

# CELEBRATING THE ENTREPRENEURIAL SPIRIT

2021 IMPACT REPORT

[NYPACE.ORG](https://nypace.org)



## BEST WISHES FROM KEN

Dear Friends of NYPACE:

Thank you for your continued support of NYPACE! We are proud to share our 2021 Impact Report: Celebrating the Entrepreneurial Spirit which highlights notable results from last year.

As NYPACE enters its third decade, we have never wavered on our mission of mobilizing high-impact volunteers to help under-resourced entrepreneurs strengthen and scale their businesses.

In rebuilding local economies devastated by the pandemic, we realize that our work has never been more important. It is especially needed for under-resourced entrepreneurs of color, who are three-times as likely to fail within their first year of operation and twice as likely to be unbanked or underbanked compared to their white counterparts. Driving this inequity is the limited access of under-resourced owners to business networks and knowledge sharing programs.

NYPACE is directly addressing these systemic inequities through a program model that's unique in the industry. We recruit our volunteers from the nation's top professional firms, then mobilize them into small teams to focus on the critical issues of one entrepreneur at a time. The results are always positive and often transformational.

Please take a moment to read the stories inside this report describing our expanding network of entrepreneurs, volunteers, referral partners, and funders, all working collaboratively to help small business owners realize their full potential.

As I announced earlier this year, I will soon be passing the NYPACE leadership torch to a new executive director, who will inherit a proven program brimming with fresh ideas along with a first-rate team of professionals, each playing to their strengths and committed to advancing racial equity.

New and exciting programs coming in 2022 include rolling out our one-day "Entrepreneur Sprint" program, developing bespoke corporate volunteer programs, and launching our first-ever cohort in Miami in partnership with JPMorgan Chase.

Indeed, change is good and all of this change portends an epic year of impact for NYPACE in 2022 as we build on an unforgettable 2021. Thank you for joining us as we continue to create an entrepreneurial economy that is more equitable, inclusive, and just.

Sincerely,

## NYPACE STAFF

**Ken Inadomi**

*Executive Director*

**Stephanie Bombaci**

*Deputy Director*

**Lynda T. Correa**

**Peralta**

*Senior Project*

*Manager*

**Alex Geller**

*Project Manager*

**Jennifer Auer**

*Data Metrics Manager*

**Christine Seguritan**

*Associate Program*

*Manager*

**Teresa Donahue**

*Project Consultant*

## BOARD OF DIRECTORS

**Dan Zamlong**

*Chairman of the Board*

**Aaron Feinberg**

**Adam Goodman**

**Andrew Siwo**

**Annette Rodriguez**

**Jonathan Ketzner**

**Kevin Walters**

**Keith Motelson**

**Lev Slootsky**

**Philippe Leroy**

**Russell Leaf**

**Sabrina Korber**

**Udai Tambar**

## JUNIOR BOARD

**Abigail Cutler**

**Alex Diamond**

**Arnav Mody**

**Arjun Bakre**

**Ben Kennett**

**John Macdonald**

**Megan Lee**

**Omar Cheema**

**Vanessa Sabatini**

**William Zhang**

# ELEVATING AND SUSTAINING BUSINESSES IN LOCAL ECONOMIES



Small businesses generate over 60% of net new jobs. Today in New York City, over 220,000 small businesses, employ nearly 2 million New Yorkers.

Small businesses are engines of growth in local economies, but they face systemic challenges to grow and thrive. Nearly 50% close within 5 years. Only 25% survive past year 15. Under-resourced business owners are particularly at risk for early closure or stalled growth. Unequal access to capital, networking opportunities, and business mentoring has resulted in notable differences in business outcomes. These issues are exacerbated for minority business owners who are under-represented in the economic landscape: while New York City is 23% Black and 29% Latinx, Black and Latinx individuals combined represent only 10% of New York City employer businesses.

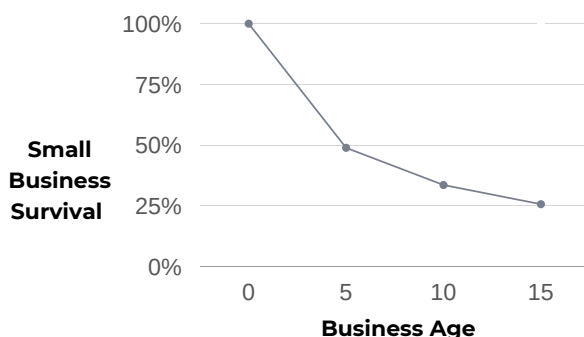
These outcomes are not inevitable. In fact, the most common reasons for business closure are a lack of sales or cash flow, areas that in-depth analysis and strategic planning can help mitigate.

