

INNER CITY CAPITAL CONNECTIONS

2021
IMPACT OVERVIEW

Emerge Stronger



ICIC



IMPACT MATTERS



Since its inaugural cohort in 2005, ICCC has trained more than 5,800 businesses in underserved communities across the United States and Canada. This impact overview is a testament to the resilience, ingenuity and entrepreneurial spirit of these business owners as they emerged through the COVID-19 pandemic.

"2020 was a challenging year for small businesses" is a severe understatement. Forced to adapt at breakneck speed to the effects of the COVID-19 pandemic, business owners juggled pre-existing and evolving responsibilities while playing an increased role in their communities. Wearing more hats than ever before, many businesses became a lifeline when resources and services became scarce, while managing ever-changing regulations and restrictions. This report illustrates how ICCC alumni have continued to create lasting impact while navigating one of the most difficult economic climates of the last century.

Throughout the last 21 months, we have witnessed ICCC alumni and current participants double down on their ability to pivot, innovate and serve their communities. We are incredibly proud of their efforts to survive and emerge stronger from the health and economic crisis we've experienced.

ALL ALUMNI ACHIEVEMENTS (2005 - 2020)



23,674
JOBS CREATED



115%
AVERAGE
REVENUE GROWTH



\$2.35B
TOTAL
CAPITAL RAISED

2020 ALUMNI ACHIEVEMENTS SINCE PARTICIPATION IN THE 2020 ICCC PROGRAM



427
JOBS LOST



42%
AVERAGE
REVENUE GROWTH



\$17M
TOTAL
CAPITAL RAISED

ALUMNI PROFILE (2005-2020)



Number of unique businesses trained.
11% of alumni participated in more than
one year.



