

FROM RESEARCH TO ACTION: EMPOWERING LATINA ENTREPRENEURS IN MINNESOTA

Executive Summary

What we did

Hispanic Advocacy and Community Empowerment through Research (HACER) led a two-year project aimed at identifying the barriers Latina entrepreneurs face in transitioning to the formal economy. The project began with in-depth research on the informal economy in Minnesota through focus groups with Latina entrepreneurs in the Twin Cities and Southern Minnesota and interviews with community experts and both formalized and informal Latina entrepreneurs. This research phase gathered extensive information on the obstacles these entrepreneur's encounter.

Based on the findings, HACER collaborated with partners to develop a curriculum tailored to the needs of Latina entrepreneurs, focusing on advancing their businesses. HACER recruited 15 participants in the Twin Cities and Southern Minnesota, all eager to formalize and grow their businesses. Over three months, participants attended weekly workshops covering four main topics:



**Business
planning**



**Legal
foundations**



**Financial
foundations**



**Marketing
and branding**

These workshops not only provided critical business knowledge but also fostered community support and relationship-building.



Workshop objectives

The workshops had a primary aim and three objectives:

Aims	Obiectives
Evaluate why Latina women entrepreneurs are not participating in the formalized economy by identifying the barriers preventing their transition from the informal to formal economy. Based on these findings, we implemented workshops in Spanish to provide the necessary information and resources to help Latina entrepreneurs formalize their businesses.	Practical Skill Empowerment
	Formalization Resource Connection
	Community Building and Peer Learning

What we learned

The data collected by HACER illuminated the entrepreneurial landscape of Latina business owners in Minnesota. This diverse group of entrepreneurs are involved in sectors including childcare, food services, and crafts. Their work is driven by financial necessity, a passion for their work, and a strong commitment to preserving their cultural heritage.

Focus Group and Interview Insights

During the discussions, participants revealed a reliance on robust community and family networks as strong pillars in their entrepreneurial journey. These networks not

only provided crucial support in overcoming diverse challenges but also served as essential channels for marketing their products and services, leveraging word-of-mouth and social media platforms like Facebook groups.

Conversations with entrepreneurs highlighted significant barriers to formalizing their businesses, including complexities in licensing procedures, financial constraints, and a lack of familiarity with formal business practices. Importantly, there was a resounding call for accessible and culturally tailored resources to navigate these challenges effectively.

Survey Findings

A detailed survey of 56 Latina entrepreneurs underscored the demographic diversity within the community of Latina entrepreneurs, predominantly originating from Mexico and Venezuela and typically aged between 35 and 54. Educational backgrounds varied, with a notable proportion possessing some college education or an associate degree.

The survey revealed a nuanced perspective on business formalization, with a majority expressing interest in transitioning from informal to formal business structures. Key motivations included the potential for business expansion, enhanced credibility, and broader market reach. However, significant barriers such as language barriers, immigration status uncertainties, and experiences of racism were identified as constant challenges affecting both formalized and non-formalized businesses alike.

Workshops

To address these challenges, HACER collaborated with regional partners and the University of Minnesota Extension to develop a tailored curriculum based on the findings from the research. This initiative aimed to empower Latina entrepreneurs to formalize their business through a series of workshops covering essential topics like business planning, legal foundations, financial management, and marketing strategies. The workshops were designed to be inclusive, offered both in-person and virtually, to accommodate diverse participant needs and foster a supportive community environment.

Identified Challenges and Implemented Solutions

During the planning and implementation phases of the workshops, various challenges were encountered, including community engagement issues and limited time. The team addressed these challenges with tailored solutions. Below is a summary of the challenges and solutions implemented.

