

Tiffany Callender – Building Bridges: Empowering Black Entrepreneurs in Canada

Host: Maggie John

Overview:

Tiffany Callender joins us to discuss her efforts to help deliver economic empowerment to Black Canadian entrepreneurs. Callender is co-founder and CEO of the Federation of African-Canadian Economics (FACE). Working with the Government of Canada, she co-developed the Black Entrepreneurship Loan Fund. Callender explains how access to capital is an essential need for entrepreneurs, and describes how minorities have traditionally faced difficulty borrowing the funds they need from banks and credit unions. As her work shows, shared lived-experience between lenders and borrowers has improved access to capital for Black Canadian entrepreneurs, illuminating a community of business people “hiding in plain sight.”

Highlights from our conversation include:

1. Callender launched FACE during the COVID-19 pandemic and didn't meet her team in person until more than a year later. The experience reinforced her belief in the value of digital readiness. “COVID taught us that we need to be everywhere and nowhere at the same time,” she says, explaining how a digital footprint offers an avenue for business growth amid changing circumstances.
2. Networking is an important part of a successful digital strategy, because the right network can help you identify the digital tools you need at different stages of your business' growth journey.

MAGGIE:

It's Magnet Network Live, and I am your host, Maggie John. I'm now joined by Tiffany Callender. Tiffany is a social entrepreneur and thought leader focused on economic empowerment for Black Canadians. Through the Federation of African-Canadian

Economics, she has pioneered the Black Entrepreneurship Loan Fund, which provides loans and support to Black-owned businesses, helping create intergenerational wealth and uplift underrepresented entrepreneurs. Welcome, Tiffany.

TIFFANY:

Hi, thank you for having me. Magnet Live. Right? Exciting.

MAGGIE:

We are live. I've been asking everybody what their big takeaways have been over the past couple days. What has been your big takeaway?

TIFFANY:

I think it's the power of connection through different groups that have different dedication to different missions. So when you think about who's in the room at Magnet Live, you know, you have representatives from industry, from education, from community. You know, this is the power of bringing these different groups together to think about what true innovation is, which is really cross-fertilization, right? We have to kind of create these pathways of thinking about what strengths and perspectives we bring to the table to create something that fits where everybody can find a place. So I think that that's been interesting about Magnet Live and the celebration of the work that they do.

MAGGIE:

And maybe people that you probably wouldn't normally cross paths with.

TIFFANY:

That's right.

MAGGIE:

But have so much in common with.

TIFFANY:

That's it. And I think that we're so busy being busy with the things that we have to get done. We often don't pause and get the opportunity to really focus in on what other

people are doing and then finding those commonalities, but finding the synergy that's possible. So I think that this is kind of like a big... Culmination of the work that Magnet does every day. So this is a great opportunity. And after years of creating this, you know, cross-fertilization between these different networks and groups, it's fantastic to celebrate with them.

MAGGIE:

I love the word synergy because it means so many different things. And cohesion, working together, not working separately in silos. How do we work together? So let's talk about your work. What steps, Tiffany, can organizations take to ensure underrepresented entrepreneurs have access to tools and funding they need to succeed in an increasingly digital economy?

TIFFANY:

Yeah. So I think, well, what's an interesting thing about our story at the Federation of African Canadian Economics space is that we started in the pandemic. Wow.

MAGGIE:

And you're still here.

TIFFANY:

We're still here. We made it. But to imagine starting a national organization that manages a \$million loan fund, which is historic in nature to build infrastructure up like on warp speed. I didn't meet most of my team members in person till a year into the mandate. Travel restrictions, all kinds of things. So what that did teach us is when you are determined, the art of the possible is probably bigger and broader than you think. And we used every, our office, our infrastructure was digital. It was all about how do we make connections? How do we manage clients? How do we engage? We had to build a custom-made platform to be able to do, you know, LOS, and now I'm using jargon, intake to passing over to partners that, again, are in different institutions. So this is, I think we were, is baptism by fire in terms of really, how do you serve from a community-based perspective in a digital environment? In our case, there was no choice, but we knew that we wanted to. But then the question becomes,

now that you have that skill and you've done it, How do you maximize and optimize on that? So that's been a great learning lesson.

MAGGIE:

Talk to me about the learning lessons, because, you know, especially this question is more talking about underrepresented entrepreneurs. How do you take some of those learnings that you, again, baptism by fire in the midst of a global pandemic? And then also share some of that, those teachings, those learnings with those that you serve today.

TIFFANY:

Yeah, of course, because we were and I always tell all of our clients, hey, we're a startup, too. Right. So we had to use technology to our advantage and use a digital framework to be able to start and scale our business. And they have to take these things into account as well. When we saw the Canadian Emergency Bank Account emerge during the pandemic to help entrepreneurs, eventually we saw the digital adoption program by the government of Canada. This is from the lessons of the pandemic saying, you may have a storefront, you may have, you know, client facing physical businesses, but you have to be able to have a digital presence and footprint to ensure it's now it's a part of business continuity at this point. We can't forget what COVID taught us. And essentially it was we have to be everywhere and nowhere at the same time. And the everywhere is actually making sure you have a digital strategy to make sure that you're reaching as many people as you can and your business can continue to move and grow, even if the circumstances and regular environment changes.

MAGGIE:

How challenging is it for some to adopt that, though? Because it's one thing I think everybody would say, yes, you have to have a digital footprint. But if you are a small to medium-sized enterprise, you are just struggling to get by. Again, you are part of an underrepresented community. So there are other barriers on top of that. I mean, yeah, it'd be nice to have a website. Yeah, it'd be nice to have a platform. But I just need to make sure my people get paid.

