Hispanic Businesses: A Community’s New Beginning or More Conflict and Avoidance

David P. Sosar
Associate Professor of Political Science
King’s College
133 N. River St.
Wilkes-Barre, PA 18711, USA.

Abstract

During the past decade, the population of Northeast Pennsylvania has witnessed a dramatic change. Newcomers, especially of Hispanic background have migrated from New York and New Jersey as well as emigrated from several areas of Latin America and the Caribbean. As with many immigrants of past times, the goal of many Newcomers has remained the same. That is, to start a small business and develop it into a success and pass it on as they legacy within the family. While the dream of Hispanic families continues, culture, language, finances, and lack of business principles place these small business operators at significant disadvantages. The goal of this paper is to examine the difficulties faced by Hispanic Small Businesses in a Northeast Pennsylvania case study and examine efforts developed by business organizations, community centers, and educational institutions that may assist such families in realizing their dream.

According to the U.S. Census of 2010, the population of the United States continues to grow at an ever more rapid rate regarding the Hispanic population. Data from the 2010 Census provide insights to our ethnically diverse nation and especially important is the information on the 23 different ethnic groups within the Hispanic Community. According to the 2010 Census, 308.7 million people resided in the United States on April 1, 2010, including 50.5 million (or 16 percent) population which that are of Hispanic or Latino origins (Sharon R. Ennis, 2011). Approximate half of the increase in the US population between 2000 and 2010 is represented by Hispanic births and new immigration to the United States. This continued growth pattern unlike past waves of immigration as subject shows no sign of slowing down (Sharon R. Ennis, 2011).

While some of suggested that the state of Pennsylvania ranks among the top 10 states of this rapid growth there is no doubt that on the Eastern side of the state at least there exist a tremendous growth pattern amongst various Hispanic groups. Census figures can be explained in different methods. While Pennsylvania may not be one of the 10 most populated states Pennsylvania has witnessed an 82.6% increase in the Hispanic population over the past 10 years, rising from 394,088 residents in 2000 to 719,660 in year 2010 (Center, 2010). The breakdown of this population increase is represented by a 134.8% increase in Mexican residents, and 60.2% growth in Puerto Rican residents, 73% increase in Cuban residence and most importantly 106.1% rise of other Latino groups. Throughout most of Pennsylvania and in particular in Eastern Pennsylvania this “other” category represents a tremendous increase in Dominican residents (Center, 2010).

To illustrate the proportional increase in the 2010 Census Figures regarding Hispanic growth rates in Pennsylvania, the state ranked fourth amongst all states in the increase in Puerto Rican population (366,082). In addition, Pennsylvania ranked fifth among states on the increase of residents from the Dominican Republic (62,348) (Sharon R. Ennis, 2011). While the numbers may not be as large as reported over the past 10 years among the top ten states of Hispanic population, they represent a proportional rapid growth in Pennsylvanians of newcomers. As stated above, there seems to be no end in sight to this new immigration or migration wave of newcomers to Pennsylvania, but it is the accelerated growth pattern that needs to be addressed by numerous agencies of various backgrounds.

The continued population growth of Latinos fueled largely through migration (generally undocumented in the case of Latinos), high birth rates, and low mortality rates, has manifested itself in dramatic increases in Latinos residing in urban areas of the country, with almost 90 percent of Latinos, for example, residing in cities. More specifically, Latinos, like their counterparts who do not have English as their primary language, are invariably relegated to barrios, although there are signs of a growing dispersal towards the suburbs (Melvin Delgado, 2012).
Not only do Hispanics of various backgrounds continue to make up the fastest-growing minority group in the United States, it also represents the nation's fastest-growing minority group embracing the entrepreneurship of small business ownership. According to U.S. Census Bureau's 2007 survey of business owners" the number of Hispanic-owned businesses in the United States rose from 1.6 million to 2.3 million between the years 2002 and 2007, representing a 43.7% Increase" (Kokodoko, 2011).

According national, state and local leaders within their own community, many Hispanic families believe the "American Dream” rests in the ownership of a small business. Such a small business in their eyes is not only the dream of financial security for now, but also that legacy that can be passed on to sons and daughters and other generations.

