

WELCOMING CENTER for NEW PENNSYLVANIANS

Economic Development via Immigrant Workers & Entrepreneurs

International Economic Development Council Conference
October 6, 2013

How Does Immigration Fit into Economic Development?

Robust public conversation right now among Federal Reserve Banks of St. Louis, Cleveland; Global Great Lakes; others.

Key Points:

- **It's not an accident.** Cities that are benefitting from influxes of immigrants have taken *purposeful steps* to facilitate integration.
- **There are existing models.** Promising practices exist and can be adapted and adopted.
- **Immigration does not occur in a vacuum;** context of established neighborhoods and longtime residents/business owners is important

Elements Being Discussed...

- **Immigrant entrepreneurship**, from mom-and-pop stores to technology startups
- **Talent attraction & retention** of international students graduating from US colleges and universities
- **Re-credentialing** of skilled immigrants who were educated abroad



...and one that's not, but is very important: **Entry-level workers** with complementary skills and flexible mobility compared to US-born workers.

Today, We'll Focus On Two...

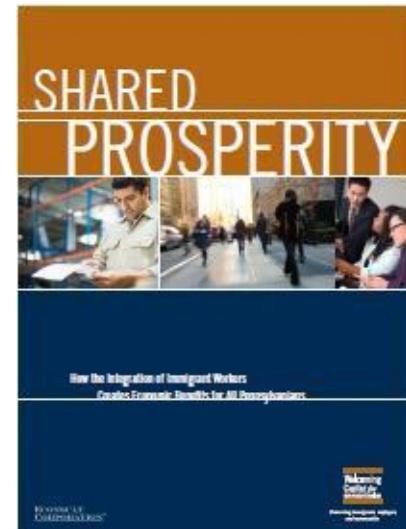
- **Immigrant entrepreneurship**
- **Re-credentialing**

...with practical examples that show how they can be put into practice.



Central Insight in Founding of Welcoming Center: Use an Economic Development Lens

- **Immigrants** are not burdens or victims; they are **assets**.



Helping Immigrant Entrepreneurs Creates Shared Prosperity for ALL Community Members



Our survey of one Philadelphia commercial corridor showed **221** small retail businesses **employing over 900 people.**¹

¹ WCNP Survey of South 52nd Street between Arch Street and Baltimore Avenue (2009)

Whether You Were Born in W. Africa or W. Philadelphia...

Immigrant & US-Born Entrepreneurs Have Common Needs

- Accessing **accurate information** about municipal requirements
- Identifying and responding to **market demand**
- Obtaining reliable **expert advice** (accounting, legal, etc.)
- Building **social capital** beyond their existing networks
- Locating & securing **funding** to expand



Tools to Support Entrepreneurs: Examples

Workshops held with local partners to increase knowledge about:



- Laws and regulations pertinent to businesses
- Short- and long-term business planning
- How to access financial institutions and expert advisers

Tools: Opportunity Calls

Automated monthly 2-minute phone announcements available in six languages (**including English**) that:

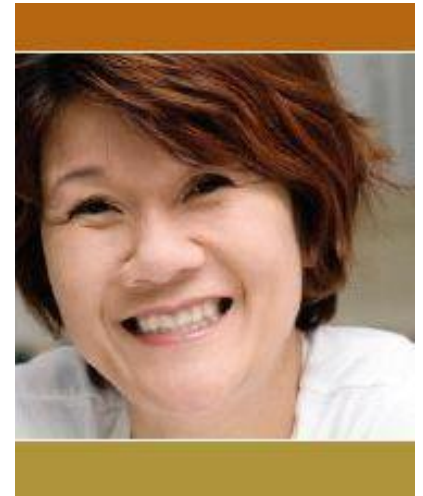


- Efficiently disseminate information to merchants
- Reach entrepreneurs with limited English or literacy skills
- Build bridges with other organizations and agencies

Tools: English for Entrepreneurs

Cross-cultural communication course goes beyond language

- Increased competence in communicating with customers
- Strategies to resolve misunderstandings and defuse conflict
- Improved cultural sensitivity, customer service, community relations
- Increased awareness of city services available (*guest speakers*)



Tools: “How To Open A Business” Guides

- Can be general or industry-specific (e.g., coffee shop, plant or flower shop, deli)
- Can help **steer entrepreneurs away** from oversaturated industries
- Should be **checked carefully** with government officials **for accuracy**
- Should clearly indicate the **municipality** for which they apply



Putting it All Together: A Technical Assistance Example

Ben Hassan Bakayoko's customers wanted West African foods.

To begin importing, he needed:

- A loan to finance his first shipment of **frozen cassava root**
- Technical advice about importing



Cassava Roots After Harvesting

Photo credit: ITA Image Library. Used by permission under a Creative Commons license.

How We Helped

- Welcoming Center staff helped Hassan connect with FINANTA, a nonprofit lender.
- We helped Hassan answer questions such as which port to use, what kind of vessel to contract with, and what insurance he needed.

