

BEXAR COUNTY

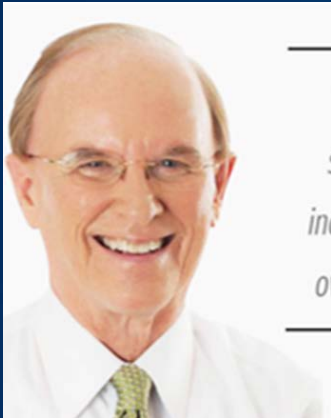
African American Business Enterprise (AABE) Research Survey Summary

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African-American Business Enterprise (AABE) Research Survey



"Bexar County Commissioners Court is supportive of this study and aims to see increased opportunities for African-American owned businesses within our community."

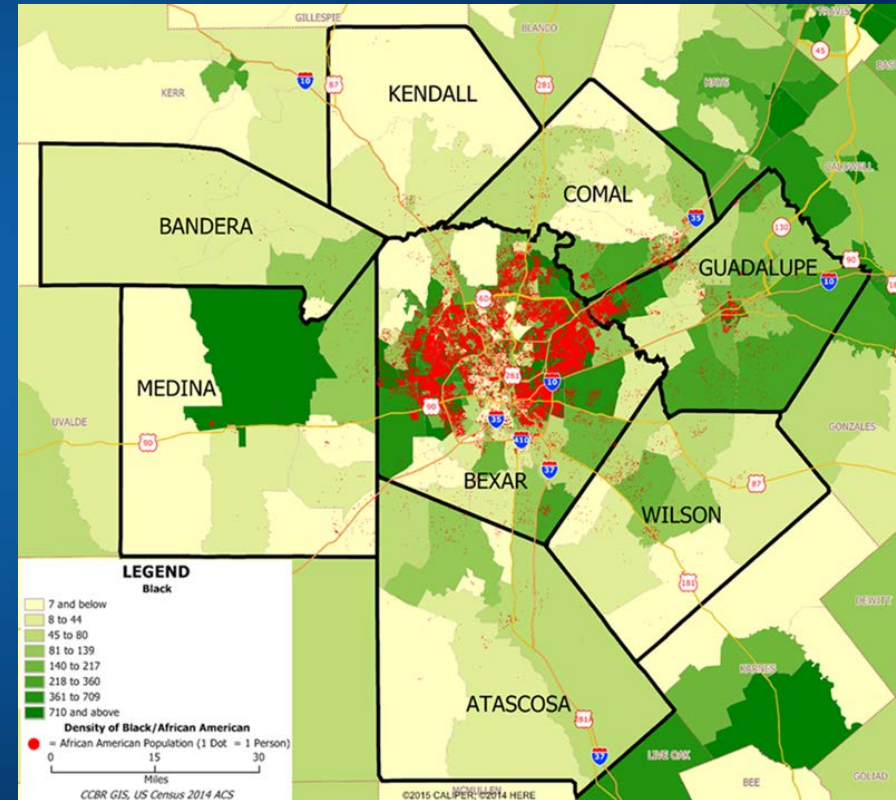
- NELSON WOLFF, BEXAR COUNTY JUDGE

Bexar County identified a gap in qualified Small, Minority and Women Owned Business Enterprise (SMWBE) in the Alamo region and wants to stimulate local outreach, economic growth, and development.



AABE Research Survey

- Assist Bexar County in its economic development efforts and increase participation of AABEs in procurement process
- Methodologically sound research, extensive outreach, and partnership with Bexar County SMWBE