One recent estimate has Latinos as the largest group of color owning their own businesses with 6.6 percent of the approximately 23 million U.S. firms. These businesses employ 1,536,795 employees. Further, it was projected in 2010, there would be 3.2 million businesses generating $465 billion in gross sales. It is estimated that 10 percent of every small business is Latino-owned, with forty percent of all businesses that are owned by women of color being owned by Latinos. These businesses, in turn, generated $44.4 billion of sales in 2004. Between 1997 and 2004, Latina owned businesses increased by 64 percent. Hispanic Magazine estimates that Latino small businesses will grow at an annual compounded rate of 9 percent and reach 4.3 million in 2012. Latinos are opening these businesses with minimal financial and technical assistance, making their achievement even that much more impressive (Melvin Delgado, 2012).

Many national Hispanic organizations as well as the U.S. Census reports reiterate these finding and statistics. According to Census reports specifically for Pennsylvania, the rate of Hispanic businesses is growing at a rate many times greater than traditional White or other Non-Hispanic minority groups. The figures are as follows:

- The 2007 Survey of Business Owners: Hispanic-Owned Firms issued by the US Census Bureau projected that, in Pennsylvania, the number of Hispanic-Owned businesses increased by approximately 107 percent between 2002 and 2007.
- The same survey shows that the percent increase of Hispanic-owned businesses in Pennsylvania between 2002 and 2007 was almost nine times the state average for all businesses and more than double the national average for Hispanic-owned businesses (Greater Philadelphia Hispanic Chamber of Commerce, 2011).

According to Amilcar Arroyo, a local Hispanic leader in the Greater Hazleton Area relates that, one of the most important goals of many Hispanic families that migrate to the area today, is to establish a small business (Arroya, 2012). Trends in increased number of small businesses can be seen throughout Pennsylvania, and especially in the eastern counties of Pennsylvania where migration and immigration has been most significant. Groups like the National Hispanic Chamber of Commerce and the Small Business Administration indicate sharp increases in the number of Hispanic entrepreneurs throughout Pennsylvania; and, Arroyo offers similar numbers of small family owned businesses throughout Northeast Pennsylvania. In the Luzern County, Arroyo's hometown region, the number of businesses formed by the Hispanic community currently in operation is between 70 and 90 (Arroya, 2012). The number of current businesses Arroyo identifies does not include the vast number of Hispanic businesses in the form of “Mom and Pop” stores and restaurants that have been established and failed over the last 10 years. Especially when discussing the Dominican population, a strong majority of the Hazleton population alone, (15 to 17,000), Arroyo suggests they generally come to America with the hopes of establishing a small business as their main source of income(Arroya, 2012).

For many small townsnot only throughout Pennsylvania, but throughout many states across this nation, the new Hispanic businesses offer revitalization to communities that currently have seen their commercial centers wither due to economic conditions and larger shopping areas outside the city limits. According to Arroyo's own personal contacts the type of businesses established within the Hispanic community include barbershops and hair salons, bakeries, corner grocery stores, gift stores, taxi services, clothing stores, and a variety of auto repair services(Arroya, 2012).

While these businesses represent the American dream to a Hispanic family the road to attaining that dream is never easy, and is filled with barriers that lead to business.

This economic failure created more tensions in small communities that in recent years have witnessed tremendous influx of newcomers and the cultural shock that comes with such an event(Palermo, 2012).
“Recently released data showed that nationwide Latino owned businesses (non-farm) increased by 44% compared to the 18% increase for all businesses” (Institute, 2011). On average, however, Latino businesses made $153,000 a year which is lower than the $179,000 average for other minority-owned businesses and three times less than the $490,000 average made by White-owned businesses (Institute, 2011). These financial numbers only begin to tell the tale of problems Hispanic businesses face that are small in size and employees. Most small businesses in the Hispanic community just as amongst other groups or family owned and family operated, and are based much more on the labor intensity and personal investment rather than the margin of profit and volume of sales attributed to that business.