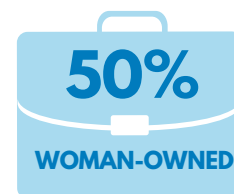
15
YEARS
MEDIAN AGE
OF BUSINESS



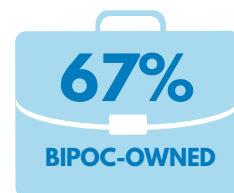
\$1.3M
AVERAGE REVENUE



4
MEDIAN FULL TIME EMPLOYEES

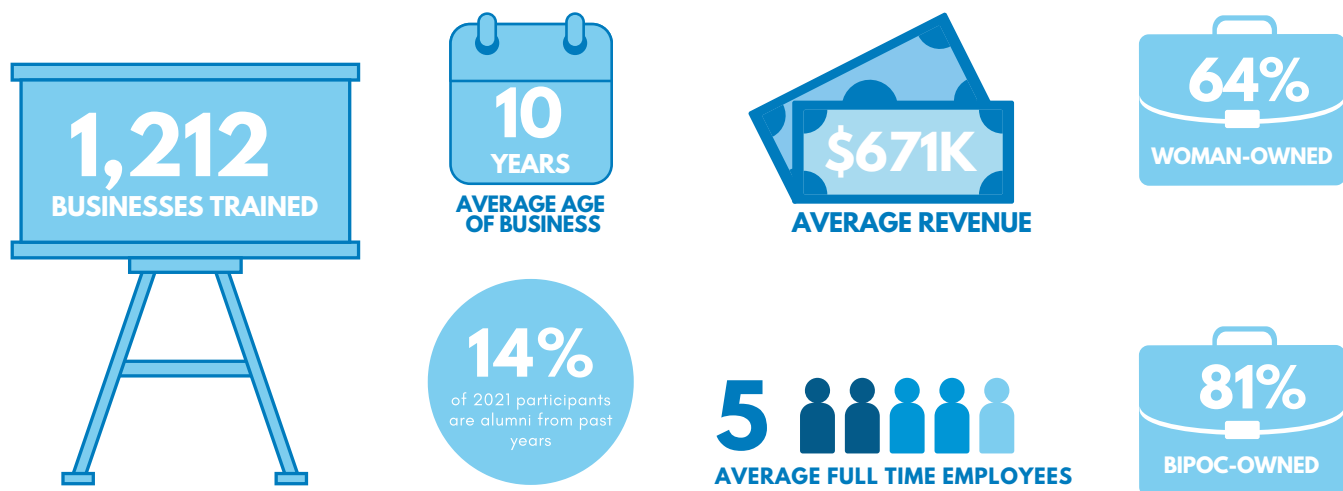


50%
WOMAN-OWNED

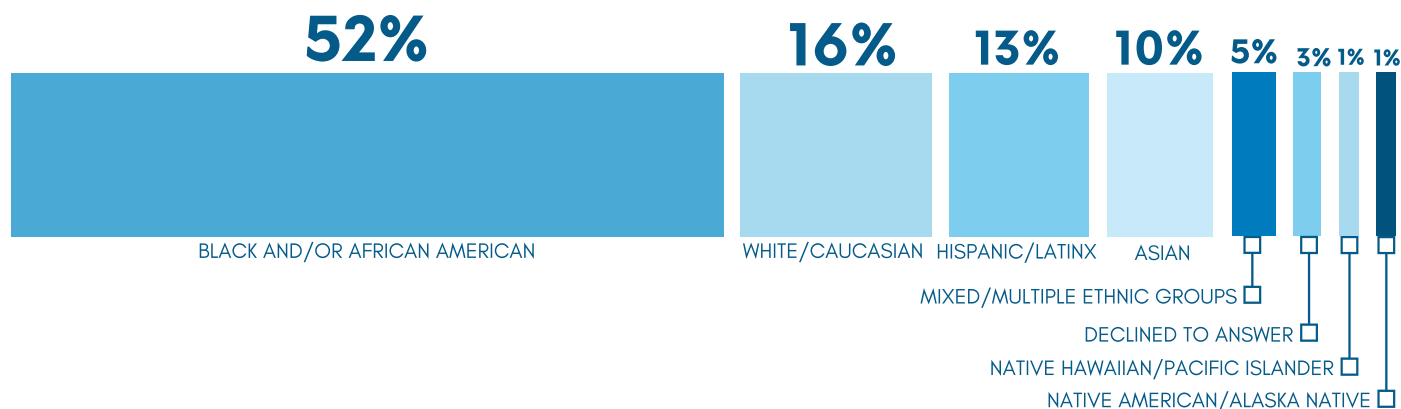


67%
BIPOC-OWNED

PROFILE OF 2021 PARTICIPANTS

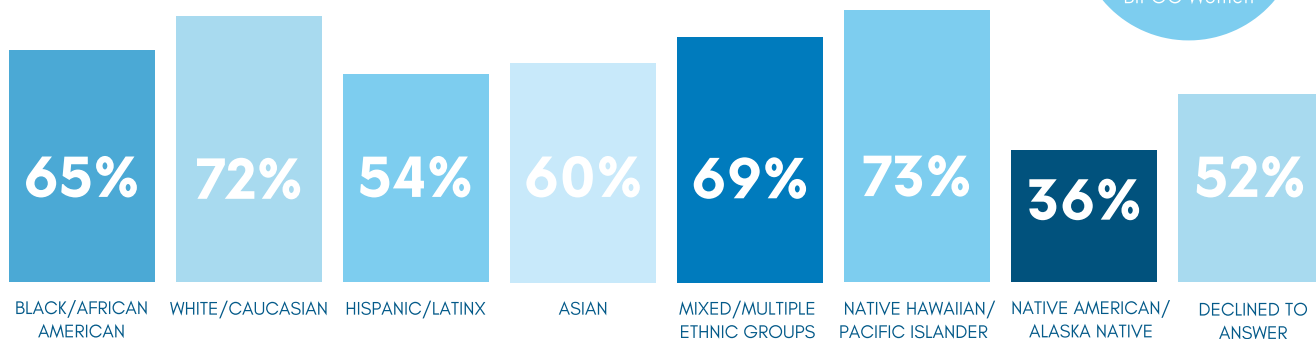


RACIAL AND ETHNIC BREAKDOWN OF FIRMS



WOMAN-OWNED FIRMS

PERCENTAGE OF WOMAN-OWNED FIRMS WITHIN RACIAL AND ETHNICITY BREAKDOWN



51%
of 2021 firms are owned by BIPOC Women

AVERAGE REVENUE GROWTH

REVENUE GROWTH SINCE FIRST YEAR OF PARTICIPATION



IMPACT OF COVID-19 ON REVENUE

60%

OF ALUMNI LOST REVENUE
IN 2020 BECAUSE OF
COVID-19

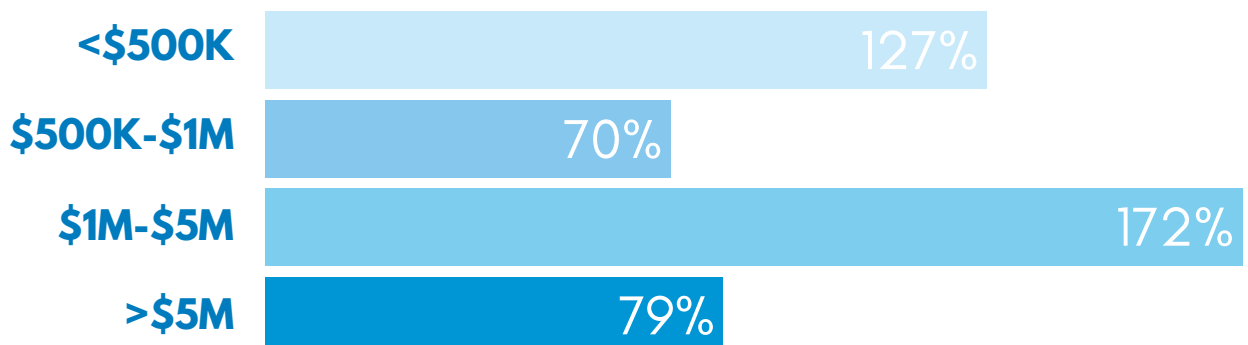
18%

