

ESOL FOR ENTREPRENEURS:

INTEGRATING ENGLISH AND BUSINESS EDUCATION TO ENHANCE SMALL BUSINESS SUCCESS

by Mary Coonan 2016

Immigrant entrepreneurs comprise a growing percentage of United States businesses. In 2015, **immigrant owned businesses accounted for 29% of all new U.S. entrepreneurs**, up from 13% in 1997 (See full report for all citations). Immigrants are almost twice as likely as the native-born to become entrepreneurs, and in 31 major US metro areas (including New York, Chicago, Boston, Dallas, Houston) **immigrants account for 100% of entrepreneurial growth on main street.**



Despite the growing importance of immigrant entrepreneurs to national and local economies, these businesses are often

disconnected from services and supports that could enhance their growth and stability—such as access to capital and networks, support with navigating government small business services and regulations, expanding within local markets, and deepening businesses practices.

A lack of English can hamper interactions with lenders, suppliers and customers as well as overall immigrant business growth. Although the full extent of the English gap for entrepreneurs is unknown, a 2009 research report on immigrant workers estimated that 20% of low wage workers and almost two-thirds of low wage immigrant workers are not proficient in English, and that workers with a 12th grade education or higher who learn to speak fluently can increase their wages by 76%.

Through immigrant businesses, and agencies that work with them, English for New Bostonians (ENB) was made aware of the need for ESOL for

Entrepreneurs. Immigrant business districts are seeing increases in residents' linguistic diversity. Owners wanted to position themselves to be competitive. Immigrant small business owners also told ENB that the content and schedules of existing ESOL classes did not meet their needs.

In 2015, ENB began an innovative pilot project to address key gaps facing entrepreneurs. The ESOL for Entrepreneurs Program (E4E) combines English and business development training for immigrant entrepreneurs. ENB worked with the business owners, ESOL teachers, and field experts to create a new business curriculum with English language lessons and activities on the topics of marketing, finances, customer service, licensing, etc. ENB's model builds on existing research that learning English with immediate application hastens acquisition because the learner is more apt to use the new language on a daily basis.

ESOL for Entrepreneurs in Year One included:

- Four sites in Greater Boston communities, each with a high-performing ESOL provider and a business partner: A chamber of commerce, a neighborhood development corporation, a Main Streets organization and a union representing childcare owners;
- Two sites that used a sector approach (childcare); two sites that used a small business cross sector approach;
- 64-160 hours of instruction;
- Classes serving a total of 62 students;
- Technical assistance, training and sharing sessions for teachers and partners to best assess student needs and customize the curriculum; recruit and retain students; and measure business outcomes.

This summary highlights key elements of a developmental evaluation supported by



Massachusetts Growth Capital Corporation of the pilot year as well as suggestions for expanding E4E to other regions of the state. The state's 26 Gateway Cities, for example, which account for 27% of the population living in poverty, 37% of its foreign-born population, and 51% of the state's linguistically isolated are prime opportunities for expanding the ESOL for Immigrant Entrepreneurs program.

BEST PRACTICES - WORKING WITH IMMIGRANT ENTREPRENEURS

A literature review coupled with a review of lessons learned from other organizations surfaced suggestions and best practices. These included cultural and linguistic sensitivity in recruitment and service delivery; incorporating less formal learning opportunities such as mentoring and resource networks; increasing connections including development of social capital, sectoral support, access to capital, and ties to business associations; and supporting businesses to explore opportunities to use marketing and new online retailing technologies.

KEY FINDINGS AND LESSONS LEARNED FROM THE PILOT PHASE

1. Participants

- 61% business owners, 30% employees; 7% interested in starting their own businesses
- 52% childcare, 11% clothing, 9% advertising, 5% restaurants, and others (hair stylist, locksmith, food importer)
- Primary language Spanish (93%)
- 79% women
- 67% in U.S. for over 11 years
- One-third had less than a high school degree, a third completed high school, a third had some college or a college degree
- 68% had an intermediate or advanced level of English proficiency.

2. Elements of Successful Implementation

Flexible and dynamic curriculum adapts to student needs and interests. E4E programs served some entrepreneurs with years of U.S. small business

experience and others new to the field. The modular curriculum enabled E4E programs to choose activities according to students' business needs—primarily customer service and marketing, and some also included finance topics. The two sites that catered to childcare business owners identified additional resources specific to that field.



Business partners must be involved in delivering business content. While they initially saw the classroom as teachers' responsibility, business partners in Cycle 2 became more active, assisting with business instruction and arranging guest speakers. Business partners can help entrepreneurs, via

classroom engagement and individual TA, with new financial systems, market expansion, unique niches, review of regulations, and other topics. Ongoing TA can help partners leverage their assets. *Honing how partners bring their expertise to the table, while one of the most challenging aspects of the project, also offers perhaps the area of greatest potential for growth.*

TA and a learning community are helpful. Teaching business content was new for the teachers, and students had mixed English and educational backgrounds. ENB's one-on-one support included advice on curriculum delivery, organizing guest speakers and connecting to business resources. Teachers also shared materials across sites. Remote TA and/or an online resource repository might supplement face-to-face discussion of best practices and tools as they evolve.

The E4E curriculum is geared to students who have sufficient English to engage with the business content.

Lower level students could be referred to basic ESOL; however, addressing the needs of such students might ultimately provide greater benefit by enhancing growth for entrepreneurs who have for



years successfully served customers of the same linguistic background. Partners must weigh priorities.

