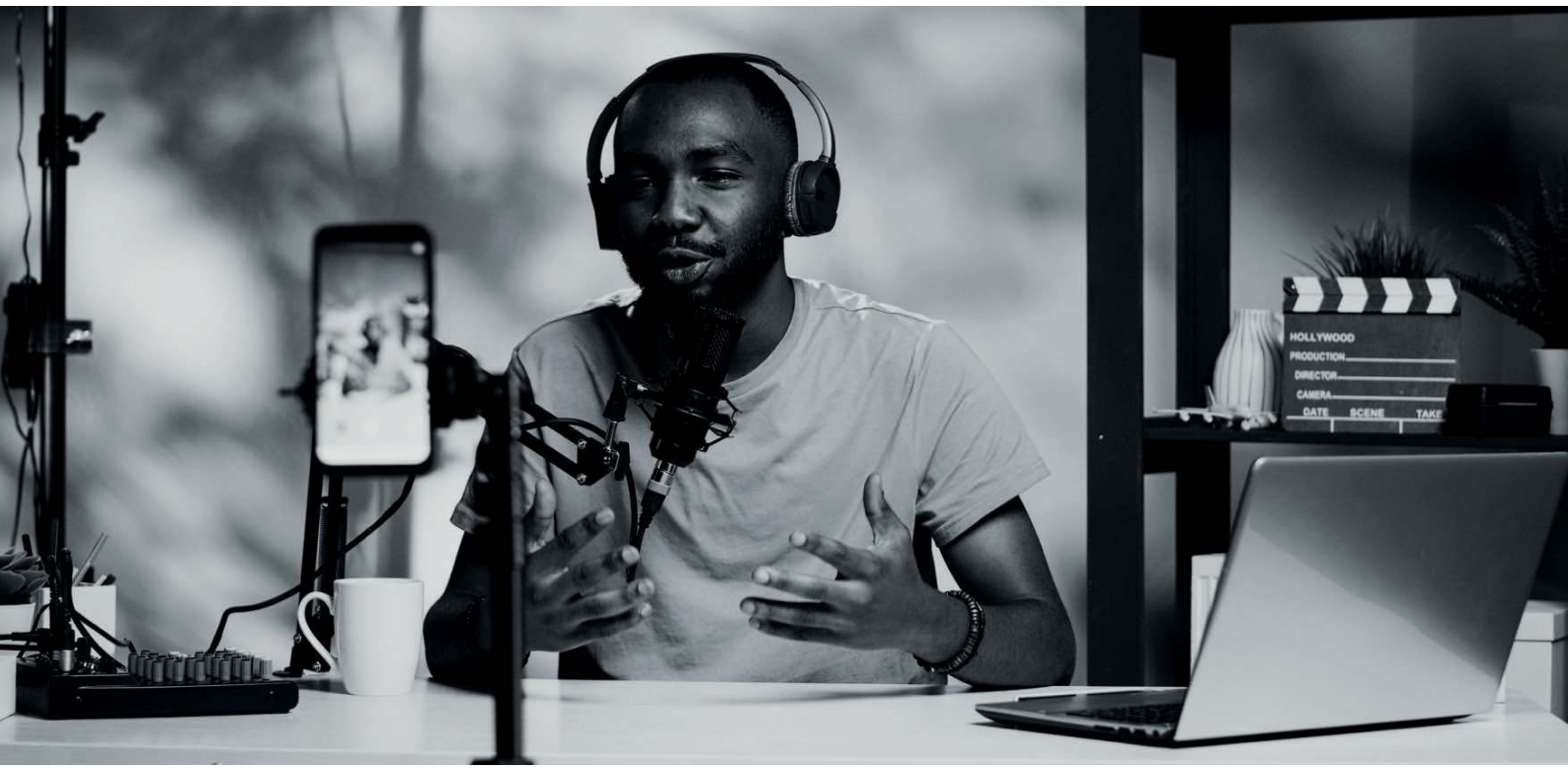
Some participants highlighted how religion influenced their business concepts and growth. With the rise of "halal products" and the sense of "brotherhood" among Muslims supporting fellow Muslims, participants built businesses tailored to their own community. This included halal supplements, clothing lines, and food businesses. They capitalised on their standing within the community, positioning their businesses at the centre of their social networks by selling products at stands, outside mosques, and other places of congregation. Additionally, some participants mentioned that the freedom to practice their religion, such as taking breaks for prayers, was an important factor in their business operations.