NYPACE provides a unique opportunity for under-resourced entrepreneurs who aspire to realize a strategic vision and for impact-driven professionals who seek to effect change through community service.

## NYPACE CONNECTS UNDER-RESOURCED ENTREPRENEURS TO IMPACT-DRIVEN PROFESSIONALS

Our programs mobilize volunteers, recruited from top firms, to provide customized, pro-bono guidance to help local small businesses become more profitable and sustainable. By promoting meaningful connections between our volunteers and entrepreneurs, we are building both a brighter and more equitable small business ecosystem and a more purposeful and engaged corporate environment.

Since 2002, NYPACE has served countless small businesses and we are just getting started. In 2021 we connected a record number of entrepreneurs and volunteers, and for a second year, we extended service to Chicago through our corporate partnership with JPMorgan Chase. This impact report details the successes of the program in 2021, the partners that made it possible, and the heroes of our story, the small businesses owners themselves.



Source: The U.S. Small Business Administration, Office of Advocacy; "Frequently Asked Questions About Small Businesses, 2021."

Statistics on this page can be found at the U.S. Small Business Administration, Office of Advocacy website: <https://advocacy.sba.gov/category/research/> or using The Small Business Equity Tool™.

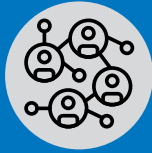
1 LOCAL ENTREPRENEUR

2-4 VOLUNTEERS

1-2 DELIVERABLES

1 PEER COHORT

8 WEEK PROJECT



# A PROGRAM MODEL THAT WORKS

SUPPLY  
BACKGROUND  
DATA  
Week 1-2

HELP SHAPE  
DELIVERABLE  
DEVELOPMENT  
Week 3-5

REVIEW  
DELIVERABLE NEXT  
STEPS  
Week 6-8



We can now say our 8-week, cohort-style program model, implemented organization-wide in 2021, is a demonstrable success. The model is designed for immediate business solutions, with both business-to-business networking opportunities and additional resources and connections provided to address future challenges. Entrepreneurs leave the program feeling uplifted, motivated, and inspired. Within a year and beyond, the outcomes for the business's survivability and profitability are foundational, with increased revenue growth, job growth, and new financing opportunities, depending on the business' stage.

95%

Program  
Satisfaction Rate

"The best thing about the program was having access to a diverse group of mentors who brought different ideas to the table."



Steve Cruz  
Omega Educational Consulting

A full 96% of projects were successfully completed, with 93% of entrepreneurs saying the expertise of their volunteer team met or exceeded their expectations. Beyond meeting the entrepreneur's business needs, the program fosters a sense of community between and among the entrepreneurs and volunteers. And with our added logistical efficiencies using the cohort model, we can now serve more entrepreneurs and volunteers each year.

## WHY IT WORKS:

# 2021 BY THE NUMBERS

NYPACE launched 56 projects in 2021. The businesses we supported came from different sectors, including professional services, food and beverage, construction, and more. All the businesses were primed to scale, with the majority in operation for 5 or more years and with nearly \$200,000 in annual revenue.

Each entrepreneur was paired with a team of 2-4 volunteers, working together to tackle operational, financial, and strategic business challenges. Together, they built new tools and capabilities that will have lasting impact for the businesses. As demonstrated in the following pages, it works through the development of:

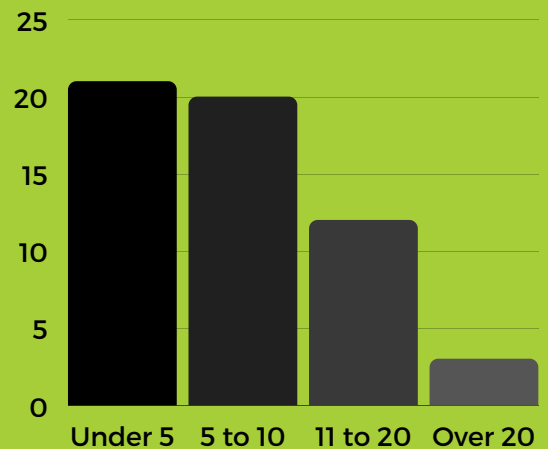
- Confidence to meet financing goals
- Revenue strategies built for profit
- A hiring plan with retention power
- Networks to survive on owner terms