The reason for higher failure rates nationally and in Pennsylvania for Hispanic businesses are numerous. A variety of articles and studies have been conducted to investigate the difficulties of barriers faced by Hispanic businesses in today's economy and their high failure rate. Many summaries have been offered from within the Hispanic community as well as from outside, but commonalities of barriers and potential failure seem to rest on a lack of business planning, difficulty with language and culture, insufficient funds, and poor management and (Escalante, 2010). According to Patricia Schaefer in her article entitled, “The Seven Pitfalls of Business Failure and How to Avoid Them”, among other reasons small businesses fail, the most important to consider include: starting a business for the wrong reasons; poor management; insufficient capital; bad location; lack of planning; overexpansion; and no website (Schaefer, 2011).

The Massachusetts Mutual Financial Group located in Springfield, Massachusetts has done an extensive study on the financial wellness or lack thereof for Hispanic businesses throughout the United States. This study suggests that while the intentions of many new Hispanic entrepreneurs are well intended in reaching for the “American Dream”, they lack any kind of financial planning, management, cultural skills, capital, or means of obtaining capital to put their enterprises on a sound financial basis (Massachusetts Mutual Financial Group, 2011).

States across the U.S. including regions of Pennsylvania have taken steps to assist the Hispanic small business person in dealing with the type of barriers listed above. There exists the National Hispanic Chamber of Commerce which seeks to develop or improve commercial skills of Hispanic entrepreneurs. Within Pennsylvania such a national organization has been beneficial but most often Hispanic groups of various backgrounds migrating decades ago and has a history of cooperation and assimilation to the majority culture. Unfortunately, many new counties such as the Luzerne, Monroe, and Northampton counties have only witnessed recent but rapid Hispanic growth as yet received recognition or assistance from such business organizations. Examples of programs found in other states and even parts of Pennsylvania will be shown in this paper as the type of expertise which must be brought to emerging Hispanic communities in order to help promote and assist Hispanic businesses success. Unless business organizations, educational institutions, and Hispanic businesses themselves begin to address barriers to successful enterprises, they will continue to strain economically or fail. Such events may not only harm the new Hispanic entrepreneur, but potential customers as well, and the community they serve. Barriers between old-time cultures and those of the newcomers to these rapidly growing populations will be a detriment economically to these communities and remain a hindrance in building of cultural bridges to unite old residents and newcomers.

Before looking at specific business difficulties Hispanic entrepreneurs face, it may be insightful to review differences in culture that may also lead to business difficulties. Ohio State University has conducted an overview of the cultural differences between the traditional American resident and his or her Hispanic counterpart. In their article Understanding the Hispanic Culture, the study notes a tremendous Hispanic population growth in the United States of America over the past 30 years, however important differences in culture are recognized as a serious divide with traditional residents. Closeness of the family members whether direct or extended family of newcomers has been identified as a cultural trait. Often times it is a variety of family members who during day or night oversee the operations of the “Mom and Pop” stores within this community. Often Hispanic families will use a small business to supplement the family income at first while working full-time jobs at local factories four 8, 10, to 12 hours a day. Because of this, one can see the need to have additional family members work business hours at any commercial enterprise to make it work.

While the hope is that one day the business can be the sole financial provider for the family, the inattentiveness because of other labor needs require can often serve as a barrier to success (Nieto, 2011).
Customers of Hispanic businesses at times find differences amongst employees who wait on them. Language barriers or a lack of familiarity with the English language may require requests to be repeated. At times Hispanic employees may speak too fast or with very animated gestures. The distance of personal space may be different and uncomfortable for the non-Hispanic customer with which to deal. The element of time and appointments within the Hispanic community are often times much more relaxed than in the culture of traditional Americans. Simple things such as making eye contact or not by a Hispanic business person towards traditional customers may be quite different than those customers are accustomed. Lack of eye contact in some Hispanic communities as the Mexican community is a sign of respect rather than one of disinterest, but may not be seen as such by the traditional customer. Last, fear of traditional customers who may not be have shopped in the establishment before but wish to try new and different products may pose problems. Many in the Hispanic community among them Mexican, Puerto Rican, Dominican, or other groups face a discomfort or a distrust for traditional customers within these new emerging businesses.