- **Utilising Social Media to Expand Business**

Some participants revealed that they initially started selling on the streets and at markets, which helped them build a diverse customer base ranging from low-income to wealthier clients. The pandemic prompted them to explore more creative strategies to maintain their customer base. In the modern age of entrepreneurship, a key factor is the need for effective social media strategies to enhance brand awareness, scale the business, and expand the customer base.

"We went to go speak to the brother about the products and he was saying that he is through with it, and he's built his house abroad. As soon as he said, "I've built my house" and he was showing me pictures of the house etc. ..I'm saying "Oh, raah, there's money to be made!"

"I met these two social media managers and I showed them my page I said to them 'I don't know how you're gonna be able to do this, but this is the image I want. I said I want: lifestyle. I want luxury, and I want it to look urban.' I didn't know how they could do it. We had to look at streetwear brands, and for me to build my brand I didn't even look at other perfume brands"





Case Studies

A series of 3 Case Studies have been developed by Centric team and in a differing formats based on the researchers approach you will find attached below:

Case Study 1 - Don-One

- Don-One aimed to provide high-quality streetwear, create a community hub, and support emerging trends. It built a loyal customer base and became a cultural hub despite hurdles in market penetration, supply chain logistics, and cultural sensitivity. However, after multiple break-ins led to insurance issues, Don-One closed its doors and the owner Marie Cook continued her career in fashion manufacturing with major brands.

Case Study 2 - Sports Coaching for Afro-Colombians

- Santiago, a 27-year-old Afro-Colombian in London, pursued his passion in sports science and therapy despite setbacks like a leg injury during COVID-19. Leveraging social media, particularly Instagram, he aimed to achieve financial freedom by connecting with a global audience through online coaching.

Case Study 3 - The Perfume Oil Entrepreneurial Ecosystem

- This case study share the experiences of an entrepreneur who sell perfume at a stall in the centre of Brixton which is detailed further below.

The Perfume Oil Entrepreneurial Ecosystem

The story of AR is very significant for understanding the nature of these entrepreneurial ecosystems of South London. AR describes how he then got into small-time cannabis dealing on his local estate, AR states,

> **It was about [when I was in] Year 9, and I used to frequent the area, everyone used to frequent the area because I used to live on an estate and everyone was always outside. It's not like today where the children are always inside playing computers and all that stuff, no we was outside. Everyday it was like 'mum, can I go out?' That's how our life was growing up and obviously we're around older people and they're selling drugs innit. Dem times there, growing up in our area it was a Yardie culture, when you used to have the Yardie Gangster culture. They were around and selling drugs on their schemes and their levels."**

> **Then you had our elders, the older generation of us, English people used to see that and then liaise with them and do their own thing. So growing up, one of my closest friends, and like I said he was less fortunate than I was, in terms of family life etc., and he used to sell weed. And obviously that was my bredrin so we was always together. Then, one day he said to me 'bro, listen, you're always out here, you see everything that goes on. If police was to grab you, you're basically gonna be joint enterprise'. This was before joint enterprise even existed, but [he said] 'you know everything, you see everything, you may as well get a little money innit. Hear what, buy something of me, and then just do your own thing innit? And I'll help you out.'**

AR then explains how British-born black youth began to get into this dealing,

The Perfume Oil Entrepreneurial Ecosystem (contd.1)

AR continues,

> So I was like 'cool, no problem.' So I think I saved £40 at the time, and I bought a quarter bag of weed, bagged it out and that was my initial starting of standing on my own feet as per se. So dem times I was going to school, so I'd sell a bit of weed at school, and when I get back to my area I'm selling weed on the block. And that just carried on, it started from a $30 bag of weed to me being one of the people that are known for having weed on the area. I wouldn't say a kingpin, but I was in the area and I was known."