Recruitment and Retention requires consistent attention: Very high interest levels during community needs assessments did not always translate to an ability to follow through. Attendance fluctuated in all sites as a result of a challenging



work/life balance for the entrepreneurs. The four sites each hatched best practices to address retention; as with recruitment, peer outreach proved particularly effective.

A sector focus made recruitment easier. Outreach for the cross-sector approach was challenging. Partners felt that one-on-one and door-to-door outreach was most effective. As partnerships coalesce, partners can co-plan their outreach and retention strategies. Bilingual staff conducting outreach and/or having current E4E students or graduates conduct outreach also proved effective.

Participants were motivated primarily by an interest in learning English rather than business development training. Once engaged with the business curriculum however, participants clearly saw the benefits of contextualized learning.

3. Learning Gains and Metrics

ENB tracked and measured *ability to apply curriculum content and new skills to business operations*, through a Student Survey; and *English learning gains*, using standardized testing. Teachers also reported anecdotal evidence on students applying business practices.

Application of New Skills to Business

Top gains revealed by the student survey, based on a Likert scale of 1-5 indicating degree of agreement with statements, were echoed by focus group participants and anecdotes from students.

Students noted the value of learning to manage business finances, and appreciated exploring technology tools for marketing, including web sites, flyers, and Craigslist. One student designed a new business card and receipts, and printed them with VistaPrint, saving her money.

Participant Survey

Survey Questions	Average	n=
I am better at describing my business in English.	4.6	39
I learned new business vocabulary in English.	4.3	40
I am better at managing and supervising my employees.	4.3	26
I learned how to manage my budget and money better.	4.3	27
I learned how to market my business to new customers.	4.2	39
I have plan for the next steps for my business.	4.2	20
I am more confident using English with my English-speaking customers.	4.1	14
I have increased knowledge of the city and state licenses and permits I need for my business.	3.9	23
I learned how to communicate effectively with city and state officials (inspectors, police, etc.)	3.6	14

Students reported improved ability and comfort communicating with English-speaking clients. Several mentioned how in the past they relegated this task to their staff with better English skills.

One participant reported her English-speaking clientele increased from 1% of her base to 15%. Childcare providers learned to prepare and deliver daily reports for parents on their children’s activities.

Communities of Learning: Students underscored the opportunity to *network and learn from fellow entrepreneurs* and to coordinate functions, such as importing and buying. Students from the two programs serving childcare providers valued working on business plans—a licensing requirement—and learning how to achieve required certifications to advance in the field.

Standardized Learning Gains: Standardized English learning gains for the four sites ranged from 17% to 56%, with an average of 32%. While higher gains are expected as the initiative matures, this average is



comparable to ESOL programs with similar low intensity and short duration. The BEST Plus test does not cover content-based learning; those areas of learning gains were captured by the student survey.

“The class gave me confidence to speak to customers about more things money-related, particularly purchases and returns.”

-Boutique owner

RECOMMENDATIONS FOR DEEPENING AND EXPANDING THE PROGRAM

Massachusetts stands to gain by deepening support to immigrant entrepreneurs, who are responsible for the majority of main street growth in communities like Boston, Chelsea, Lawrence, Springfield, New Bedford and others. ENB, state and local government, together with diverse, committed allies can help to solidify and fuel expansion of ESOL for Entrepreneurs as a tool for economic development among limited English proficient residents, ethnic business districts and the state. Specifically,

- **Secure sustainable funding.** Expansion of ESOL for Entrepreneurs to other cities in the state or deepening within key sectors will require steady, multi-year support from local, state or federal and/or philanthropic sources.
- **Integrate training with local community development efforts and revitalization plans.** For ESOL for Entrepreneurs to reach its full potential, it must be integrated with lending programs; municipal business services; gateway city and local city planning; main streets revitalization; economic development work of local CDCs, chambers of commerce, and other business associations; collaborations with other training programs, etc.
- **Build on and expand the childcare sector approach.** Existing non-profit networks and the childcare union, as well as impetus from the Dept. of Education regarding licensing requirements, provide a unique statewide opportunity.
- **Continue working with main street businesses.** With immigrants responsible for the majority of

entrepreneurial growth in gateway and other cities, finding new ways to reach and assist them is imperative. Early enthusiasm to this report among business assistance groups bodes well for expansion to other communities.

- **Strengthen delivery of business development content.** A collaborative delivery of course content between the education and business partner will enhance business learnings.
- **Connect with key business assistance organizations such as MGCC.** ENB has strong connections and relationships with ESOL providers and knowledge and experience throughout the field. A parallel partner in the business community may help advance the overall project and statewide expansion, as well as deepen connections with existing businesses services.
- **Continue to explore best practices for promoting innovation through TA.** Since ESOL for Entrepreneurs requires organizations to work outside their natural fields, TA is essential.
- **Enhance continuous improvement by deepening data collection.** A business metric relevant for all entrepreneurs, such as producing a business plan, could be implemented with assistance from business partners. In addition, more in-depth business data such as length in operation, size, annual revenue, incorporation status upon enrollment can inform goals and metrics. Businesses can also be assisted to develop their own business tools and metrics.

The ESOL for Entrepreneurs program is both promising and innovative. As the literature review and evaluation indicate, it addresses key gaps experienced by immigrant entrepreneurs by combining English training with business content. Also clear is the complexity of delivering contextualized ESOL to learners whose English levels and business needs are diverse, by new partnerships navigating joint project delivery. By continuing to experiment and deepen both areas, ENB and its partners can make strong contributions to immigrant entrepreneurs — a group key to the overall growth of small businesses and the financial health of Massachusetts.

