



ABA Quick Tips

Partnering with Black-Owned Businesses

The purpose of this **Quick Tip** is to offer ABA grantees promising practices for partnering with Black-owned businesses to support grantee goals, including increasing the number of pre-apprentices and apprentices participating in the grantee's respective Registered Apprenticeship Program (RAP) and centering equity in the RAP system. Engaging with Black-owned businesses can not only strengthen RAPs but creates the additional benefit of aiding in the fight for both parity and equity within the American workforce while simultaneously fostering the entrepreneurial-driven American dream.

This Black History Month, the U.S. Department of Labor (DOL) Good Jobs Initiative brought together Black business owners and labor leaders for two panel

discussions: [Black Businesses Building Better Jobs](#) and [Making Equity Real: Black Workers and Good Jobs](#). The panels highlighted how Black businesses, despite systematic and persistent inequities, continue to play an essential role in creating good jobs that support workers and provide a path to the middle class. The systemic inequities faced by Black business owners have resulted in persistent disparities in wealth and access to capital with Black-owned businesses equating to just over 2% of small businesses with employees, despite Black Americans representing 14% of the population.¹ While many small businesses struggle to sponsor apprenticeships due to high upfront costs, Black-owned businesses face disproportionate difficulties in raising capital, creating even greater obstacles to investing in apprenticeship.² If this wealth gap was eliminated and Black businesses were able to hire as many employees as non-Black businesses, it would create approximately 1.6 million jobs, and if the number of Black businesses was proportional to the population, it would create 19 million jobs.³ Apprenticeships provide an opportunity to help Black businesses grow and increase representation of Black workers in apprenticeships.

Below are quick tips on supporting apprenticeship programs in Black-owned businesses.

Benefits of Partnering with Black-Owned Businesses on Pre-Apprenticeships and RAPs

Two of the major benefits of partnering with Black-owned businesses are addressing equity gaps in apprenticeship and supporting local communities. Employment data shows that Black businesses are much more likely to hire Black workers than non-Black businesses.⁴ Creating more apprenticeship programs in Black businesses may lead to increased apprenticeship participation by Black workers. Due to the low representation of Black workers and business owners in many of the industries with the most opportunities for apprenticeship, Black workers are less likely to consider apprenticeship as a career path for themselves.⁵ Seeing Black businesses owners in these industries demonstrates to Black workers that they can achieve similar success in the industry and encourages apprenticeship participation. Additionally, minority-owned businesses invest in their local communities, creating jobs for local workers and infusing money into the local economy.⁶ Black businesses support Black communities.

Quick Tips offer short, easy to use strategies, recommendations, and tips for Apprenticeship Building America (ABA) grantee consideration, exploration, and use. The tips and recommendations listed below draw from the expertise of ABA Technical Assistance Coaches, research, and grey literature (see references below).

¹ Brookings Institute - [To expand the economy, invest in Black businesses](#)

² NCGrowth UNC Kenan-Flagler Business School - [Diversifying Apprenticeships](#)
AEO - [The Tapestry of Black Business Ownership in America: Untapped Opportunities for Success](#)

³ Brookings Institute - [To expand the economy, invest in Black businesses](#)

⁴ Brookings Institute - [To expand the economy, invest in Black businesses](#)

⁵ North Carolina Justice Center Workers' Rights Project - [Making Youth Apprenticeships Equitable and Effective: Lessons from North Carolina](#)

⁶ NCRC - [Addressing the Needs of Black-Owned Businesses and Entrepreneurs](#)



Key Elements to Engaging Black-Owned Businesses in Apprenticeship and Pre-Apprenticeship Programs

Supporting apprenticeship and pre-apprenticeship programs in Black businesses is most successful when you:

- ▶ **Partner with Minority Serving Institutions.** Minority Serving Institutions (MSIs) like Historically Black Colleges and Universities (HBCUs) and Predominantly Black Institutions (PBIs) are uniquely qualified to inform efforts to support apprenticeship programs with Black-owned businesses. MSIs can also help identify partnerships, due to their alumni networks and strong connections to their communities. Existing MSI registered apprenticeship programs serve the needs of students of color, offering wrap-around supports such as funds for transportation, childcare, and certification fees as well as academic and career coaches. These programs can serve as examples or partners for Black-owned businesses looking to invest in apprenticeship.
- ▶ **Partner with community organizations, advocacy groups, and business networks representing minority-owned businesses.** Contact Black businesses through organizations that are invested in supporting them and willing to share information about apprenticeships in underrepresented demographics. (e.g., [The National Black Chamber of Commerce](#), [The Coalition to Back Black Businesses](#), [The National Urban League](#)). Many of these organizations also have minority-owned business directories that you can use to target outreach to Black businesses. Partnering with Black businesses provides the opportunity to meet employment needs, decrease inequities, and strengthen communities.
- ▶ **Connect Black businesses with peers investing in apprenticeship.** Due to the discrimination, bias, and systemic barriers to wealth and success that Black business owners have faced, they are less likely to trust outside institutions that may be able to assist them.⁷ By pairing Black businesses looking to invest in apprenticeship with other Black-owned or minority-owned businesses in their industry that have successfully implemented apprenticeship programs, you can overcome this "trust gap." Interested businesses can get advice and support from a trusted advisor who can connect them to peer networks and other resources they may need to develop a successful apprenticeship program.
- ▶ **Highlight funding and administrative support opportunities.** Small businesses looking to expand their workforce may be intimidated by the costs of training and supporting apprentices. Work with the business to identify their needs in hiring, onboarding, and retaining employees and explain how apprenticeship can address these needs. For businesses that do not have the resources or personnel to manage the administrative requirements for registered apprenticeship programs, share how intermediary organizations can ease the burden of these responsibilities through sponsorship.

Partnering with Black businesses provides an amazing opportunity to meet employment needs, decrease inequities, and strengthen communities. Explore the references and resources below to learn more.

References and Resources

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⁷ McKinsey - [Building supportive ecosystems for Black-owned US businesses](#)
AEO - [The Tapestry of Black Business Ownership in America: Untapped Opportunities for Success](#)



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Government-Affiliated Organizations:

[The National Black Chamber of Commerce](#)

[The Minority Business Development Agency](#)

Private Organizations:

[Black Business Association](#)

[Black Founders](#)

[Black Women Enterprises](#)

[The Coalition to Back Black Businesses](#)

[The National Minority Supplier Development Council](#)

[The National Urban League](#)

[U.S. Black Chambers, Inc](#)

Networks and Publications:

[Black Business Focus Group](#) (via Facebook)

[Blax Directory](#)

[Support Black Owned](#)

[Historically Black Fraternities and Sororities](#)

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