> That carried on for a period until I became 18 and I started looking into Islam. A lot of people in my area were taking their Shahada and becoming Muslim, so I took my Shahada and that's when I dropped it all out because obviously it's haram and forbidden. And that's when I said 'I'm gonna stay away from this'. From then, I stayed away from it and was just trying to learn my religion."

AR then spoke about the role of Islam in guiding him away from illicit and illegal dealing,

AR's story echoes those of many people who find spirituality as a source of both solace, honesty and a strong work ethic.

The Muslim Entrepreneurial Ecosystem

For AR then, due to the entrepreneurial ecosystem in which he found himself he would be able to harness the ingenuity, industry, innovation and initiative which he already possessed, those utilize for illicit commodities, for legal options.

Hence, for AR there was an alternative entrepreneurial ecosystem in which he could slot, that being the perfume and incense trade.

This is a trade which in South London was dominated by largely Muslim converts since 1990. Initially popularised in Brixton by a Muslim convert from Brooklyn, New York, Siraat AbdulMalik who opened a small incense factory from which other converts would buy stock and sell on the streets on small stalls.

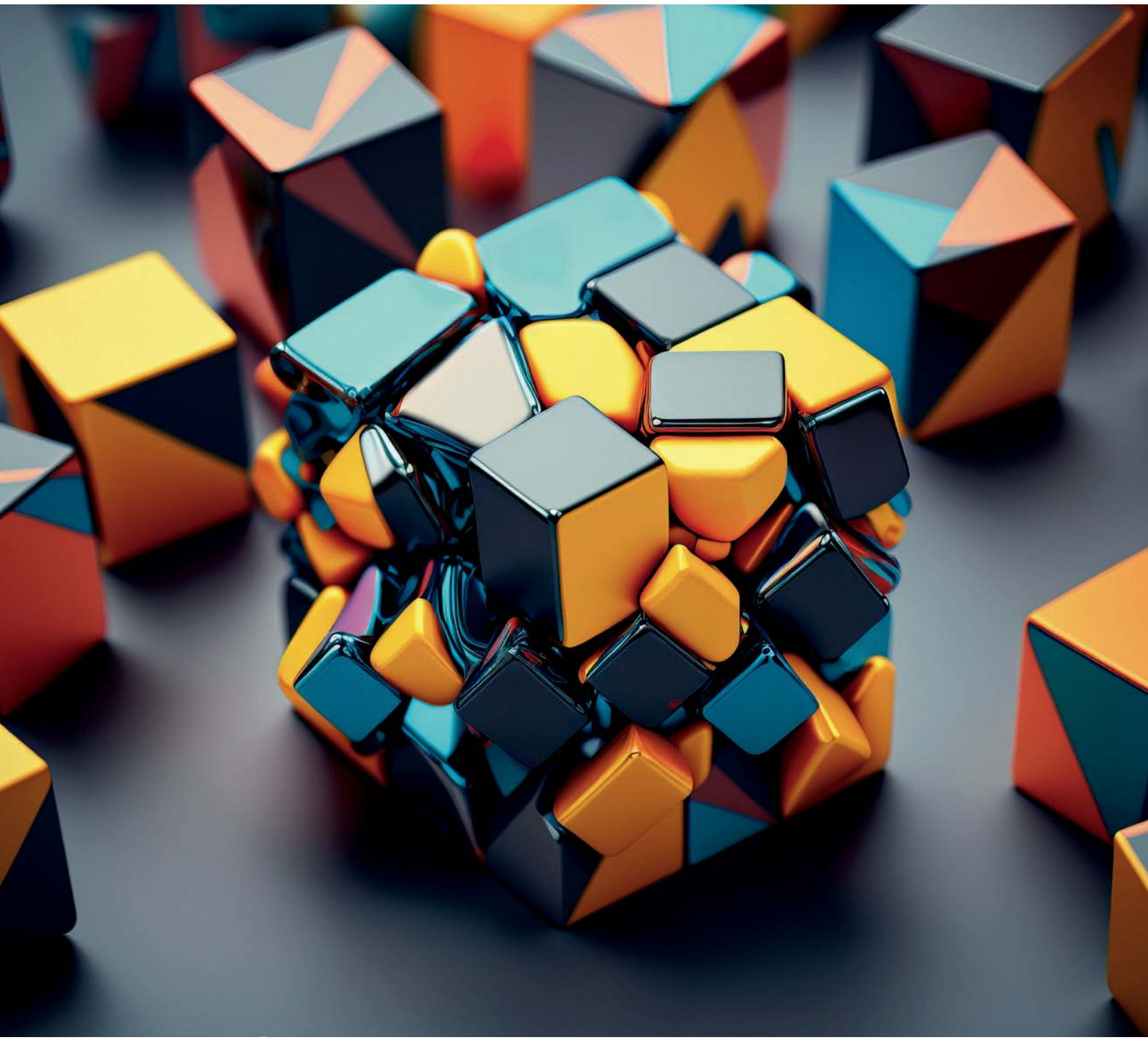
Perfumes would also be added to the stalls as an additional item for sale. This selling was therefore the beginning of an alternative entrepreneurial ecosystem which allowed for honest, ethical and legitimate trading for young Muslim converts who had either opted out of education or of conventional employment.

