

Diversity In The Business Community

Still Room For Improvement As New Efforts Are Underway

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In 2006, the U.S. Census Bureau estimated that of Long Beach's 466,718 residents, almost 40 percent were Hispanic or Latino, more than 41 percent were white, 13.9 percent were black or African American and another 13.3 percent were Asian. Moreover, the city boasts the largest population of Cambodians in the United States.

It should come as no surprise, then, that Long Beach is considered to be one of the most ethnically diverse large cities in the nation, clinching the top spot in USA Today's Diversity Index in 2000. But despite the numbers, many observers within the local business community say their ranks don't reflect that diversity nearly enough – particularly in the wake of today's financial crisis. Meanwhile, city officials contend they are ramping up efforts to promote diversity.

"I think Long Beach has done a real good job in creating a foundation and in creating an atmosphere for business entrepreneurs to open up business," says Jorge Haynes, chairman emeritus of the Regional Hispanic Chamber of Commerce (RHCC). "The [efforts] are ongoing, and they're successful to the degree that small businesses, which is where most of our folks come into the business cycle, . . . have access to capital."

Moreover, the city has tried to make it easier to do business in Long Beach over the last five to seven years, he says, explaining that "that's really very necessary for small-business people because they don't have large staffs to go through all the paperwork." And as testament to the positive outcome, Haynes points toward the increasing number of entrepreneurial ventures among the city's Cambodian and Latino communities.

The Long Beach Area Chamber of Commerce has also

helped promote diversity in business, allowing the smaller ethnic chambers to plug in and share resources with their own members, he says. However, he notes, the smaller chambers must continue expanding their membership bases to strengthen their position in the city's business community.

"If you look at the Regional Hispanic [Chamber of Commerce], it's been growing, but we need to encourage all of our prospective members to see a benefit in joining the chamber. It's really easy just to pass on that, but the collective voice of 500 – as opposed to 50 – businesses makes a huge difference," Haynes says. "Long Beach [is] a very, very diversity-friendly city. There are wrinkles with some of our communities that we need to work through, but in terms of the business community, I think we're all on the same track."

Richer San, vice president of the Cambodian-American Chamber of Commerce (CACC), agrees that more needs to be done on the part of the local chambers and their members, especially given today's troubled economy. He notes that while the CACC must continue outreach efforts, its 170 members should be more active and should better express their needs to chamber representatives.

And even though San commends all the chambers for their collaboration on outreach, communication and education, he says he is not as impressed with the city's rate of progress.

"I think, overall, that the City of Long Beach has tried its best to promote diversity in business, but I still think there [is] more work to be done. . . .The idea is great, but the action needs to be consistent," he says. "We look at the city as our parents, [and] parents need to do their best to reach out to us. We also need to [make an] effort, as well, to work with the city, but to me, the city needs to do more."

Richard Love, chair of the Long Beach Black Chamber of

Commerce, also calls for more city involvement. He notes that a stronger, more supportive push could help level the playing field for the chamber and other minorities.

“Ongoing challenges members encounter [are] the same as other businesses. However, the playing (business fields) has never been level for brown- and black-owned businesses,” Love says, noting that major concerns include assisting members with obtaining funds to start a business; finding funds, grants or loans to maintain or expand businesses; and pursuing business education. “Those chamber members who are contractors – building, electrical, etc. and experienced professionals with marketing backgrounds, IT professionals, engineering – . . . have experienced much difficulty in being seriously considered.”

The City of Long Beach established its Diversity and Economic Opportunity Program in 1975 to provide an opportunity for all segments of the business community to network and do business with the city. It encourages diversity by ensuring that local business, minority-owned businesses, women-owned businesses and disadvantaged businesses are involved in the city’s procurement process, explains Jesse Johnson, diversity and economic opportunity officer.

But the city recently eliminated Johnson’s position – effective December 31 – while developing the fiscal year 2009 budget. The decision, Love says, “puts [the] brakes” on a business tool that is “already slow to accept and develop important business interests.”

City Manager Pat West, meanwhile, contends that the change will actually help enhance the program because it removes an unnecessary duplication of services. He explains that the Diversity and Economic Opportunity Program was run under the city’s department of community development, but the financial management department’s purchasing division performed many of the same business outreach functions.

“We [were] seeing a redundancy, and this year’s budget is about reduced duplication,” West says. “It will enhance the program [because] . . . we won’t have two entities doing the same thing, where people go back and forth on who’s on first base. Everybody will know our finance department is

going to be in charge of this, as opposed to having two departments duplicating services.”

As of January, City Purchasing Agent Erik Sund will fully incorporate the goals of the Diversity and Economic Opportunity Program into his responsibilities, which involve administering bids and negotiating contracts for city services. Sund and the city’s four buyers are each assigned commodities for which they try to locate local businesses.

In order to encourage more minority-owned businesses to work with the City of Long Beach, Sund and the buyers are committed to taking an active role in reaching out to the local community. For example, they will continue offering bimonthly diversity outreach networking sessions and collaborating with the chambers of commerce, as well as identifying local businesses that have not yet registered with the city’s bidder database.

Sund notes that upcoming events include the Asian Business Association’s Asian Global Sourcing & Procurement Opportunities Conference on October 16 and the RHCC’s 4th Annual Regional Entrepreneurs Conference on October 20.

According to the Long Beach Department of Financial Management/Purchasing Division, the following businesses are registered with Long Beach’s bidder database:

- 2,213 Local Businesses (in Long Beach and Signal Hill)
- 1,252 Minority-Business Enterprises
- 1,037 Women-Business Enterprises
- 912 Small-Business Enterprises
- 334 Disadvantaged-Business Enterprises.

“The key for us is going to be constantly reinventing the ways that we promote diversity in local business outreach because working with businesses and getting local businesses in is a circle of life,” Sund says. “By working with local businesses, we’re investing in ourselves, so that’s key, but . . . maintaining that diverse base is also a mission of ours.”

For more information on the city’s purchasing division or to register with the bidder database, call Sund at 562/570-6663 or visit www.longbeach.gov/purchasing. ■