## BUSINESSES AT A GLANCE

### TOP 5 INDUSTRIES SERVED



### YEARS IN OPERATION



**64%** OF NYPACE  
BUSINESS  
OWNERS ARE  
WOMEN

**91%** OF NYPACE  
BUSINESS  
OWNERS ARE  
PEOPLE OF  
COLOR



## WHY IT WORKS:

# THE CONFIDENCE TO MEET FINANCING GOALS

Access to growth capital or working capital can make the difference between closing shop and pursuing the optimal acquisition opportunity. NYPACE partners with Community Development Financial Institutions and builds new connections to funding resources and investigates options to help businesses meet their financing goals. For many entrepreneurs in 2021, NYPACE volunteers helped prepare them for future investment opportunities by constructing revenue projection models, researching better rates to minimize current debt burden, and devising strategies to raise credit scores.



*I don't know what I would do or where my business would be without the financial bible my team created! I'm more confident asking for additional funding because I'm in a better position financially.*

**- Tiffany Joi O'Neal  
Hemp Heals Body Shop**

# 88%

of businesses said they are more confident running their business as a result of their project with NYPACE

## SUCCESS STORY

## BRONZEVILLE WINERY

Cecilia Cuff and Eric Williams wanted to open Bronzeville Winery in the historic "black metropolis" of Chicago to celebrate the tradition of caring for community through food and beverage. They joined the summer 2021 JPMorgan Chase cohort at NYPACE during their business launch.



- To prepare the startup for funding, the volunteer team and owners reviewed the winery's financial models, walking through assumptions to build the business case.
- The team introduced Cecilia and Eric to a capital advocate partner who helped them submit a thorough loan package to BMO Harris Bank.
- Grateful for the warm introduction, these founders ultimately won the capital investment their new venture warranted by its strong business case, and dedicated follow-through of the advocate.

### 2021 Impact

- Opened the winery in July with packed seats
- Closed a \$1.3 million SBA loan in October

## WHY IT WORKS:

# A REVENUE STRATEGY BUILT FOR PROFIT



*Really looking at the numbers versus dreams and hopes motivated me to work harder at actively selling in places where making sales was easy.*

**- Nohealani Halliday,  
Brutus Bakeshop**

NYPACE helps entrepreneurs scale their business sustainably with the expertise of volunteers who work at some of the nation's top financial firms. These volunteers work with their entrepreneur to meticulously review the business's financial statements, helping the entrepreneur make data-informed marketing, pricing, and business development decisions. The volunteers' guidance was particularly valuable in 2021, as businesses began rebuilding from temporary closures or having launched alternative service models.

# 90%

of businesses said their ability to implement growth strategies improved as a result of their project with NYPACE

## SUCCESS STORY

## JUST-TECH

Founded by John Greiner in 2015, Just-Tech is a technology firm dedicated to the specialized IT needs of legal services and justice providers nationwide. John and operations manager Cynthia Chung joined the spring 2020 and 2021 cohorts at NYPACE.



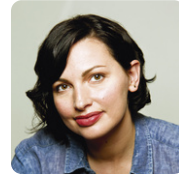
- The volunteer team conducted interviews with Just-Tech employees to diagnose the operational barriers to project timesheet submissions.
- The team created an "FAQ" document to improve compliance, while John and Cynthia implemented the document and tool recommendations into Just-Tech processes.
- John found that the collaborative effort to improve the design of the timekeeping system, training, and compliance follow-up, made a significant difference to profit.

### 2021 Impact

- Grew revenue 68% over two years
- Doubled profit margin over two years

## WHY IT WORKS:

# HIRING PLANS WITH RETENTION POWER



*We were looking to hire but our advisors helped us organize our internal structure so our team is on the same page for who is accountable for what.*

**- Erica Diehl  
Queen Majesty Hot Sauce**

NYPACE volunteers help entrepreneurs make hiring decisions, making sure that they are neither over-leveraging their business nor leaving them unable to retain those employees. Supporting firms that struggled to add employees in the tight labor market of late 2021, to firms trying to retain workers until demand picked up, NYPACE volunteers provided scenario analyses, wrote tailored job descriptions, and built business tools, such as a calculator to measure sales-to-worker-pay ratios, to inform business hiring.