In this way, they could maintain a degree of autonomy and independence while still utilising a strong work ethic, via an unconventional route.

Ingenuity and Initiative, Yet No Innovation

One participant mentioned that many street-corner vendors do not have websites and have not yet advanced their enterprises to this level. Despite their ingenuity and initiative, they have not fully embraced innovation. This lack of innovation has been noted as a limitation of street-corner vending and selling in the literature.

For instance, Manteiro et al note (2021: 314), when discussing the weaknesses of street-vending within System D informal trading, that the "lack of innovation and creativity of street vendors makes product development very difficult." It appears that in AR's case he has been able to surpass this limitation and enhance the scope of his enterprise.





Global Insights: Case Study from Ghana

WEAR Ghana

Centric conducted an interview with Awura Abena Agyeman, the Founder of WEAR Ghana. The case study provides a comparative insight into the complexities of entrepreneurship in Ghana and what we heard from the interviews in the UK. Her experiences highlight overcoming societal judgments, leveraging innovative approaches, and navigating governmental and financial challenges. While her journey underscores the importance of resilience, pride in one's culture and identity, and strategic growth in building a successful business. Key themes from the case study are highlighted on the following slides.

- **Transition to Entrepreneurship**

Awura observed her siblings transition from corporate roles to entrepreneurship, specifically in their bakery business. Selling bread in Ghana, where such jobs are often viewed as less prestigious, posed a challenge. The bakery employed innovative strategies, such as using a delivery van and setting up outside office buildings, to attract customers. Despite mixed reactions, particularly from professionals who sometimes dismissed the product, the bakery's unique offerings, like coconut and mixed fruit bread, received positive feedback. This experience taught her the value of resilience and the importance of overcoming societal judgments when starting a business.

Venturing into Fashion

In 2008, she observed a burgeoning local fashion scene in Ghana, where seamstresses were creating custom clothing for students. Despite her career in banking, she considered pursuing fashion design to address the high consumption of imported clothing in Ghana. Together with her brother, she launched "We Ghana," an initiative aimed at connecting young fashion designers, textile companies, and corporate Ghana. What started as a small project evolved as her designs gained popularity, initially among men and then women, marking the beginning of their fashion journey.