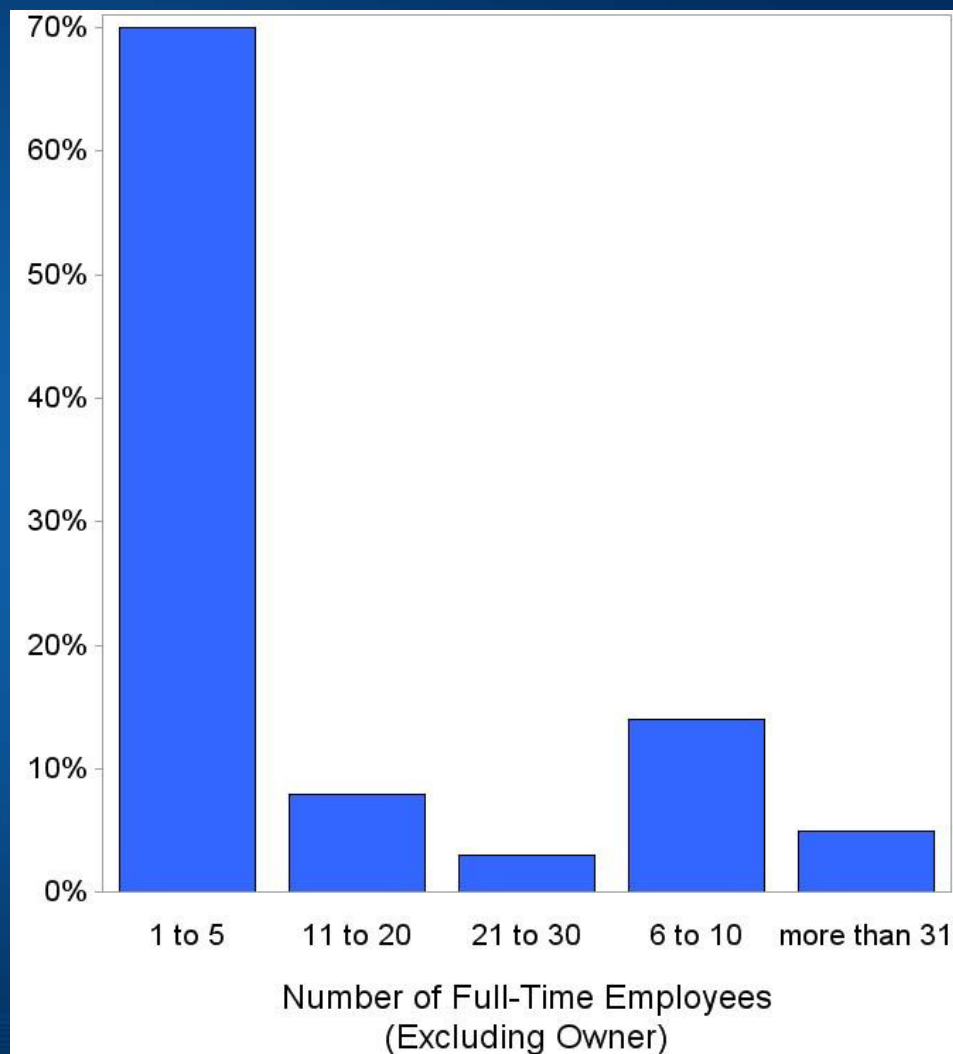
African American population in Bexar County business shed

Census of Business Owners

- AABEs* increased to over 7,000 firms in 2012
 - 3.8% of all firms in MSA are AABEs
- Few AABEs had paid employees
 - 8% with paid employees in 2012 (562 firms)
- Firms with paid employees generate most of the revenue (avg. \$600K/ firm)
- Incidence of ABBEs is not at parity with African American population
 - (African Americans were 7% of population in 2012)