One anecdote to explain these simple but important barriers to Hispanic businesses can be seen in the following example related by the Executive Director of the Greater Hazelton Chamber of Commerce organization. Ms. Donna Palermo and Mr. Louis Dryfoos, president of the local chamber. The duo wished to express their excitement and pleasure with a clean, attractive, and well-recognized Dominican grocery store in the heart of downtown Hazelton. Their intent was to present a plaque of recognition to the owners of the store from the local chamber. Upon entering the store dressed in their everyday business attire, many Dominican customers as well as employees became disturbed with the entrance of two such well-dressed but nontraditional customers. It was not until it was explained the reason for their awarding the store this important recognition that calm was once again brought to people within that establishment (Palermo, 2012).

The example provides some insight into important differences of the Hispanic businesses of small towns in Northeastern Pennsylvania. First, cultural differences do create a barrier between Hispanic business owners and traditional residents of a community as to acceptance and willingness to utilize new and emerging businesses. If traditional residents are either unaware or afraid to use these businesses, success for said business will be much more difficult to achieve. Using only a part of the customer base is not a path that necessarily leads to success for many small-town commercial endeavors. Second, Hispanic businesses in many small towns need to reach out to traditional residents if they are to succeed. Making these new potential customers aware of the goods and services that are available as new foods, clothing, salon styles, or a variety of other goods is a must for success. Reaching out to everyone in the community is not only good business sense but one very key means of bridging new minority cultures to the traditional culture of the residents within a community. Business is not only important in a commercial sense, it is extremely important in a sense of community acceptance and cooperation.

Other problems however exists that plagued new startup Hispanic businesses as well. According to George Lawrence of Demand Media in an article entitled, List of Problems That Startups Face, one of the most important is that of competition within a small community. As Lawrence suggests, the number of gift stores, barbershops, and shops with salon care products in anyone community must be limited. The problem faced by so many emerging enterprises is the existence of larger retail outlets whether national chain stores or simply local well-known establishments in the community that provides similar services. It is too easy to be devoured up by such businesses unless your uniqueness or location can provide some help(Lawrence, 2012).

Lack of funding is also been addressed by Lawrence. As he suggests the idea of starting a business is to make money, however the problem with so many startup businesses is actually the lack of funds which leads to failure. As stated earlier in this paper many families pursue of the ‘American Dream” of owning a business as secondary effort. All too often the primary job which requires 8, 10, or 12 hours of work outside the home and business. Savings a family may possess or the procuring loans from members of the family or commercial institutions are not always easy to obtain when dealing with a risky venture. The time commitments or lack thereof that an individual or individuals may be able to put towards such an economic venture may not make lending institutions look favorably on any type of lung (Lawrence, 2012).
Every source investigated for this paper focused on one primary barrier to success for new Hispanic enterprises. Other reports, and especially the Massachusetts Mutual Financial Wellness Study, indicate that by far poor planning or the lack of use of a business model is a primary reason for failure.

Lack of any defined planning for start-up of a small business, its continued reinvestment, or means of succession within the enterprise highlight the reason is why over 50% of Hispanic businesses fail in the first year (Escalante, 2010).

Every study investigated including the Massachusetts Mutual study point out the same statistical evidence due to lack of planning by small Hispanic businesses. These issues include:

- More than a third [Hispanics] are interested in growing their business, but do not have the knowledge to do so compared to 14% of the general population.
- Approximately 28% of Hispanic business owners don't have time to get involved in managing their investments compared to 18% of the general-market business owners.
- 23% have too many immediate financial concerns to think about saving for retirement, compared to 16% of general-market businesses.
- 18% of Hispanics say that they would know where to go for financial assistance compared to 12% amongst general-market businesses.
- Six in 10 Hispanic business owners say that they want a financial advisor who can speak in their preferred language (VOXXI, 2012).

As can be seen from these bullet-points, such lack of planning and the inability to seek assistance in planning too often lead to failure. In addition communication and marketing skills hinder the success rate of startup enterprises. Oftentimes children and young teens may be asked to serve as interpreters for the sale of goods and services to traditional residents. The lack of precise communication skills with traditional residents may very well be enough to hinder the use of that business by local non-Hispanics (Palermo, 2012).