Growth and Empowerment of Women

Awura's fashion business expanded significantly from a single tailor to a team of 67, predominantly women. This growth provided an opportunity to empower women from underprivileged backgrounds, many of whom had limited education due to gender biases. She and her team initiated after-work classes to teach basic literacy and numeracy, helping these women gain confidence and improve their lives. Innovations included blending traditional wax prints with modern fabrics to broaden the appeal of Ghanaian fashion beyond traditional settings. Awura views fashion as a tool for enhancing the image of African-made products both locally and globally.

> ""It was a bakery. So I was very much involved, especially in the sales part side of things. I got first hand experience learning how to speak to potential customers, urm walking into offices, asking if people wanted to buy bread."

> "Our products were amazing and like, I'm seeing years down the line every time I go out and I see coconut bread, mix fruit bread. I like guys in my head. I'm saying, I know the people who created these recipes that are now on the shelves."

> "So I had dreams of a design, went to buy a regular office shirt, dress shirts and got some wax frames and went to the tailors."

> "Fashion does not have the barriers that certain other industries have. So why don't we then make it a point to build a, a workforce that's mainly women and really empower them."

WEAR Ghana

Revenue Model and Global Ambitions

Awura's fashion business generates revenue through multiple channels, including producing garments for individuals and major brands like MTN, DHL, Deloitte, and universities. They cater to both African and global fashion enthusiasts and engage in partnerships, such as with leather goods producers. The company plans to expand further with new collaborations and aims to introduce a new brand soon. Awura emphasises the global reach of their products, which are available worldwide through their website and DHL, with ambitions to grow into a company as influential as Nike.

> "The best way for us would be to go into the ready to wear. We pivoted and then started making, ready to wear, it's called the GiGi, but this became our flagship a collection which we introduced in 2016 and it just took off."

Cultural and Entrepreneurial Impact

Ethnicity and culture have profoundly influenced her entrepreneurial journey. She is driven by a desire to reshape global perceptions of Africa and elevate African-made products. She believes that entrepreneurship is crucial for changing the narrative around African innovation and identity, envisioning a future where African innovations gain global recognition.

> "If more and more Africans started building global businesses, that means that we would be creating employment on the continent, but would also be shifting the mindset around what it means to be African, what it means for a product to be made here in Africa. And that mindset shift, it would be happening not only on the continent but globally as well."

Challenges in Ghana's Business Environment

Awura identifies several challenges for entrepreneurs in Ghana, including unfavorable government policies such as levies on electronic transactions and taxes introduced during COVID-19, which exacerbate the difficulties of running a business. Systemic issues in education are also a concern, with outdated curricula that fail to adequately prepare students for real-world problem-solving or innovation.

> "The government told us that they are very interested in creating a digital economy and then slapped a levy which we are still paying on electronic transactions. It's just mind blowing. When COVID struck, there was a tax that was introduced which we are still paying Ghana is helping COVID tax."

Financial Institutions and Interest

Awura highlights the need for improved financial support from banks. She suggests that banks should offer clearer terms, lower transaction fees, and better understand the needs of startups. For example, she notes that while some banks offer subsidized interest rates for female-led businesses, high transaction fees can negate these benefits. She advocates for banks to view startups as partners and understand their unique needs, rather than only engaging with them once they achieve success.

> "We are trying to make a withdrawal and realize that the kind of service charges that will apply for every withdrawal it felt like, ok, this is how we are going to be paying for this service."

WEAR Ghana

Future Challenges and Opportunities

Awura highlights that the rise of artificial intelligence (AI) presents both challenges and opportunities for entrepreneurs. AI's impact on industries such as design requires entrepreneurs to redefine their value propositions. Additionally, the African Continental Free Trade Area (ACFTA) introduces increased competition, necessitating more refined business strategies.

She also emphasizes the need for educational reform to better prepare students for entrepreneurship and the real-world challenges they will encounter in business.

"We live in an AI world and we are all trying to figure out what that really means for the future of the businesses that we are creating. And it's also an opportunity because AI can be leveraged to make work easier to make us more efficient."

