

# Career Insight: Hope for Young Black Entrepreneurs

**Date :** February 10, 2021

Black economic history is an important theme to consider during Black History Month. The wealth gap (economic inequality between different races and populations), joblessness, bank lending – in all these economic areas and more, as former Fed Chair Janet Yellen recently pointed out, “African Americans have long been on the losing end of this trend.”

The [Leading Diversity@Wharton lecture](#) held virtually this week addressed another economic area of disparity: the struggles faced by Black and women entrepreneurs who often don’t have the same opportunities as their white counterparts when it comes to securing funding for their businesses and growing beyond the start-up phase.

Host [Stephanie Creary](#), an identity and diversity scholar and assistant professor of management at Wharton, welcomed guests Melissa Bradley, managing partner of 1863 Ventures, a company that bridges entrepreneurship and racial equity to support “New Majority” entrepreneurs; and Frederik Groce, partner at Storm Ventures venture capital and co-founder of BLK VC, to talk about their approaches to diversity, equity and inclusion in the venture funding and business start-up worlds.

The challenges within this entrepreneurship and funding ecosystem are great — from facing biases and harmful stereotypes, to outright discrimination against entrepreneurs of color. The Wharton Global Youth Program’s new [Explore Business mini-sites](#) provide a detailed look into the impact of systemic racism on business and society, and how it can be confronted. In [Race and the Entrepreneur](#), we meet Black founder and successful entrepreneur Chris Bennett, CEO of Wonderschool, who says, “The color of your skin plays a big role in the types of experiences you have from an economic standpoint.”

We encourage students to dive into our *Explore Business* pages to take a deeper look at the challenges Black entrepreneurs face due to unjust practices that limit their ability to prosper, and how the venture capital community that provides funding is working toward change.

In the meantime, Bradley, Groce and co-host [Ethan Mollick](#), a Wharton associate professor who specializes in entrepreneurship, offered sound advice during this week’s diversity lecture for the next generation of Black and women entrepreneurs who want to break into an industry that has historically held them back. Here are their top 5 tips:

1. **Venture capitalists want to meet you.** “There’s a greater understanding of these problems and challenges across the industry than there has ever been,” noted Groce. “What that means is that if you’re an entrepreneur, a female founder, a Black founder, a LatinX founder, it doesn’t matter, you have more funds who are tuned into these challenges and willing to lend [you money] and take the time and meet... People are waiting to be blown away, and it’s your job to do it... That means practice, talking to mentors, and not being afraid to ask what you might perceive as dumb questions, because there are no dumb questions.”
2. **Get comfortable being uncomfortable.** “Investing and being an entrepreneur is imperfect. If you are a perfectionist, then this is definitely not your path. The role of imperfection allows people to fall and get back up and fail forward and still have an opportunity,” said Bradley.
3. **If you want to be a change agent in the entrepreneurial space, default to action.** “You can do way more than you think you can do,” suggested Groce. “Consistent effort actually moves mountains. It’s shocking. We often underestimate the risk-reward of doing action, and we often just sit and think someone else must be doing it...If I’ve learned anything with BLK VC and the work so many of us have done, we realized we could be the change

- 4. **Once you get past the barriers, there is real willingness to change.** “A lot of people are trying to figure out how to be allies and they really do want to fund more Black and female founders,” said Mollick. “If you can get through and get the warm introductions that these communities are making, I’ve been hearing very good things from my [entrepreneurship] students.”
- 5. **Find a community where you feel safe.** “The biggest thing is to find a peer group so that you are not comparing yourself with everything that’s out there,” said Bradley. “You find a peer group so you can actually see what amazing work you’re doing, but also have a safe way to say I totally screwed up, can somebody help me? Don’t let the external standards define your greatness. Let’s be clear: entrepreneurship is a sport and one of the hardest sports out there. It’s also a team sport, and you need those folks around you.”