Organizational Capacity

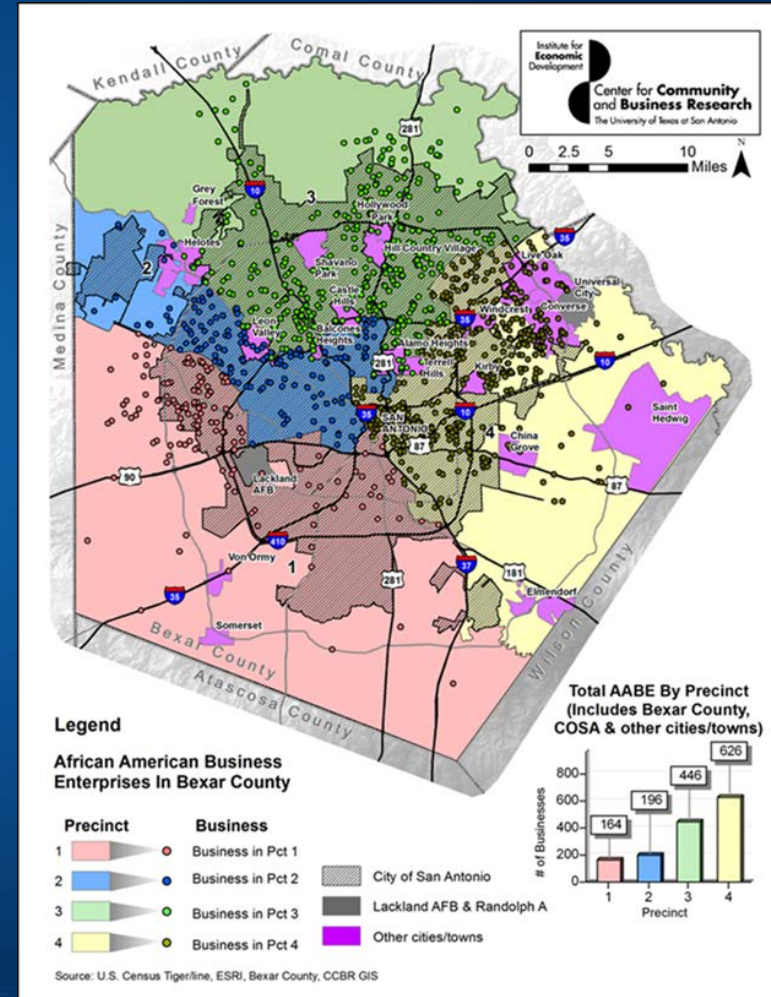
- Limited administrative capacity
 - Few firms have more than 5 employees
- Limited financial capacity/cash flow
- Limited bonding/experience



Full-time employees for AABEs

Marketing Capacity

- Establishing networking connections are difficult
- AABEs are located across all precincts
- Respondents get most information from online listings
- Some AABEs were interested in mentorship



Available Industry Sector

- Business categories of AABEs may not all align with Bexar County's most frequently solicited bids.

Industry Sector of AABE Survey Respondents	%
Professional Services	30.6
Services	26.4
Other	19
Construction	9.9
Goods and Supplies	3.3
Finance, Insurance, and Real Estate	2.9
Architecture & Engineering	2.5
Mining	1.7
Transportation, Communication, and Utilities	1.7
Retail Trade	0.8
Wholesale Trade	0

*Companies are not limited to a single industry sector

Government Contracting Experience

- Average age of businesses was 8.73 years
 - 70% were less than 10 years old
- More than 80% of respondents do not have prior experience with the Bexar County procurement process
- Approximately 65% did not submit a bid in 2015

Government Contracting Experience

- AABE Survey Respondents:
 - were interested in working with Bexar County
 - requested feedback on bidding results/rejection
 - desired transparency on the bidding process
 - perceived unfairness, even working as subcontractors
 - had concerns about “one size fits all” prequalification requirements: (bonding, past performance, credit)
 - noted confusion about minority certification and vendor registration (Bexar County accepts all certs.)

BARRIER	RECOMMENDATION
Administrative Capacity	Management Assistance/Teaming
Productive & Financial Capacity (i.e. loans, bonding, & insurance)	Debundling Projects, Teaming & Business Development (build financial capacity)
Government Contracting Experience	Build Qualifications & Educate
Marketing Capacity	Matchmaking events through SMWBE office (e.g. annual SMWVBO conference) and build marketing capacity
Industry Category Mismatch	Increase transferal capacity (transfer skills and resources for County needs)

Recommendation: Focus on AABEs for outreach and capacity building

- Mentorship
- Educational business resources (SMWBE, PTAC)
- Teaming/Partnerships



Thank you!

African American Business Enterprise Research Summary
2016 Survey