"Entrepreneurs have to now redefine the work that we are doing because what if AI, not, what if AI can design, I can give it a couple of prompts and it will come up with mind-blowing designs. So what is the real value that we bring."





Recommendations

CenLabs Entrepreneurship Programme

We recommend funding: CenLabs Entrepreneurship Empowerment Programme serving (South) London/areas of social deprivation - The mantra "build networks, develop skills and get P(aid)"

Eligibility for those who are: between the ages of 13 and 35; British citizen or those legally entitled to work in the UK; unemployed or in precarious employment to commit to 8 weeks of training.

The 8-week programme of bespoke training modules including:

- Coaching and counselling.
- Self employment and financial literacy.
- Business management, development and sales training.
- Further training through Centric Partners Digital Health London, London School of Economics and other partners.
- Opportunities to network with potential investors/funders.

Bespoke Centric Metrics will be used to measure impact of the programme through tailored quantitative and qualitative data that is conducive to black and ethnic minority communities.

Entrepreneurship Hub

We recommend developing a community hub specifically designed to support entrepreneurs in starting and growing their businesses. Unlike existing co-working spaces, this hub will be tailored to be inviting and accommodating for Black and ethnic minority communities. It will offer an informal and creative environment, diverging from traditional Western-centric modernism and design principles.

This hub will service to provide the following services:

- **Physical Hub** - Act as a physical networking space for entrepreneurs.
- **Centralised Expertise** - Bring professionals such as mentors, lawyers, accountants and others into one cohesive environment to support entrepreneurs who can provide services, and discounted/free training services.
- **Centralised Systems** - Sponsored tools that can be used for businesses systems such as CRMs, sales, AI software and training to support their utilisation.
- **Supplementary Income** - Provide part time employment opportunities to support supplement their income, such as community research hosted by Centric, while other entrepreneurs can also offer their own employment opportunities.
- **Engagement with Investors** - Provide a touch point for financial institutions to engage, support and potential fund entrepreneurs informally or through tailored programmes to support entrepreneurs to formulate pitches that can be presented.
- **Office Space** - Provide office space for entrepreneurs to be used for day to day business activities and meetings.

Digital Application

We recommend the development of a new digital application in partnership with CenLabs and Centric, for entrepreneurs to provide one centralised place for them to gain access to support and tools for their business. Many of those we spoke to would like support, and many services have now become digital, providing greater accessibility in terms of time, location and commitment from people to engage with the service.

The application would include:

- **Streamlined funding applications:** Video and other methods for entrepreneurs to pitch their ideas, be assessed for funding without providing in depth information.
- **Accessible training:** Providing online accessible courses for entrepreneurs to access digitally.
- **Mentors and expertise:** Access to mentorship and experts in specialised fields to support the capacity building of entrepreneurs and growth of their businesses.
- **Networking:** Providing a platform to underpin a network on entrepreneurs in operating across the urban locale.
- **Supplementary income streams:** Provide paid opportunities to support those who may require a secondary income stream to invest into their business. Examples can include being involved in community research projects through Centric.

A digital application is important as it provides an accessible form of support for those who work odd hours or not able to make time to attend the physical hub proposed. Key in this approach is providing routes that are conducive to people who work in different environment, and especially those who work in the night economy.

Research

Further Research

More in-depth research is required to fully understand the landscape, as we continue to receive numerous accounts from individuals eager to share their entrepreneurial experiences.

- We need to delve deeper into the historical context across different cohorts within Black communities to understand their journey into entrepreneurship, from inception through to the present. This includes exploring the environmental and cultural contexts, as there is no one-size-fits-all approach. Communities often leverage culturally specific knowledge and nuances in business, as highlighted in the research. We refer to this as understanding the black identity category nexus.

- **Research into Successful Entrepreneurial Communities:** Conduct research on successful entrepreneurial communities, such as South Asian communities in Tooting, who have developed their area to serve their needs, transitioning from business to residential and commercial property ownership.

