



# How Racism and Sexism Lead Black Women to Entrepreneurship

Asheli S. Atkins  
December 2023

As the number of Black women in the workplace **decreases...**

**Surface-level explanations**

- gendered racism
- workplace harassment
- lack of protection
- lack of professional growth
- ghettoization and stereotyping

**Root cause**

Racialized and gendered organizations

...the number of Black women entrepreneurs **increases**

**Surface-level explanations**

- professional and personal autonomy
- absence of workplace hierarchy
- control over pay

**Root cause**

Business ownership for some seems to be the true path to equality, access, and freedom.

## WORKPLACE ANTIDISCRIMINATION POLICIES DON'T ADDRESS THESE ISSUES.

Several scholars argue that adoption of antidiscrimination policies is an attempt to gain legitimacy or avoid legal consequences.

- Diffusion of these policies is best understood as coercive isomorphism, defined as pressure from other organizations or the state, which includes homogeneity in certain areas of organizations leading to ritualistic conformity.
- Implementation of these policies is soon followed by “racialized decoupling,” or a disconnect between what happens on the surface of organizations as it relates to antiracist policies and producers.

In the end, the producers and policies constructed to protect and offer equality are at best an illusion and at worst can lead to retaliation.

## HOW ARE BLACK WOMEN NAVIGATING THESE WORKPLACES?

For Black women, workplace barriers are rooted in systemic racism, discrimination, and exclusion. Unlike Black men and non-Black women, the obstacles Black women face require them to construct **intersectional, context-specific strategies** such as the ones described below.

*"I've been in a room full of white people... [including] the CEO of the company, somebody took a picture of him and he was dark [in the image] and somebody was like, "Oh hey, you're a Black man!" And I was like, "What? You thought that was funny?"*

—Cameron

### Emotional Management

Cameron avoids expressing emotion when responding to this offensive workplace behavior. Her rhetorical question is not attempting to gain answers. Instead, its intent is to create a feeling of discomfort or shame. Black women use rhetorical questions as a strategy to "fight back" or "challenge."

### Funding While Working

Even though low pay was a factor in some Black women's decision to leave, their time in the workplace overlapped with their entry into entrepreneurship. This strategic overlap allowed women like Iris to slowly fund their business while employed, regardless of their low pay.

*"Once I knew that I wanted to start my business... I started to actually work harder at my day job to make more money for my business. That's how I did it for years until I stopped working at that job."*

—Iris

*"And that was just the time I knew I need to jump. Not only for the fact that I wasn't earning my fair share, but also for the fact that I saw other businesses in small and midsize organizations needed what I was able to bring to the table... I figured, well heck, if I could make \$6 million for one company, imagine what I could do for others and I could open for myself. I could own it!"*

—Claire

### Use of Industry-Specific Experiences

Claire's experience highlights both low compensation as a factor leading Black women to entrepreneurship and the exploitation of Black women within racialized and gendered organizations—exploitation that generates mass revenue for major corporations while hindering Black women's ability to support themselves and their families.

---

This research is funded by the Goldman Sachs-Urban Institute One Million Black Women Research Partnership. The views expressed are those of the author and should not be attributed to the Urban Institute, its trustees, or its funders. This infographic is based on literature from multiple disciplines and an analysis of in-depth interviews with 33 Black women entrepreneurs. More information, including full citations for the literature reviewed, is available in "Exit Plan: How Racialized and Gendered Organizations Lead Black Women to Entrepreneurship" by Asheli S. Atkins (Washington, DC:Urban Institute, 2023) at <https://urban.is/3TI0qUK>.

Copyright © December 2023. Urban Institute. Permission is granted for reproduction of this file, with attribution to the Urban Institute.