CHALLENGES		SOLUTIONS
Community Engagement: Fear and hesitancy due to business status.	→	Inclusive Communication: Safe, inviting language.
Outreach and Coordination: Geographical spread and limited knowledge.	→	In-Person Outreach: Building trust through face-to-face interactions.
Time Constraints: Limited ability to engage in activities.	→	Leveraging Partnerships: Enhancing visibility and reach.
Varied Business Knowledge: Differing levels of experience.	→	Tailored Workshop Content: Customized to participant experience levels.
Limited Workshop Time: Insufficient time for in-depth coverage.	→	Online Resources: Recorded sessions and materials available online

Evaluation

A cohort of 11 participants completed the workshop series, with the majority from the Twin Cities metro area. Participants were asked to respond to Likert Scale questions before and after the workshop series on their perception of business formalization and the connection to entrepreneurial supports and Latina relationships. Additionally, participants chose a picture that represented their perception of business formalization and provided a qualitative narrative of why they selected that photograph. This adapted Photovoice method was implemented at the beginning and end of the workshop series to measure changes in perceptions.

Key Achievements

- Successful delivery of all planned workshops.
- Development of a strong community network among participants.
- Improved perception of business formalization benefits among participants.
- Increased connection to business support system among participants.

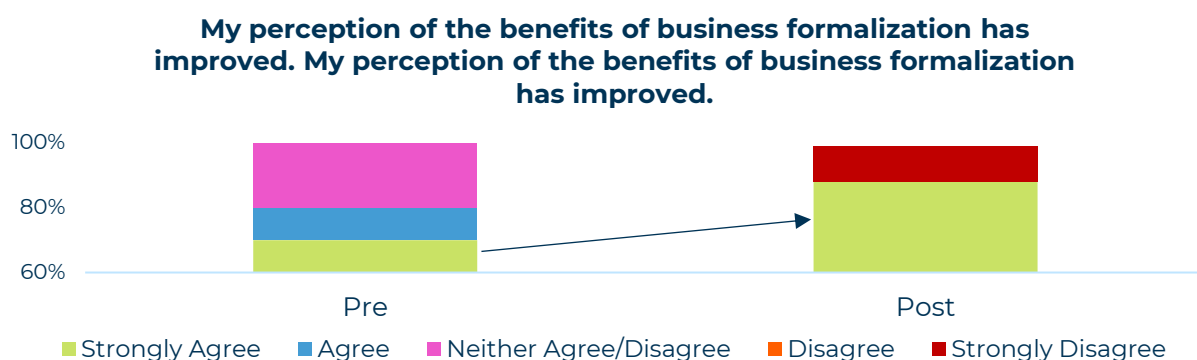
The workshop series met expectations. All workshop participants (100%) reported that the workshop met their expectations. One participant explained that the workshop was successful in doing so by creating a space for connection and mutual support through empathy and shared identity.

- **“I had been in other workshops but it was not like this, that you can live together. It's more important to make that connection, to want to work together and support different businesses. They could learn better. A lot of information from different presenters, different knowledge that I didn't know before. It helped a lot. The presenters empathized and it was deeper. The presenters turned on a chip inside you and you saw the reality you live and how to fight with that reality for your business.”**

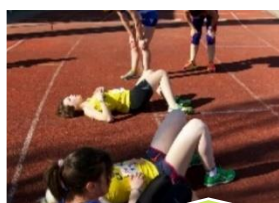
- **Workshop Participant**

This workshop series improved perception of the benefits of business formalization.

When asked if their perception of the benefits of business formalization had improved as a result of the workshop series, 88% of participants strongly agreed compared to 70% who strongly agreed at the beginning of the workshop series. Two participants (20 percent) said they neither agreed nor disagreed with the statement at the beginning of the workshop series, but only one participant (11 percent) reported strongly disagreeing with the statement at the end of the series, stating, “I already have the basic knowledge to be able to open a business”. Overall, Likert scale responses showed that workshop participants reported improved perception of business formalization over the course of the workshop series.



Photovoice selections show positive changes in the perception of business formalization. At the beginning of the workshop series, there was a variety of perspectives about business formalization, with some participants expressing excitement and others reporting more apprehension at the process.