- **Co-Design of Tailored Support Services**: Collaborate with entrepreneurs, investors, coaches, and trainers to co-design tailored support services. Develop modules that are specifically conducive to Black and ethnic minority communities.

- **Mapping and Identification of Entry Points:** Map and identify various entry points into communities to locate entrepreneurs, such as Afro-Latina entrepreneurs found among the small businesses in the Elephant and Castle area.

Financial Products

Lower Interest Rates

We recommend offering lower interest rates to new and growing entrepreneurs in need of starting capital to make the offers more attractive. This could be complemented by 0% interest periods and additional support to help manage finances and cash flow, especially for those who are less financially literate.

Education of Financial Products

We recommend educating communities about available financial products, their purposes, and eligibility through hyper-local approaches. This could include courses, local advertising, social media, and networking events in areas such as Brixton. These methods will provide communities with opportunities to learn, network, and understand the opportunities available to them.

Financial Literacy Training

We recommend developing and funding financial literacy training to help communities better understand accounting, bookkeeping, cash flow management, budgeting, and financial terminology. This training will build their capacity and enhance their ability to access funding.

Training and Funding

Bespoke training

Encouraging an entrepreneurship pathway for young people in areas of deprivation could be supported through the development of a bespoke business school with tailored educational materials. The highest priority should be financial literacy, based on the insights gained from the project.

Community Mentorship Programme

We recommend establishing a community mentorship programme featuring local, credible, and relatable entrepreneurs and business owners to support both new and existing entrepreneurs.

Brokerage with Labour

Given Labour's pledge to support SMEs, it is advisable to start brokering relationships between key Labour decision-makers, funders, investors, and entrepreneurs from seldom-heard communities. This can help leverage investment into these communities by creating offerings that are tailored to Black and ethnic minority communities. Centric has already begun identifying key political figures with whom these relationships can be established.

Funding and Social Media

New Funding Routes

We recommend developing new and accessible funding routes for entrepreneurs that do not involve lengthy online applications and do not rely solely on traditional credit scores, trading history, and proposals. Alternative approaches could include partnering with community-based organisations to act as fiscal hosts, managing financial processes and distributing funding to local businesses that might not be able to access traditional funding methods.

New Investor Pitching Methods

We recommend developing new approaches that are more conducive to communities for pitching their business ideas and future plans to investors. This could include informal formats such as podcasts, where entrepreneurs can discuss their ideas openly, rather than traditional, formal pitches or Dragon's Den-style events. These informal events should be hosted by organisations with strong networks and connections with local entrepreneurs, particularly in areas of deprivation.

Social Media Strategy

We recommend implementing a direct social media strategy to effectively disseminate information about funding, events, and opportunities for community entrepreneurs.





Next Steps: Ethnography

With Goldman Sachs

Centric has planned an ethnography for the the event to convene those who are in touch with Black business owners across the nation for the 10,000 Small Businesses Programme. We have already been identified that the £250,000 turnover criteria for small businesses is excluding a large cohort of entrepreneurs who through challenges highlighted in this report are unable to grow their businesses to this revenue stream.

Therefore, Centric would like to understand the purpose of the criteria and other eligibility metrics for Goldman to consider new businesses they can support. This is in light of the wider context of the UK falling behind on innovation following the COVID-19 Pandemic. The UK is falling behind globally and Centric opines a lack of support for diverse business may be a key factor in the lack of innovation across the nation.

Centric is keen to understand the difference between both realities. The reality of Goldman Sachs and the development of the programme, and how it can better serve the needs of small entrepreneurs below the radar and unknown to larger institutions.

This work will support the strategic priorities of Labour to support SMEs in the UK, increasing diversity of small successful business owners, and create equality of opportunities, providing the right level of support for disadvantaged communities to access investment and partner with institutions driving the growth of the UK economy.

It's not what we want the world to be, it's what the world is - Jim Collins

Appendix

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