OF ALUMNI CLOSED THEIR
BUSINESS TEMPORARILY
BECAUSE OF PUBLIC HEALTH
RESTRICTIONS

REVENUE GROWTH BY COMPANY SIZE

**Company size measured as revenue at the time of application*

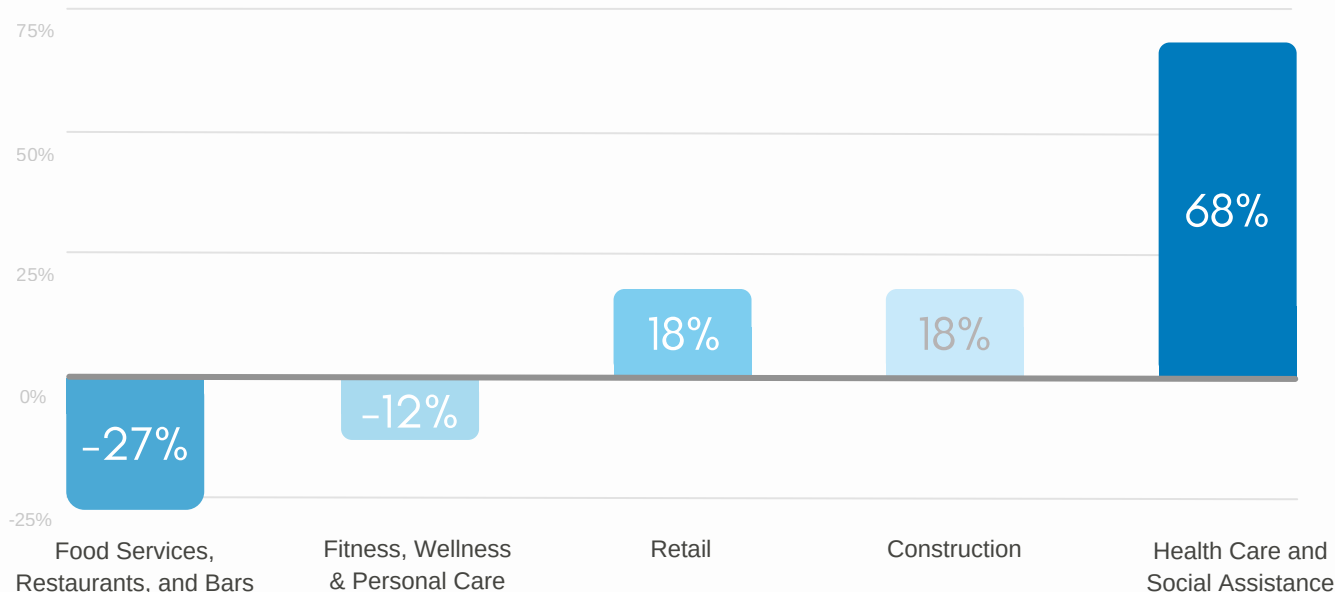
REVENUE GROWTH SINCE FIRST YEAR OF PARTICIPATION



AVERAGE REVENUE GROWTH BY INDUSTRY

AVERAGE REVENUE GROWTH (2019-2020) IN SELECTED INDUSTRIES

PERCENTAGE OF REVENUE CHANGE



IMPACT

The health crisis hit certain industries the hardest, including restaurants, event and support services, and wellness centers that faced almost immediate shutdowns, while other industries, such as construction and retail companies, were more agile in pivoting to alternative delivery methods or returned to full activity.