TIFFANY:

Yes, absolutely. But I think that what we have to consider is that you do want to get paid, but you have to make sure that the largest number of people can see you, find you and use your services or products. So that means you have to build and there's so many tools. That's the beauty of also what we've created in this digital universe is that there are a lot of tools that are free at cost or low cost. The question is, how do you get into a network that helps you to unearth where those tools are for you at the different stages of growth of your business? So, like, for example, we work with Google and we bring to our clients the different tools that Google makes available through their suite. Those are free, right? But you've got to start somewhere. So don't think that you need to be IBM, you know, day one. But it's about making sure that you're utilizing the tools that will give you efficiency, that will make sure that your client can find you and you understand the power of these different tools and platforms that are going to help grow and strengthen your business. So, yes, the money, the revenue, clients, of course. But then the question is, what bedrock do you have to build underneath that to make there you have a strong foundation to get as much reach as possible?

MAGGIE:

And finding those tools are so key. So how can we create more inclusive economic systems that help minority owned businesses thrive even in the face of systemic barriers?

TIFFANY:

I'm going to come back to our story. We knew, and when I say we, I mean the founders of FACE, that access to capital was a longstanding issue in traditional financial institutions for entrepreneurs of color. And that meant that we needed to co-design and develop with partners a credit policy that would open the risk aperture to allow more entrepreneurs from our community to have this opportunity because their experience in this country has made it that there has been different choices that they've had to make that maybe doesn't make their risk profile look like others or their other opportunities they were excluded from that doesn't allow for them to have a risk profile that would make banks comfortable. So if we're in the position to decide how much risk we want to take, not escaping due diligence and not escaping risk management, but opening that aperture so more could come in.

This is how you then innovate to find out what is risk, because there is a standard of risk, but then there is what is the necessary risk to allow for change. And this is what we've done at FACE. And I mean, three years later, \$million out the door, you know, dispersed to over Black-owned businesses across the country. We're on what I think is the cusp of a case study to say, if risk is managed in accordance to what you're trying to achieve, which is access, you might be surprised that there isn't the big, such big, scary risk and chance of failure, as we may have thought.

MAGGIE:

What was that conversation like navigating that when you're talking to decision makers who, you know, there is implicit bias embedded in the banking system? And so you're coming from a position, you're a Black woman, leading an organization that's representing your community and saying, let's talk about risk. Let's talk about the aperture of risk. What was that conversation like?

TIFFANY:

Well, the first thing was, is you go get your first ally, which was the government of Canada, and explaining to them what they knew, essentially, is that we need to have an adapted model and approach to access to capital and resources for Black entrepreneurs. Once the government of Canada was on board, this then allowed for us to, yes, have those conversations with financial institutions and credit unions, which, yes, there was some, you know, blinders and maybe not wanting to admit systemically what is true. Because what they understand to be the system versus how we experience it, there's a gap. And you have to unearth those conversations, but also be in a position to say, I'm not just here to criticize you, I'm here to help to create a solution. And we were in a position to say, we know that it's even maybe unfathomable for you to believe that this is a thing, a real thing that Black entrepreneurs face. But let us show you that by us creating the policy and using what I like to call the sixth credit. So there's five C's in credit, and the sixth one is culture. So by making it that people who have shared lived experience with the expertise to be able to assess risk in terms of lending, commercial lending, will allow for us to demonstrate that there is an untapped market and potential in Black entrepreneurs that the only answer, because banks want to give out money, is that there must be

something inherently baked in the system that you've missed this untapped opportunity.

MAGGIE:

Talk to me about some of those opportunities that you've been able to see flourish because someone was able to be given the opportunity to really explore a lot more than what, systemically they would have been able to.

TIFFANY:

This is the, if I had to say the thing that makes me get up every morning to do this job, it's that... It's when you meet a gentleman who is in pharmaceuticals where he has, I mean, too many degrees. I was like, you went to school forever, sir. And a ton of experience and could not get a loan to open his pharmacy. And it was the chicken and egg store. They go open the pharmacy and then we'll see how it goes in six months and maybe we'll give you... I need the money to open the farm, right? And we give him the loan and he opens a pharmacy. He now has two. He's doing amazing, right? Then you go, we have clients who are in aeronautics. We have clients who are in, in, in, in beauty, like changing the face of beauty in Canada and access to...down to tech. I mean, we have no concentrations in our portfolio. So that means that this was truly a community that was almost hiding in plain sight because we were not looking at the true opportunities for these companies to grow. And when we think about what that really means is these businesses are going to become, and some of them are micro and nano-sized businesses, that's a trajectory. Canada lives off of small and medium-sized businesses. So if we invest in these nano and micro-sized businesses that become small and medium, these are the job creators. And this is the change that we need to see. So for me, who's standing at the tip and the beginning of this journey, to see all of this come so quickly to the forefront, I can't help but be optimistic that we're going to see a tremendous amount of positive outcomes, not just for the Black community, but for Canada as a whole.

MAGGIE:

That is the Canadian dream.

TIFFANY:

That is the Canadian dream.

MAGGIE:

Coming to fruition.

TIFFANY:

That's correct.

MAGGIE:

Thank you so much, Tiffany.

TIFFANY:

Thank you.

MAGGIE:

That was Tiffany Callender. She is the co-founder and CEO of the Federation of African Canadian Economics.