
Still room for improvement in hiring, sales

By Erica Schlaikjer
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Between 1997 and 2002, the number of minority-owned firms in the U.S. increased by 30%, three times the national average for all businesses. Gross receipts grew 12%, compared with 5% among all other firms. Minorities, who make up one-third of the U.S. population today, are expected to become the dominant demographic by 2042.

But minority-owned firms still lag behind their counterparts, especially when it comes to employment and revenue.

In Illinois, minority groups (except for Asian-Americans and Pacific Islanders) have yet to reach parity in the number of firms they own compared with their representation in the overall population.

For example, blacks constitute close to 16% of the state's population, but black-owned firms make up only about 7% of total firms and contribute less than 2% of total gross receipts, according to the U.S. Census Bureau. In contrast, whites make up 80% of the population, while white-owned firms account for 85% of the state's total and 94% of its gross receipts.

Similar gaps exist for Hispanics and other minority groups, which historically have lacked access to the capital, education, technology and networking opportunities necessary to grow their enterprises.

This makes it all the more important for larger corporations to invest in and extend bidding opportunities to minority firms, says Ronald Langston, national director of the U.S. Minority Business Development Agency in Washington, D.C.

"As population demographics shift, these are going to be businesses of the future," he says. "How could you not look at the fastest-growing business sector as part of your equation?"

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