

OPINION

Women of Color Need Stronger Business Networks, ASAP

Small businesses need an influx of capital to thrive



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When met with hardship, the human psyche responds by reacting, adapting, and recovering. This is especially true for Black and Latinx women entrepreneurs and small-business owners, who are no strangers to experiencing surprises, change, and hard times. Once faced with the global Covid-19 pandemic, we saw these businesses tested, and they adapted and pivoted to survive. Our businesses are continuously tested, and that's what makes us resilient leaders — skilled at being resourceful, versatile, and creative to the core. It's this ability to be resourceful even in a crisis that defines our resilience, but that resilient spirit often makes business leaders feel that they have to find a way on their own. No business grows in isolation.

During the pandemic, with millions of Americans sheltering in place and

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businesses shut down or pivoting online, we witnessed the pipeline of business for women of color all but disappear. Some businesses thrived with the workforce working at home, but not all. At [digitalundivided](#), our research proved that over 80% of businesses run by Black women have lost revenue during Covid-19. This stress was only amplified by the growing racial and social unrest across the country, an experience that takes a heavy emotional toll on founders of color who face discrimination firsthand. It's from this confluence of events that we find ourselves wondering what's needed for our businesses to survive.

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For eight years, digitalundivided has been working diligently to catalyze economic growth and create pathways for Black and Latinx women entrepreneurs. As I step into the CEO role at digitalundivided, this is a timely moment for me to reflect on what's needed to move the needle on our businesses in times like this.

Resource-rich networks

Women of color thrive in uncertainty, but when met with challenges that we don't know how to navigate, we need to turn to our network for advice, support, and ultimately help. This is often when our networks fail us. We need to build out our networks with partners, advisers, and people who bring more purpose than popularity and more impact than superficial influence. Effective networks aren't about likes and follows but about identifying a squad that can be sources of excellence and sage advice. It's these resource-rich networks that save and grow businesses. You need to have a network you can turn to for making the necessary calls, advocating for you, and even providing financial support and backing when needed.

For years, conversations have been centered around networking and not cultivating resource-rich networks. As a result, people look at the stack of business cards in their office or their number of LinkedIn followers as a "true network," but that's not enough for entrepreneurs today. You have to nurture these relationships to make your community work for you and where you're going.

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One great example of this manifested when women of color entrepreneurs sought to apply for Paycheck Protection Program (PPP) funding, and many found the process completely overwhelming. They were either shut out or didn't apply at all — leaving millions of dollars on the table.

Overwhelmingly, I heard from bootstrapping business owners that they had trouble navigating the complex process and bank relationships, especially those without an accountant or CFO. As is standard with opportunities you have to respond quickly — there's no time to “go it alone” or scout for advice. This is when your community needs to step in to help you navigate.

Timely and responsive mentorship

As an extension of building resource-rich networks, try to cultivate mentor relationships that you can count on. You need mentors who answer the phone and respond to emails so that when you need to move quickly, you can. When you look at successful entrepreneurs, they will no doubt credit responsive mentorship as a lever for success. This is especially true for navigating grants and fundraising. Whether it's a “friends and family” round or a Series A, it's essential for your community to act quickly on your behalf.

The confluence of the recent events and the absence of accessible conversation showed me exactly how digitalundivided needed to respond to this moment. We never sit silent when solutions are scarce. As an organization, we constantly collect and analyze the data to close the gaps and solve for disparities; we also need to speak up and be responsive. We are uniquely positioned to mentor from an informed perspective.

Inclusivity in innovation

As big brands and Fortune 500 companies issue bold statements on diversity and inclusion practices and plans, women of color remain poised and prepared to enter innovative fields across industries whether in technology, digital, or engineering. We have witnessed how world events can accelerate innovation and how quickly certain concepts can be deemed nearly obsolete. Women of color won't be left behind because they are too invested in a better future than to sit idle while the world around them innovates.

Ensuring inclusivity in innovation means more thoughtful products, a wider range of use cases, a more diverse customer base, a more perfectly messaged campaign propelled by data. When inclusivity is welcome in

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innovation, you get brilliant minds from diverse backgrounds rather than an algorithm making automated decisions. Inclusivity in innovation means real empathy, and diversity in empathy will soon become synonymous with excellence.

Community anchors all of my growth recommendations and I encourage leaders to think about who they have around them — even during these socially distant times. Don't get overwhelmed trying to figure out how to build a resource-rich network. It always starts with an introduction — that gives context for everything. How you meet people matters. Always do your research and find a synergistic connection or a way to bring them value. We need to create a currency of introductions so that we can recirculate our dollar. Building out our community is the first step to collaborating more and partnering to build our economies and making them sustainable.

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