Marketing of products and services of small businesses has always been a major obstacle to success regardless of newcomer Hispanic or old-time traditional store owner. The costs involved in advertising and the means by which to advertise can cause complications to any business plan. Many of these traditional small Hispanic enterprises have not used the traditional route of newspapers, local radio, or local television to get their message out. Many Hispanic businesses are more prone to get word to potential customers by word-of-mouth or sometimes the title of their business (Nieto, 2011). Many local businesses for example throughout the Hazleton Area which are run by past residents of the Dominican Republic will place the title Ocoain the name of their business. Ocoa is an area found within the Dominican Republic and therefore reminds most Dominicans in the area that they will find goods and services familiar to their needs and from individuals from their past region of living (Please see pictures in appendix of the paper that show examples).

In addition to the name of local businesses the type of advertising in store windows differs dramatically from that of traditional local businesses. Because of cultural differences and possibly the lack of money, the prices of products are usually placed in the window on hand written signs rather than professionally made posters or newspaper advertisements. Amilcar Arroyo, the editor of a Hispanic newspaper in northeastern Pennsylvania, El Mensejaro, has found it difficult himself to get very small and upstart Hispanic businesses to advertise in his Hispanic paper. While the paper is free and read throughout the Hispanic community, Arroyo has found it difficult to convince small enterprises to use his paper. Because he has tried to keep advertising rates low enough for small businesses to afford them, Arroyo has found it difficult to keep his paper running without the assistance of larger daily newspapers (Arroya, 2012).

If competition, poor planning, communication skills, and advertising must be improved to assist these upstart businesses, then what are the types of answers that one needs to pursue to solve this dilemma? There are solutions to some of these problems, but unfortunately all too often they are too limited in numbers or nonexistent in the areas which require their assistance the most.

There are actually three components of organizations assistance hat can be of benefit to Hispanic small businesses. The first of these components consists of organizations that include traditional business organizations established many decades ago for large and small businesses alike. Included within these organizations are the National Chamber of Commerce, Small Business Administration (SBA), and local merchants associations.
Within the second component can be found Hispanic business associations specific to the needs of the new entrepreneurs. The National Hispanic Chamber of Commerce and the National Hispanic Business Group are two such organizations, but the number of local and regional groups are more numerous and specific to the needs of that area.

A strong component as a third type of assistance lies with the local Hispanic groups and tied to them often, Hispanic cultural centers within that city. Colleges and universities who seek to help specifically the small Hispanic business person are often recruited by such local associations as well.

Most communities across the U.S. possess a local Chamber of Commerce whose mission specifically is to assist community business owners and their enterprises. The general mission statement of the Chamber as found on all its local websites is… to contribute to its members' business success by providing them valuable information, services and networking opportunities, and by taking active measures to help them improve the business climate and [their] quality of life”(Greater Hazleton Chamber of Commerce, 2012). The chamber provides numerous seminars and resources to help local business owners in a variety of measures including financial planning, networking advertising, and promotion throughout their state or local communities. Chamber organizations around Pennsylvania and especially in northeastern Pennsylvania have attempted to assist emerging Hispanic businesses with limited success. Reasons often provided as an explanation for this failure include the cost of the organization and an unwillingness to join an outside or non-Hispanic organization (Palermo, 2012). Leaders of the Chamber throughout northeastern Pennsylvania speak with frustration when discussing the attempts to reach out to Hispanics business owners with little success. Even when some memberships are obtained, they seem to be short lived and a membership not renewed (Palermo, 2012).

A second national organization of assistance to small Hispanic businesses is to U.S. Small Business Administration. A government agency, the SBA works to help formulate sound business practices as well as providing grants to start-up businesses. SBA assistance has especially been useful in aiding minority businesses. This agency points with pride to the increasing number of Hispanic businesses that it is been able to help, however much of this good that has been accomplished in locales in the southwest and western portions of the United States where Hispanic population has a long-time history. This history and assimilation may give explanation as to why the Hispanic population has become aware and willing to use such assistance (Administration, 2012). In the Northeast United States and especially in states like Pennsylvania, knowledge of, and use of the SBA by such aspiring businesses is much more limited (Guydish, 2012).