"Because it feels like it is a career. It's tiring but when you get to victory it's comforting. It's a process"



"I like the smile. What you do has to make you happy. The girl looks happy to open her business"



"It's important to have people that help you. It's necessary to have help to advance"

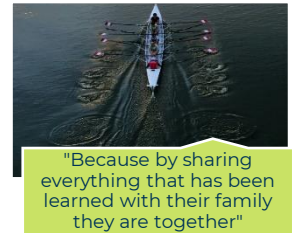


"Easy to learn, put into practice. Working at the same time on what you're learning"



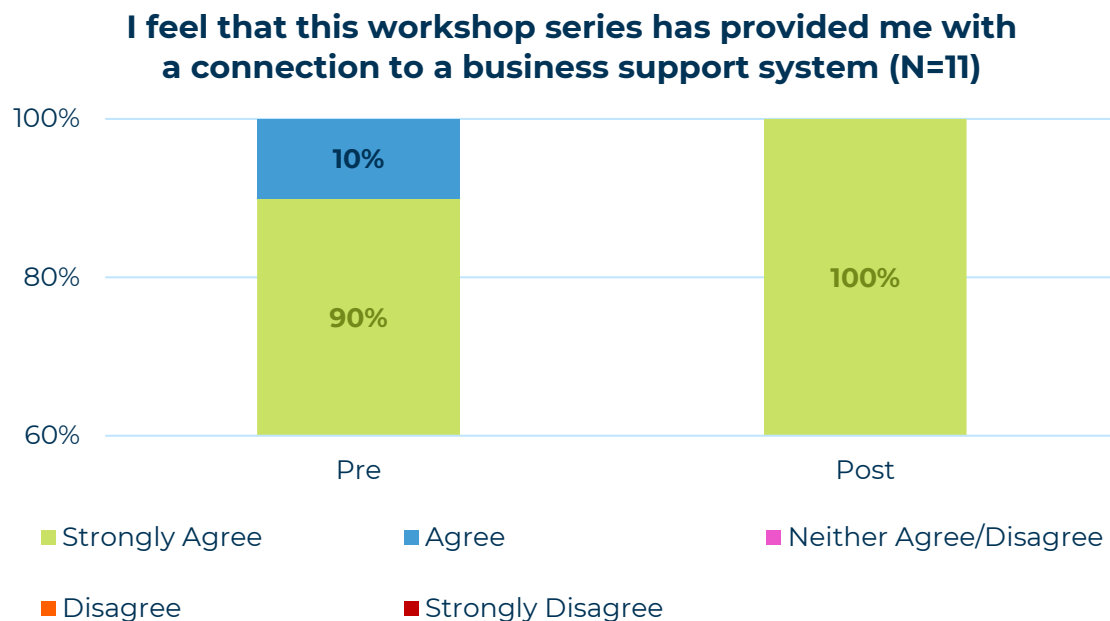
"The type of business, nonprofit, and I have experience with grant writing. I feel there is a lot of gatekeeping. There is a lot of money. How do you get the money to start?"

At the end of the workshop series, many of the same photos were again chosen by participants with similar rationale. However, some new themes did emerge from participants at the end of the workshop series. For instance, one participant brought up how business formalization interacts with familial obligations and connectiveness.



This workshop series provided connections to a business support system.

Participants also reported that the workshop series provided connections to a business support system. All participants either agreed or strongly agreed with the statement before the workshop series, in comparison to all participant strongly agreeing after the workshop series had ended.

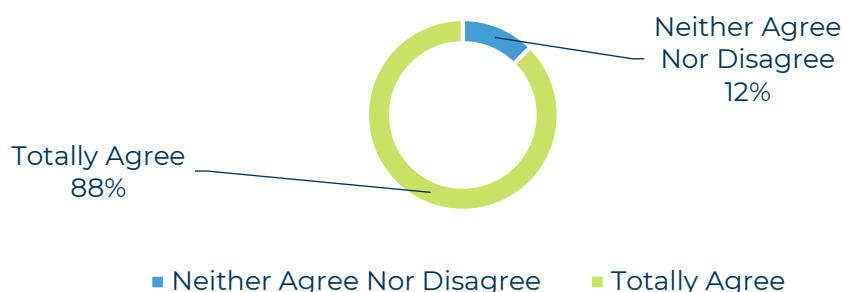


"With [Presenter], [Presenter], [Presenter], they can feel confident to talk to them with their doubts. That seed has already been sown with that feeling of being entrepreneurs. Have confidence to talk to others."