Earlier this year, he successfully brought in his first shipment.



*Welcoming Center
Small Business Dev. Coordinator
Herman Nyamunga*



Beyond Individual Business Owners

Developing the capacity of CDCs and Business Associations to incorporate immigrant members is crucial to corridor-wide success.

New members can help to financially and interpersonally **support** existing community development infrastructure.



Tools to Support CDCs and Business Associations

Cross-cultural Trainings

One-time or in-depth trainings for staff and members in order to:

- Increase staff competence in communicating across cultures
- Help members to resolve misunderstandings and defuse conflict
- Reduce cross-cultural and community tensions
- Reduce isolation among U.S.-born and immigrant business owners

Tools to Support CDCs and Business Associations

Commercial Corridor Outreach

Trained, cross-ethnic teams meet with business owners in order to:

- **Identify and recruit** a diverse and representative membership base
- **Increase participation** of immigrant entrepreneurs in marketing events and community meetings
- **Overcome lack of social capital** by bringing community business owners together



Beyond Neighborhood Retail

Immigrant-owned businesses are not only neighborhood stores. They also include:

- Larger commercial retail operations
- Wholesale distributors
- Vertically integrated manufacturing and distribution



Vertical Integration

- **AES Foods** (Owner: Patrick Kamau, Kenya)
- Imports Kenyan foods
- Also uses local materials to produce version of famous **Farmers Choice** sausages (widely beloved in East Africa) in **Lancaster, PA**



*“A perfect example of an immigrant business that has **successfully plugged itself into the US supply chain** infrastructure to access more growth opportunities.” – Herman Nyamunga*

Skilled Immigrants: An Economic Development Opportunity?

- Pennsylvania is home to **723,000** immigrants.
- Among immigrant adults, more than **1 in 3** have a college degree.
- Yet **29,000** college-educated immigrants here are under-employed in jobs that fail to draw on their education and skills.

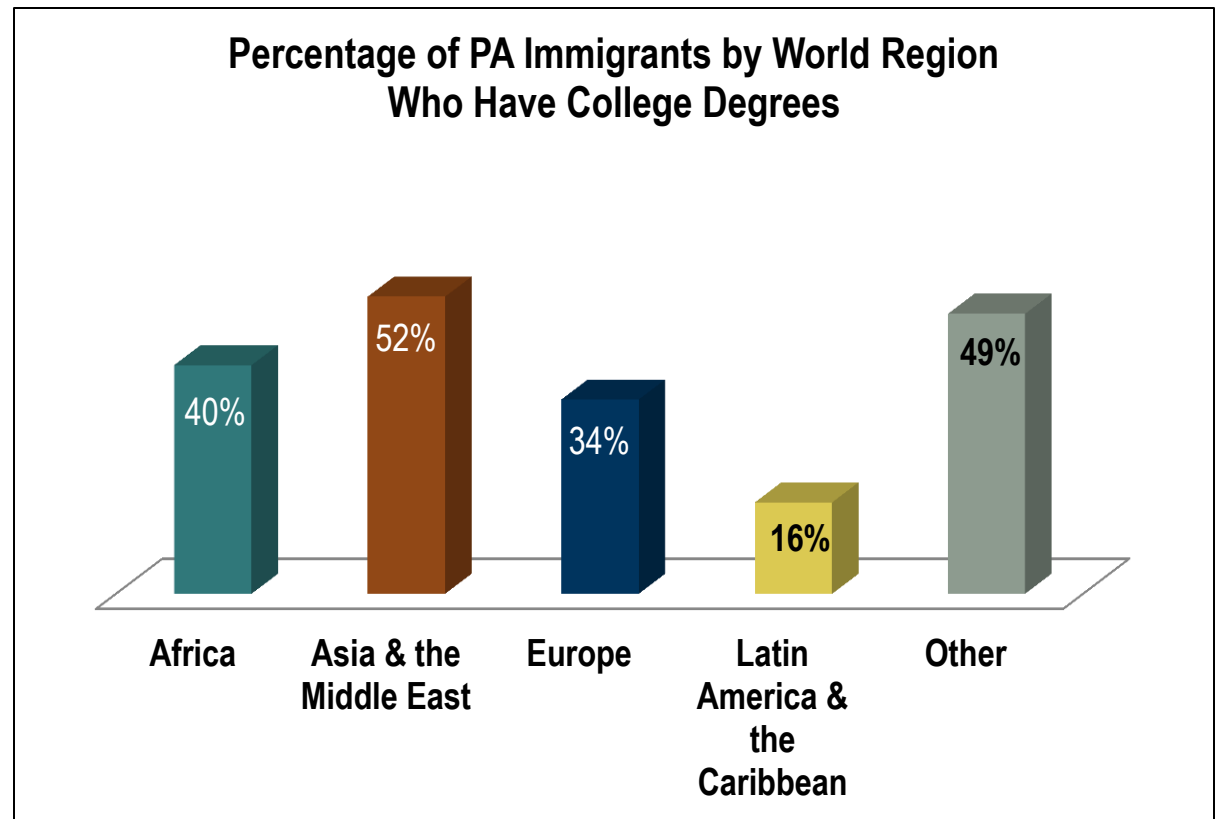


Sources: US Census Bureau; Migration Policy Institute.