In 2020, ICCC adapted its program criteria to serve as many businesses as possible, as well as those most affected by the pandemic. As a result, we were able to serve over 1,200 businesses, and those businesses saw net losses of over 400 jobs during this critical juncture, a direct result of the dire strains of the health crisis.

Nonetheless, more than 50% of our alumni who displayed tremendous resiliency reported increases in hiring in 2020, resulting in almost 1,000 net new jobs created between 2019 and 2020 at a time of massive unemployment.

54%

of alumni reported creating new jobs in 2020

967

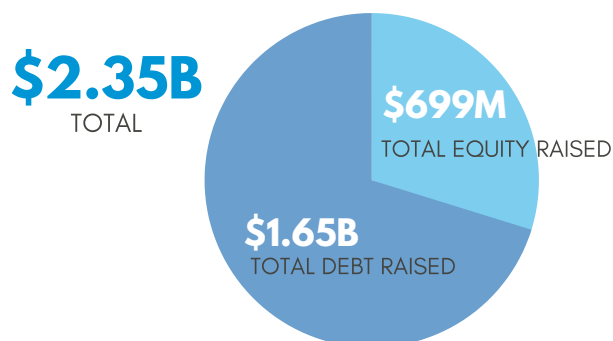
net new jobs created in 2020 by all alumni

427

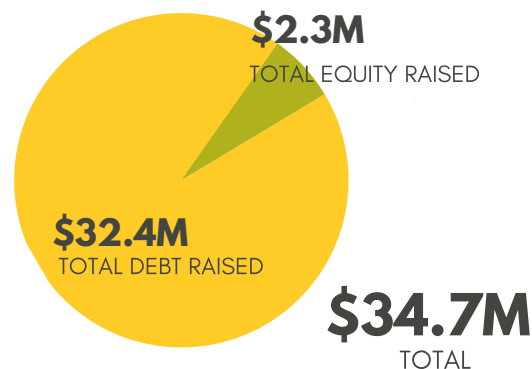
jobs lost in 2020 by participants in 2020 cohorts