# 52%

of businesses said they plan to hire within the next year as a result of their project with NYPACE

## SUCCESS STORY

**PRECISION**  **HEALTHCARE CONSULTANTS  
RECEIVABLE SERVICES, LLC**

Since 1996, Vanessa Best has grown Precision HealthCare Consultants into one of the most sought after administrative solutions for hospital networks and individual practices. Vanessa joined the fall 2020 JPMorgan Chase cohort at NYPACE.



- Vanessa's 3-member volunteer team developed an Excel-based project-level pricing model for new contracts.
- Put to immediate use, she credits the tool with improving the speed and accuracy of her bids, and ultimately with winning 5 new federal contracts.
- The Department of Commerce has since awarded Vanessa the 2021 Minority Health Products and Services Firm of the Year and the business is scaling employees in offices in New York, Georgia, and eventually Washington, D.C.

### 2021 Impact

- Hired 9 new full-time, and 3 part-time staff
- Doubled revenue over two years



## WHY IT WORKS:

# NETWORKS TO KEEP SURVIVAL ON OWNER TERMS

NYPACE and our volunteers help businesses make connections to the resources they need to realize their ultimate visions for franchising, mergers, serial entrepreneurship, generational family-ownership, and more. Although an NYPACE project is likely just one milestone in the entrepreneur's long journey, we hope it is an impactful one. In the short-term, our goal is to help businesses solidify their foundations so that they can survive and thrive yet another year, beating all the odds.



*This program opened up an avenue for me to discuss a merger opportunity with people who have experience in areas I would not have access to otherwise.*

- Marc Simone  
Coyote Promotion

# 74%

of businesses said their access to networks and resources improved as a result of their project with NYPACE

## SUCCESS STORY



Victor Hunt launched his online contractor marketplace Astorian in 2017 so that building owners could focus on tenant needs, not chasing down repair providers. Victor joined the NYPACE program in 2018.



- Victor's volunteer team conducted a thorough market analysis, developed a pricing model, and created a financial model to support the business's go-to-market campaigns.
- He credits the work with allowing him to plan, prioritize, and execute better, ultimately resulting in \$2 million in venture financing.
- Victor expanded the marketplace to 25 states, amassing a network of over 300,000 contractors and serving customers in over 100,000 housing units.

### 2021 Impact

- Closed a sale of Astorian to an international real estate technology firm

## WHY IT WORKS:

# 1-YEAR AFTER THE PROGRAM

Projects Launched in 2020

At scale, the NYPACE program generates results that matter to local economies. A year after completing their projects, the growth in NYPACE small businesses outpaced the national average. The Federal Reserve's survey of employer firms found that 2021 performance still lagged pre-pandemic levels for the majority of businesses. Our program results show that NYPACE small businesses were over twice as likely to grow revenue as small businesses nationally, and they were more likely to add employees (32% compared to 24%).

**57% of program participants  
grew their revenue since 2019**

compared to 27% of businesses  
nationally

## OBTAINED NEW FINANCING

**2 OUT OF 3**

Businesses that obtained loans, grants,  
and pandemic relief assistance since their  
project

## REVENUE GROWTH

**29%**

Percent change in the typical businesses  
revenue from 2019 to 2021

## FULL-TIME JOBS

**100+**

Total retained or new employees by  
businesses since their projects

## SURVIVAL RATE

**91%**

Businesses that are still open and  
operating as of Q4 2021

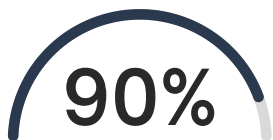
**32% of NYPACE businesses added  
new employees in the last year**

compared to 24% of businesses  
nationally

149 volunteers provided an  
astounding 3200+ hours of  
pro-bono consulting in  
2021

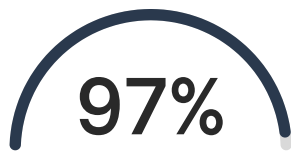
# THE VOLUNTEER PERSPECTIVE

## OVERALL PROGRAM RATING



reported satisfaction  
with the overall program

## UPSKILLING



felt the project helped  
their professional  
development



1 out of 3 volunteers were  
returning participants  
with NYPACE

## OUR EXPERIENCE



### BRIANA SQUIRES

SPENCER STUART; FIRST-TIME NYPACE VOLUNTEER

"Both hearing and seeing how enthusiastic the entrepreneur was about every project task was a great motivator to continue the work and it caused me to enjoy the project even more. During the project the entrepreneur was doing research on her own AND connecting with the 'right' people in her target industry, which helped confirm the usefulness of our pitch deck deliverable and benchmark its success with the target audience along the way."