- Workshop Participant

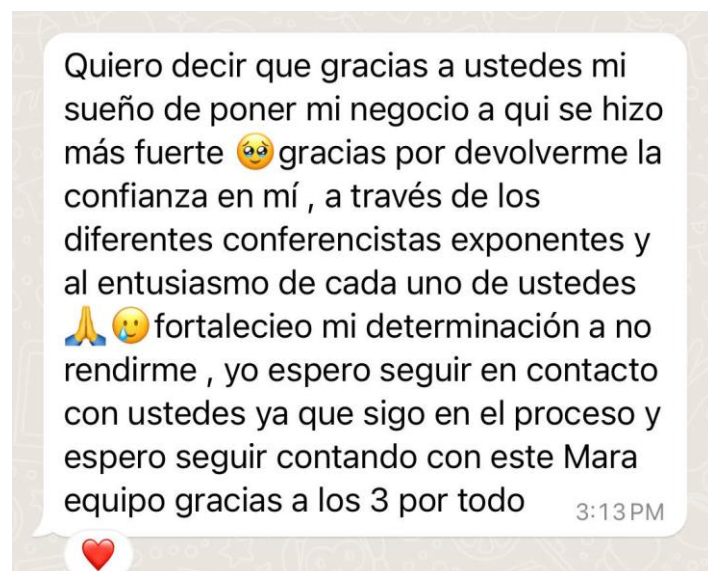
This workshop series sparked personal connection with other entrepreneurs. At the conclusion of the workshop series, 88% of the participants reported that they totally agreed with the statement “I made a personal connection with other entrepreneurs during this workshop series. One participant (12 percent) reported neither agreeing nor disagreeing with the statement.

I have made a personal connection with other entrepreneurs during this workshop series.



It is important to note that not all participants felt that they were able to make personal connections due to their geographic location. As one participant reported, ***“I would like to be in person, but I live in Southern Minnesota and have not been able to attend in person”***. However, all participants reported that the workshop activities helped them make important connections to other people in the room. For instance, one participant from the Twin Cities metro area said, ***“I live nearby and didn't know until the workshops, 5 minutes from each one (they did carpool), and I have another colleague on Instagram. There are different nationalities, and we all understand each other well and empathize”***.

This workshop series improved confidence of Latina entrepreneurs, as exemplified by the example below.



“I want to say that thanks to you, my dream of starting my business here has become stronger. Thank you for restoring my confidence through the various talks, speakers, and the enthusiasm of each of you strengthened my determination to not give up. I hope to stay in touch with you as I continue in the process and hope to keep counting on this wonderful team. Thanks to all three of you for everything.”

- Workshop Participant

Conclusion and next steps

In conclusion, HACER's project with Latina Entrepreneurs underscores the critical need for enhanced administrative support, access to funding, and financial literacy in Minnesota so that Latina entrepreneurs can be on a path to success in setting up their businesses. Utilizing our comprehensive data collection, HACER launched tailored workshops and shared resources to foster business formalization and sustainable growth among Latina-owned businesses. This initiative cultivated an entrepreneurial ecosystem among entrepreneurs by emphasizing culturally sensitive resources and advocating for accessible guidance on formalization and financial strategies. Future workshops and programs in the state, should continue to address the Latina entrepreneurs' diverse challenges, including legal status barriers, to promote their economic resilience and contributing to inclusive economic development statewide. The different stages of the project demonstrated that Latina's entrepreneurs significantly contribute to their families, communities, and the state through entrepreneurial endeavors rooted in cultural heritage and passion. Moving forward, HACER remains committed to engaging with Latina entrepreneurs through brainstorming future projects that offer broader outreach and innovative solutions to continue to contribute to overcome barriers faced by Latina informal entrepreneurs.

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University of Minnesota Extension

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HACER Team

We would like to acknowledge the entire HACER team for their hard work, dedication, and passion. Your efforts in conducting community-based participatory research (CBPR) and designing impactful workshops have been pivotal to the success of this initiative. HACER team members that led this project include:

Project team

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