CAPITAL RAISED

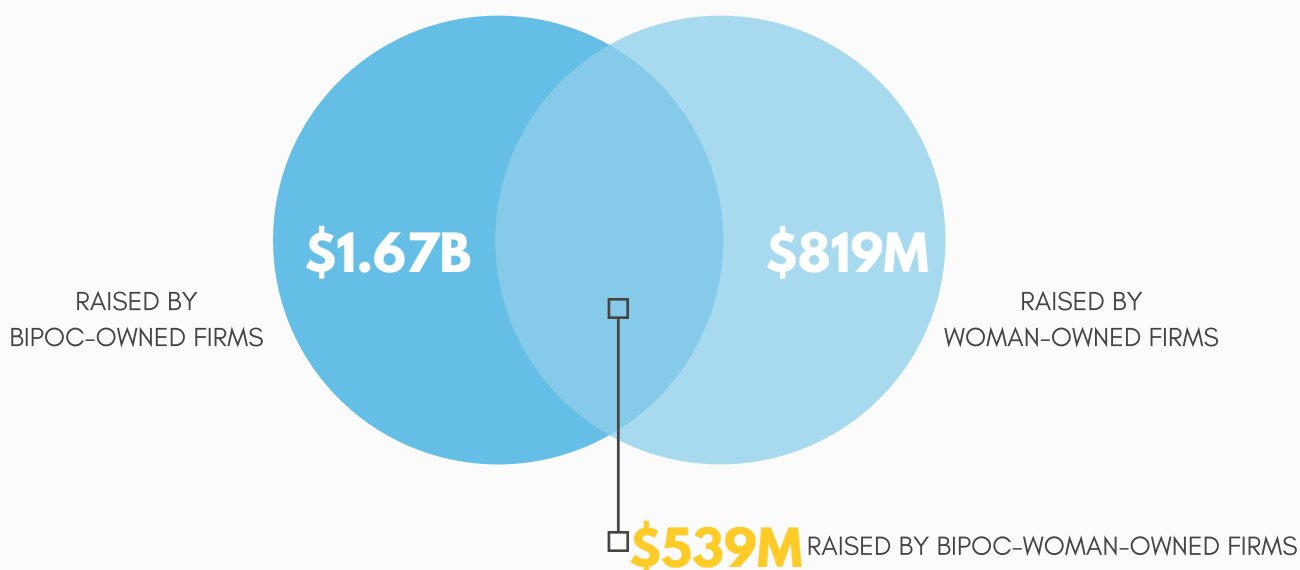
CAPITAL RAISED BY ALL ALUMNI (2005-2020)



CAPITAL RAISED BY ALL ALUMNI IN 2020



CAPITAL RAISED BY BIPOC-OWNED & WOMAN-OWNED FIRMS



“We never thought in-person events would ever go away. Suddenly, they were gone. We sat down and said, ‘How are we going to be of value to our clients now that everything is closed?’ We knew we had to learn everything we possibly could about the virtual event space. We immediately started to pivot.”

Michelle Manire
CEO and Owner

Coast Conferences and Events & multi-year ICIC program alum

Visit reports.icic.org to read Michelle’s story in the 2021 ICIC Impact Report

HEALTH CRISIS FUNDING

IMPACT ON CAPITAL RAISED

The immediate shutdowns and ever-growing health crisis forced organizations to create emergency capital relief solutions for small businesses, resulting in a mobilization of resources from local, state, and federal governments, community foundations, private companies, and more.

Two-thirds of our alumni requested some form of emergency capital, with the vast majority receiving at least one form of support. However, roughly 6% were denied or “are waiting for an answer” from one of the government programs.

