STATE AFFAIRS
WISPOLITICS
Wisconsin's Premier Political News Service

Report details need for more coordinated small business support in Milwaukee

Posted on Monday, Nov 27, 2023

The need for business coaching, financial education and capital in Milwaukee's small business community is surpassing capacity, the Wisconsin Policy Forum reports.

The group's latest report, focused on the small business support system in Wisconsin's largest city, found Milwaukee has a relatively strong network of service providers. But report authors say it lacks "the kind of coordinated supports and philanthropic engagement" of entrepreneurs in other major Midwestern cities like Kansas City, Detroit and Chicago.

In one example, the report highlights the KCSourceLink effort, located in the University of Missouri-Kansas City's Innovation Center. The program offers an array of support for entrepreneurs in the area, helping them navigate resources and coordinating efforts of other groups in the ecosystem.

"Whereas in Milwaukee, no organization positions itself as the 'backbone' of the entrepreneurship and small business support ecosystem and no organization serves as its 'front door,' KCSourceLink claims both roles in the Kansas City metro area," report authors wrote.

By comparison, business service providers in Milwaukee "often try to do too much," according to WPF. Based on interviews with local leaders in the city's business community, WPF argues these organizations should "more clearly define what they do best" and focus on that, rather than spreading themselves too thin.

Meanwhile, the report spotlights access to capital as a persistent challenge for small businesses in Milwaukee. It acknowledges the impact of community development financial institutions, which help those unable to access capital through banks and credit unions, but adds multiple interviewees believe more lending capacity is needed.

And the report says Milwaukee has “insufficient capacity” for one-on-one business coaching, noting few organizations in the city offer such services.

“Some [interviewees] noted that those who provide one-on-one support to entrepreneurs often go into private consulting rather than working for a nonprofit, making their services less accessible to lower-income entrepreneurs,” report authors wrote.

WPF says local philanthropic organizations could play a bigger role in supporting Milwaukee entrepreneurs, noting both Detroit and Chicago have developed “funder collaboratives” to do just that. Support in those cities comes through grants to business service providers and other initiatives.

“Our research suggests that with more focused leadership, coordination, and financial support, the city’s current small business support ecosystem could become even healthier and achieve greater effectiveness in addressing the varied needs of small business owners and entrepreneurs,” report authors wrote.

See the full report:
https://wispolicyforum.org/wp-content/uploads/2023/11/DownToBusiness_FullReport.pdf

See the release:
https://wispolicyforum.org/wp-content/uploads/2023/11/Small-Business-Landscape-in-Milwaukee-Media-Release.pdf

–By Alex Moe