A second component of assistance to Hispanic businesses can be found in the national Hispanic business organizations such as the Hispanic Chamber of Commerce and the National Hispanic Business Group. Both organizations as well as others have been founded more recently (1970s on) to advance business goals and opportunities for Hispanic businesses (United States Hispanic Chamber of Commerce, 2012). While their intentions and efforts are as strong if not stronger than other organizations mentioned in the last paragraph, many areas throughout the United States for whatever reason are not covered by the good efforts of these organizations. The USHCC has offices in Pennsylvania regions of Philadelphia, Harrisburg, and Berks County Area. No affiliates have yet reached out to Northeast Pennsylvania at this time. The reason for little contact or recruitment drives remains unclear; however, the cost again of such membership may be out of the reach of many “Mom and Pop” businesses (Palermo, 2012). Other organizations such as the National Hispanic Business Group specialize in the corporate sector and promoting growing Hispanic fortunes (National Hispanic Business Group, 2012).

A third component of assistance to small businesses comes directly from the Hispanic centers within the cities and towns in which they are located. Organizations such as the Spanish American Civic Association in Lancaster, Pennsylvania, a nearly 40-year-old Corporation assists in the economic development of that city. One of the five corporations under the umbrella of SACA has been established specifically for the economic development of the Greater Lancaster Area by Hispanic property owners and business entrepreneurs. This Corporation has worked effectively with city government and the commercial lenders of Lancaster to encourage, financially plan, and commercially lending money to sound Hispanic business investments (Spanish American Civic Association, 2012). Carlos Graupera, the executive director of SACA, has worked diligently since 1971 to assist newcomer Hispanic families to the Greater Lancaster Area and bridge the social, economic and cultural differences between the newcomers and traditional residents.
Through his efforts, improved housing, and economic developments have been key elements of SACA in recognizing the importance of the Hispanic community and the blending of it into an important cog in the betterment of the Lancaster Area as a whole (Spanish American Civic Association, 2012) In Scranton, PA is an organization known as the Latin Diversity Cultural Center, organized by Pedro Gonzales has attempted to provide similar assistance in socioeconomic categories.

With only a history of less than 10 years, its accomplishments compared to other centers may not be as great, but the center continues to work with Hispanic businesses, city government, and the community as a whole to facilitate and assimilating process within that community (Linkedin, 2012). Daniel Torres of Reading’s Centro Hispano, and Lupe Pearce, Founder, CEO/President of Hispanic American Organization of Allentown, provide similar educational and social assistance programs to members of the Hispanic community in their respective cities (Pano, 2012)(HAO, 2012).

While these last two organizations do not focus specifically on economic development for small Hispanic businesses, they do provide educational programs, most importantly through Kutztown University, that are great assistance to the planning and financial operations of small businesses. Wherever these Hispanic cultural centers seem to have developed with an experienced director, tangible building and resources with which to help, the Hispanic community in a traditional community of that city seems to have benefited. It would appear that National Hispanic business organizations as well as local colleges and institutions willing to offer outreach programs to Hispanic businesses function most beneficially through these cultural centers.

Investigating the opportunities offered by colleges and universities, Kutztown University which fits within a radius of Allentown, Lancaster, and Reading, has done a great deal to assist emerging Hispanic enterprises. An investigation of the Kutztown University website highlights the tremendous amount of work several of the departments of that university have created as a program of assistance to small Hispanic businesses. A portion of its efforts in business development come through the program of the Small Business Administration. Its interest and specific programs developed for the new Hispanic business is a model that many other schools and universities need to take note.

[Recently Kutztown University] announced the appointment of Carolina Martinez as the new director of the Latino Business Resource Center (LBRC), in Reading, Pa. Martinez takes the reins from former director, Lenin Agudo, Reading's new director of Community & Economic Development.

In her responsibilities as director Martinez will be further developing the Bilingual Entrepreneurial Learning Program, outreach to the Hispanic/Latino business community, and leading the development of new projects that would empower the Latino entrepreneurs(Kutztown University of Pennsylvania, 2012).