Statewide, Many Immigrants are College-Educated

Among all adult immigrants in PA, **36%** have college degrees (compared to **26%** of US-born)

“Other” includes Canada and Australia.



Source: Individual Public Use Microdata Series (IPUMS): US Census Bureau, ACS 2007- 2011.

Like US-Born Colleagues, Many Work in “Eds & Meds” ...

Half of Pennsylvania’s Skilled Immigrants Work in These Industry Categories



Hospitality (restaurants)
Education (colleges and universities)
Education (elementary and secondary schools)
Healthcare (hospitals)
Healthcare (not specifically classified)
Healthcare (physicians' offices/clinics)
Management and public relations services
Information Technology (computer and data processing services)
Administration of environmental quality and housing programs

Source: Individual Public Use Microdata Series (IPUMS):
US Census Bureau, ACS 2007- 2011.

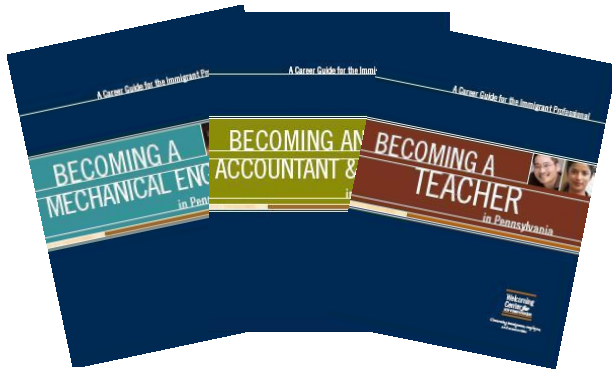
...But Not All are Working in Professional Careers



Re-Credentialing is Complex

Immigrant engineers, doctors, and accountants who seek to practice in the US typically undergo a lengthy process:

It often takes **3-5 years**.



The Welcoming Center has published **Career Guides** for popular professions.

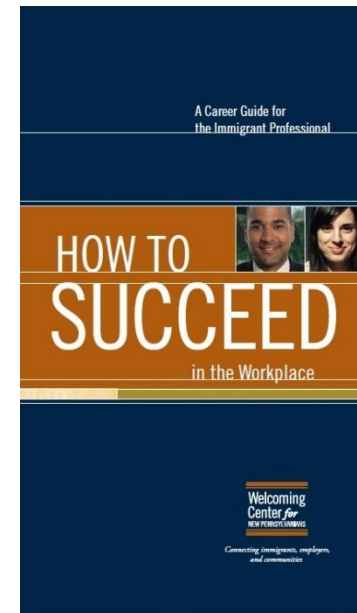
We Help Talented Workers Return to their Careers



Yana Chernov

Director of Employment Placement

With our help, skilled immigrants get the tools they need to build professional careers.



Building Capacity with our National Partner

The Welcoming Center is a founding member of IMPRINT,
a national coalition of organizations focused on skilled immigrant integration.



www.imprintproject.org

About the Welcoming Center for New Pennsylvanians

- The Welcoming Center is an independent nonprofit 501(c)(3) organization.
- We see ourselves as an economic development organization rather than a social services agency.
- Our mission is to promote immigrant participation in the Philadelphia area's political, social, and economic life.



*Connecting immigrants, employers,
and communities*

What We've Done: Some Accomplishments

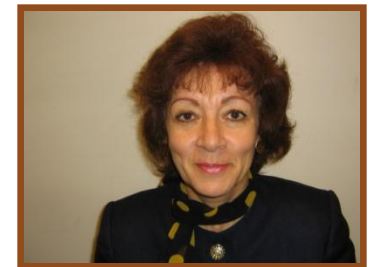
- Placed **2,000** legally work-authorized immigrant jobseekers in employment
- Assisted **300** entrepreneurs in launching or improving their businesses
- Helped **400** adults to learn English, civics, or prepare for the GED exam
- Published **14** major publications, (including **Career Guides** and **How to Start a Business** guides), plus **2** research studies and **11** detailed data snapshots



*Deputy Director
Bahiya Cabral-Johnson*



*Intake Coordinator
Fabiola Castellanos-Gaspar*



*Director of Employment
Yana Chernov*

Sharing Our Expertise



We provide **consulting services** to municipalities, Chambers of Commerce, business associations, and others who seek to **improve regional economic vitality** through immigrant integration.

WELCOMING CENTER for NEW PENNSYLVANIANS



Welcoming
Center *for*
NEW PENNSYLVANIANS

*Connecting immigrants, employers,
and communities*

Amanda Bergson-Shilcock
1617 John F. Kennedy Blvd.
Suite 555
Philadelphia, PA 19103
215-557-2835

amanda@welcomingcenter.org