



## Community Profile: Los Angeles

### *Asian Pacific Islander Small Business Program*

As of the 2000 Census, just over 40 percent of the population—or 1.5 million people—in Los Angeles were foreign-born. A longtime magnet for peoples from all over the globe, Los Angeles continues to attract new immigrants from countries throughout Asia and Latin America. For immigrants with self-employment goals, linguistic, cultural and financial barriers to starting and maintaining a business can be high. The Asian Pacific Islander Small Business Program (API SBP), a microenterprise development program, aims to minimize these obstacles by delivering culturally-competent small business services to the growing number of Asian ethnic communities in Los Angeles.

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The impetus to develop API SBP emerged during the aftermath of the Los Angeles riots of 1992, which saw widespread looting and burning of many Korean businesses. Many business owners were uninsured, and the resulting economic losses meant that they were suddenly unable to afford household rent or college tuition. Many families doubled up into apartments and children were pulled out of school. Cook Sunoo, director of API SBP, said that the situation called attention to the marginal nature of many Asian-owned businesses in Los Angeles: “With the high levels of entrepreneurship in many of the Asian communities, it became clear that social welfare was highly correlated with the health of small businesses in those communities. However, government support for small businesses was not adequately serving the needs of immigrant and ethnic communities.” Sunoo noted that at the time, out of the nine SBA-run Small Business Development Centers in Los Angeles, only one had staff with Asian-language capabilities.

This lack of support pointed to the need to deliver additional business development services to subgroups

within the Asian community, but the challenge was in determining how to conduct outreach in a variety of languages and maintain sensitivity to a growing spectrum of cultural differences, all while operating with limited funding and resources. The leadership of Chinatown Service Center, Korean Youth & Community Center, Little Tokyo Service Center CDC, Search to Involve Pilipino Americans, and Thai Community Development Center—all of which are established social service organizations—decided to create API SBP as a collaborative in order to efficiently support entrepreneurs and advance economic development in each of their communities. A collaborative structure allows administrative and managerial resources to be pooled while also enabling the program to have broad reach into a number of unique communities. It also allows the organization to approach financial institutions and foundations as a unified voice.

Broad cultural knowledge—as well as strong business acumen—is required of staff, who can now offer individual counseling and group workshops in six languages. “Cultural competency is essential for developing appropriate community outreach strategies,” said Sunoo. For instance, he noted that religious institutions are often gateways for reaching community members in need of business services, but while it can be acceptable, for example, to conduct business-related outreach on the grounds of a Thai temple, the same activity would likely be frowned upon on the grounds of a Korean church. Cultural competency also means understanding the stresses that business ownership can place on families and children. To address some of those ancillary issues, API SBP’s programs also aim to link clients to a host of other services, including child care, family counseling, and tutorial programs for youth.

Since its inception, API SBP has sought to break down the linguistic and cultural barriers that have excluded immigrants from mainstream business development services. The vision of API SBP is to expand its services so that it can reach other Asian ethnic groups for whom a service void still exists, including Vietnamese and Cambodian communities. Said Sunoo, “There is a need for additional economic development and technical assistance to make sure that the whole range of Asian businesses can fully participate in the Los Angeles economy.”