

# *The* CHRISTIAN SCIENCE MONITOR

## When Your Own Firm is Class's Case Study

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October 12, 2004  
Christian Science Monitor

Their homework assignments aren't graded, but the stakes are higher than in your typical business-school class. These "students" already operate established businesses. So instead of sitting back and reading case studies, the members of the first class of **InnerCity Entrepreneurs** (I.C.E.) are putting their own struggles and strategies on the table.

The 14 participants will celebrate commencement next Thursday after nine months of classes, networking, and coaching. But they've already achieved significant milestones: They've created more than 18 new jobs in Boston's inner-city neighborhoods, for starters.

**I.C.E.** represents a new approach to urban economic development - channeling help to companies that have moved beyond the startup phase. Most resources targeting the inner city go to fledgling businesses, but many fail because the environment is so competitive.

"We want to find the existing businesses that have the best promise ... because they're the best opportunity for job creation, wealth creation, and community building," says Andrew Wolk, I.C.E.'s director and a professor at Boston University's Graduate School of Management.

This first group ranges from a balloon company to an auto-body shop, a technology consultant to a grocery store/cafe. What they all share is the need to move to the next level, with **I.C.E.** serving as the ladder. Take Boston Building Materials Co-Op, which offers its members home-repair education and environmentally friendly supplies. "The co-op has a history of being the hippy-dippy hardware store," says president Matthew St. Onge, but in 2003, it increased sales by nearly 50 percent and suddenly the staff had trouble keeping up. He needed to ask some current employees to become managers. Until he sat down with class peers who had larger businesses, Mr. St. Onge didn't know where to begin.

"I never really had formal business training, and I've thought many times about stopping and going to school to learn more," says St. Onge.

With **I.C.E.** holding classes a few blocks away at Roxbury Community College, he could take a few hours off each week and cram the studying in on nights and weekends. "The whole concept of using our business as the model - instead of doing a case study of IBM or another highfalutin' big company - just seemed so right."

One set of class exercises concentrated on identifying the most profitable customers. That got St. Onge thinking about how to recruit more architects to steer clients his way for kitchen design, since

those referrals usually led to sales. He's already commissioned a new brochure to do that. Other students have taken the marketing lessons to heart and generated a flurry of local press coverage.

**I.C.E.** plans to track the success of each class in the hope that other cities will replicate its model. A national network known as the Inner City Economic Forum is already taking a close look, especially because the program is based at a community college.

"Our community-college system in the US is sometimes underutilized for economic development," says the forum's director, Georgia Murray. "**I.C.E.** allows [that] existing system to really affect both inner-city and minority entrepreneurs, and I think that's an imperative for the country."

**I.C.E.** is unique, Ms. Murray says, for its comprehensive blend of academics, peer learning, and mentoring.

Many of the students say the best element has been their access to **I.C.E.**'s private-sector network. Nearly 40 accountants, lawyers, marketers, and business consultants volunteered to answer questions or coach individual students. St. Onge connected with a lighting manufacturer with decades of experience. The coach has been guiding the co-op through its management restructuring. And because of all this support, the board of directors agreed to develop a five-year plan. "It's a major decision - people are scared to death of five-year plans, generally," St. Onge says. "That will be the biggest legacy of **I.C.E.**."

The extent of the private-sector network speaks to the niche **I.C.E.** is starting to fill in Boston. Many people are convinced there are plenty of resources for inner-city businesses, but it's proven difficult for entrepreneurs to gain access to them. "I don't think anybody who provides servI.C.E.s thinks they're doing it for free, because if these businesses do better, we all do better in this city," says Derek Davis, a partner in the law firm of Nutter McClennen & Fish.

Next year's students will pay \$1,000 (up from \$495 for the pilot program), a fee that's kept low by a grant from the Citizens Bank Foundation. But the connection with other entrepreneurs has been prI.C.E. less for Gillian Isabelle, a former engineer who now owns Edenscapes, the last wholesale greenhouse in Boston proper.

"I had an issue I was struggling with, and [my classmates] jumped in and asked me some tough questions. People are willing to open up and be honest," she says. She also paired up with several of them to win a contract during the Democratic National Convention in July. She supplied plant rentals, and the others provided balloons, catering, and multicultural marketing.

Many such partnerships have been forged - just what BU sociologist Daniel Monti hoped would happen when he helped design the program. His research shows that inner-city businesses often stagnate because they don't broaden their customer base beyond their neighborhoods or ethnic communities.

**I.C.E.** is not an instant solution to the challenges of running a business, of course. In a meeting at City Hall a few weeks before graduation, the group expressed some frustration about attempts to contact the city for help. Ms. Isabelle said she made numerous calls to the parks department but never found the right person to talk to about supplying plants. Then, out of the blue, a parks

representative "showed up and was under the impression that we were giving plants away for free," she said, her colleagues laughing at the inevitable bureaucracy.

But it was progress to be able to vent those concerns and get practical knowledge about city resources. And Isabelle left with the name and number of a contact for businesses in her neighborhood.

Compared with the safety of teaching traditional business students, this work is "dangerous," Wolk says with an excited smile. "They're going back and actually implementing the things you talk about in class."