IMPACT ON CAPITAL RAISED

65%

OF ALUMNI APPLIED FOR
EMERGENCY FINANCIAL
ASSISTANCE DURING 2020

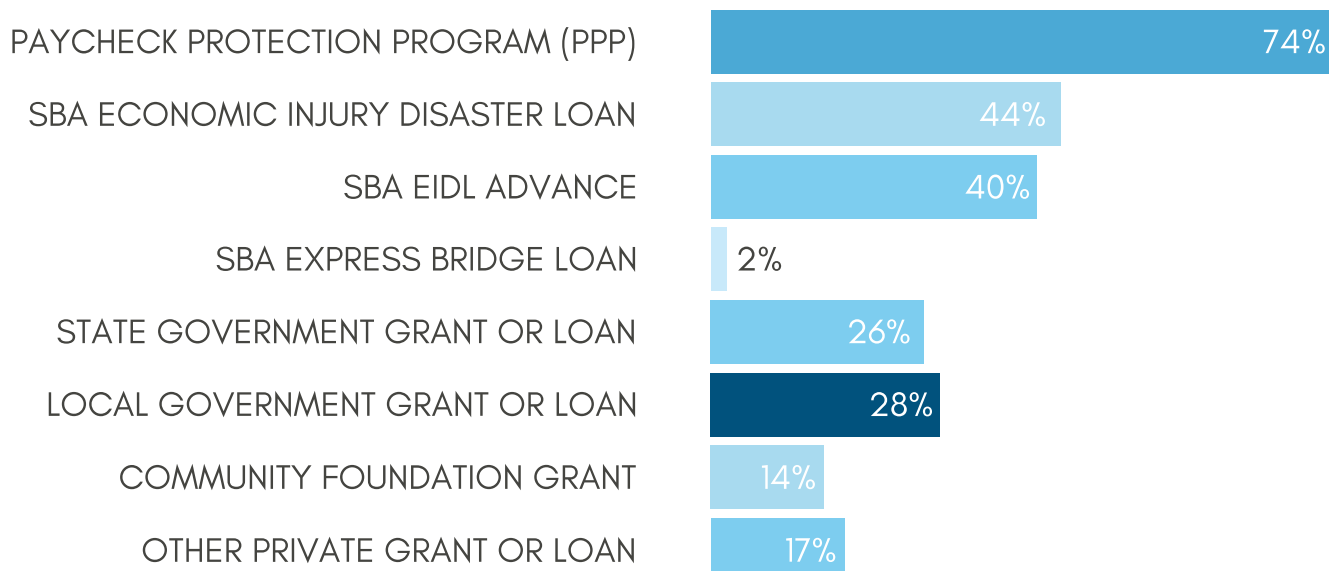
OF THOSE,

94%

RECEIVED AT LEAST ONE
FORM OF FINANCIAL
ASSISTANCE

TYPES OF FINANCIAL ASSISTANCE ACCESSED

**Some businesses surveyed obtained multiple forms of funding since the start of the pandemic*



ABOUT US



INITIATIVE FOR A COMPETITIVE INNER CITY (ICIC)

Established in 1994 by Harvard Business School Professor Dr. Michael E. Porter, ICIC is a national nonprofit that ***drives inclusive economic prosperity in under-resourced communities through innovative research and programs to create jobs, income, and wealth for local residents.***

INNER CITY CAPITAL CONNECTIONS (ICCC) PROGRAM

ICCC launched in 2005 with a founding grant from Bank of America to help small- and medium-sized businesses in under-resourced communities build capacity for sustainable long-term growth. Since that time, the program has grown dramatically, and in 2021 served 1,212 small business owners in 21 cohorts across the country, 12 of which were funded in whole or in part by Kaiser Permanente.

2021 PROGRAM FOCUS

The ICCC program pivoted to a fully virtual learning model and adapted its curriculum to help businesses survive, recover, and grow by prioritizing the following:

- Business Recovery Strategies
- Capital Relief Solutions
- Community Building
- One-on-One Coaching
- Networking and Peer-to-Peer Learning
- Digital Learning Modules

2021 ICIC-WIDE IMPACT REPORT

ICIC published an organization-wide Impact Report that showcases the impact of our work in 2021, including across our four Urban Business Initiatives (UBIs), Research, and programs. To access ICIC's 2021 Impact Report, visit: reports.icic.org.



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