“Founded in 1993, the mission of the Small Business Development Center at Kutztown University is to work with entrepreneurs in confidential, one-to-one sessions to help them with a range of business issues including testing a new business proposition, shaping a business plan, investigating funding opportunities, and much more(Kutztown University of Pennsylvania, 2012). Because of these efforts the Hispanic businesses who take part in these programs see a much higher rate of success than those who take action solely on their own efforts. According to an August report, the Kutztown program announced an 80% success rate through the first year of Hispanic businesses as compared to the 50% national success rate. Since its creation in 2007, this program has been responsible for the creation and expansion of 150 businesses in the greater Reading area along(Kutztown University of Pennsylvania, 2012).

It should be noted; that the Kutztown program and its goals can work much more effectively when coupled with national commerce organization as well has Hispanic cultural Center within a city. This is precisely what one sees in a cooperative effort Kutztown offers Reading, Lancaster, and Allentown. University program also acknowledges ties with such organization as the national Hispanic Chamber of Commerce. While one source of assistance may be of a help to a new Hispanic business, challenges can best be met through a concert of efforts by all three types’ organizations working together and offering what each does best. Financial planning cultural advising and confidence building regarding the startup business seemed to best be handled in this type of manner.

Within this study the local Hispanic business community has been used as an example that has been investigated first hand. Through interviews of local businesses, schools, civil leaders, and government leaders have been interviewed.
There is a lack of communication between newcomers, their businesses and the traditional residents that does not bode well for the success of these new upstart businesses. Conflict among Hispanic leaders of different ethnic backgrounds runs strong. As in many other communities, social, economic and cultural differences between Hispanic groups cause barriers. In many instances, Mexican or Puerto Rican will not work with Dominican or Peruvian.

When an ethnic group wishes to “go it alone” in refusing to assimilate with the majority culture of a community business failures are much more of a certainty and greater tensions with the entire community swell (Palermo D., 2012)

The city of Hazleton has suffered a division between newcomer and traditional resident for several years due to local ordinances such as the Illegal Immigrant Relief Ordinance of 2007 and preceding court case "Lozano, et al. v. City of Hazleton"(Galski, 1012). The conflict has driven a wedge between many store owners and the traditional residents. In a more specific view, the conflict between Dominican resident and their store owners toward the traditional resident are most strained.

Mistrust and an unwillingness to cooperate exists among leaders within the Hispanic community because of their diverse backgrounds. Dominican unwillingness to accept a Peruvian leader or a Puerto Rican leader to their organizations or activities makes any progress in the Hispanic community as well with traditional residents or organizations, seen as outsiders extremely difficult.(Palermo D., 2012).

Until other regions of northeastern Pennsylvania and as well other regions in states across the US attempt to the type of efforts described in this paper, the number of Hispanic businesses will continue to fail at a much higher rate than the traditional white non-Hispanic business across country. In Hazleton Pennsylvania as throughout Northeastern Pennsylvania, such assistance does not yet exist. Efforts by individuals through schools, Penn State University-Hazleton, Luzerne County Community College, and Lackawanna College, have not been yet coordinated enough with city officials and local chamber officials to match the previous model offered.

Unless a continued and more directed effort in unison with assistance from schools like Kutztown or others institutions are utilized, the number of businesses in Northeastern Pennsylvania will flounder. It must also be taken into consideration although not directly the focus of this paper, that members within the Hispanic community themselves must want to accept assistance from the components of organizations previously mentioned, and the non-Hispanic white community as a whole. Some question as to the willingness to accept such has been suggested but to this point not actually measured in a quantitative manner. Individuals within communities such as Hazleton point to examples as mentioned above as well as actions to create a separate Hispanic Little League, separate festivals, and rejection of membership in the local Chamber of Commerce.

Until both sides are able to first create the components of success; utilize the information offered that breeds success, and begin cooperating with outside ethnic groups, the hope for business success may not be found. If success in commercial enterprises, it may also elude communities of diverse backgrounds in cultural bridges that need to be built as well.

References


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