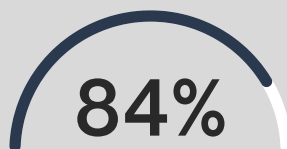


### MOYNAWK GANGOGPADHYAY

ZELNICKMEDIA CORPORATION; THREE-TIME NYPACE VOLUNTEER

"It's always very rewarding to see our final presentations help the entrepreneurs think through things in a new way and understand different business practices. The experience also helps me think in ways different than my day-to-day. It's always a great learning experience of different business models and different problems aspiring entrepreneurs face every day."

## Our volunteer network includes 50+ top firms



of volunteers felt they  
improved their  
network through the  
program

JPMORGAN CHASE & Co.



Goldman  
Sachs

Morgan Stanley



WARBURG PINCUS





# ALIGNING SERVICE WITH CORPORATE VALUES

NYPACE provides corporations who want to align their Corporate Social Responsibility commitments and values with skills-based volunteer opportunities for their employees to work directly with local, underserved entrepreneurs to solve their business challenges through multiple turnkey, cohort-style programs.

Our volunteer programs not only benefit the entrepreneurs we serve but they also add value to the recruitment, development, and overall fulfillment of the firm's employees.

NYPACE's 'White Label' Corporate Employee Engagement programs come with full-scale project design, management, operations, and reporting packages. When firms integrate volunteer engagement with their corporate giving plan, they provide an opportunity for their employees at different levels and across lines-of-business to form close relationships with one another while creating transformational outcomes for the communities in which they operate.

According to our post-project surveys, 98% of corporate volunteers are interested in more skills-based volunteer opportunities run through their firm, with 94% open to in-person opportunities.

## JPMORGAN CHASE & CO.

Since 2018, JPMorgan Chase has partnered with NYPACE to create meaningful volunteer opportunities for their employees. Together, we developed the Founders Forward program, which, since its inception, has mobilized 176 JPMorgan Chase volunteers in providing 89 minority-owned small businesses with the tools and support they need to grow.

As JPMorgan Chase continues to grow their priority geographic targets outside of the New York and Chicago areas, NYPACE is committed to offering the project management and impact measurement needed to ensure the program is a success while improving employee satisfaction, engagement, and retention.



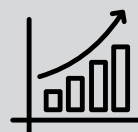
### IMPROVE ENGAGEMENT

85% of volunteers agreed the program gave them greater pride in working at JPMorgan Chase and boosted team morale.



### FOSTER COLLABORATION

97% of volunteers felt their project furthered their professional development and ability to work cross-functionally.



### MAKE AN IMPACT

Our analytics tools allow corporate partners to act on their employees' feedback and report your impact.



# SPECIAL THANKS

## TO OUR SPONSORS



## TO OUR COMMUNITY PARTNERS



**FOLLOW US**

NYPACE.ORG



[@NYPACE](#)



[@nypacenews](#)



[@nypacenews](#)



[@NYPACE](#)

### Data in this Report

Data on NYPACE participants are collected through a series of assessments administered via telephone and online using standardized survey instruments. In 2021, 56 entrepreneurs were accepted to the program and all 56 submitted an online application (100% response), with revenue and employment verified during a phone interview to avoid typographical errors. An end of program survey was sent to 54 entrepreneurs and 144 mentors (two projects were canceled midway through the program and participants were thus ineligible for the survey). The 2021 end of program surveys obtained a 78% (42 entrepreneurs) and 77% (111 advisors) response rate.

The 2021 impact survey sought response from the 48 entrepreneurs that completed a project in 2020. The survey was conducted in fall 2021 via telephone, 12 to 18 months after project completion depending on the cohort. The impact survey obtained a 71% response rate (34 respondents). Respondents include three businesses that were determined to be closed by either speaking with the entrepreneur or declared such by an authoritative website, such as a government licensing agency. Change over time is calculated by linking the 2020 application (pre-program) date with the 2021 impact survey data. 2021 revenue figures are projections made at the start of the 4th quarter, while 2020 and 2019 revenue are actuals. 2021 employment represents employment at the time of the impact survey and pre-program employment represents the employment at the time of application. Closed businesses are excluded from all change calculations.



