



*24<sup>th</sup> Street, South Omaha*

# Latino Businesses in Nebraska: A Preliminary Look

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# FAMILY OWNED

*businesses.*

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PHOTOGRAPHY

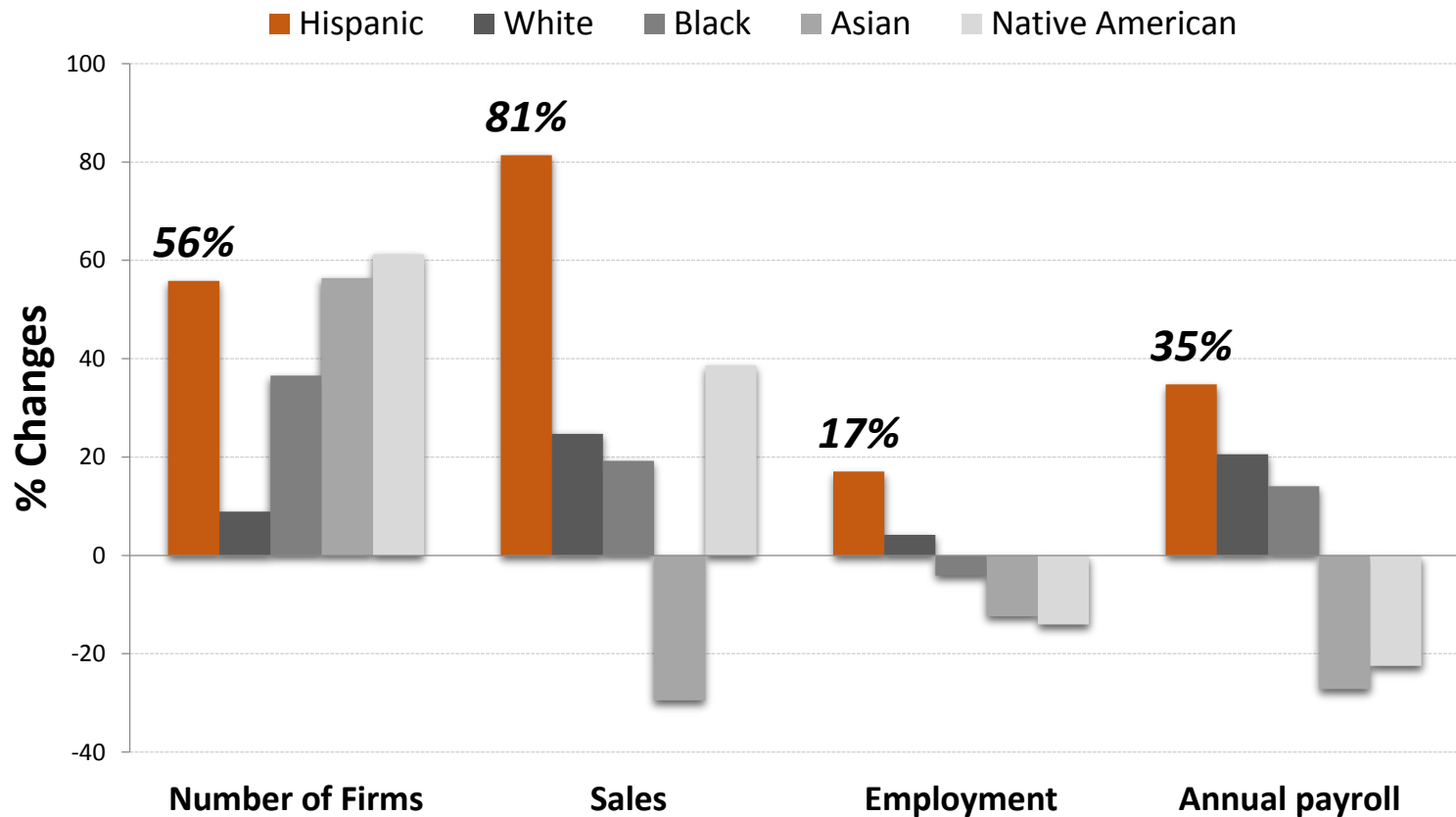
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"SINCE 1968"

# Small but mighty

Percent changes for the number of firms, annual sales, employment and annual payroll by owner's race and ethnicity, Nebraska 2002-2007

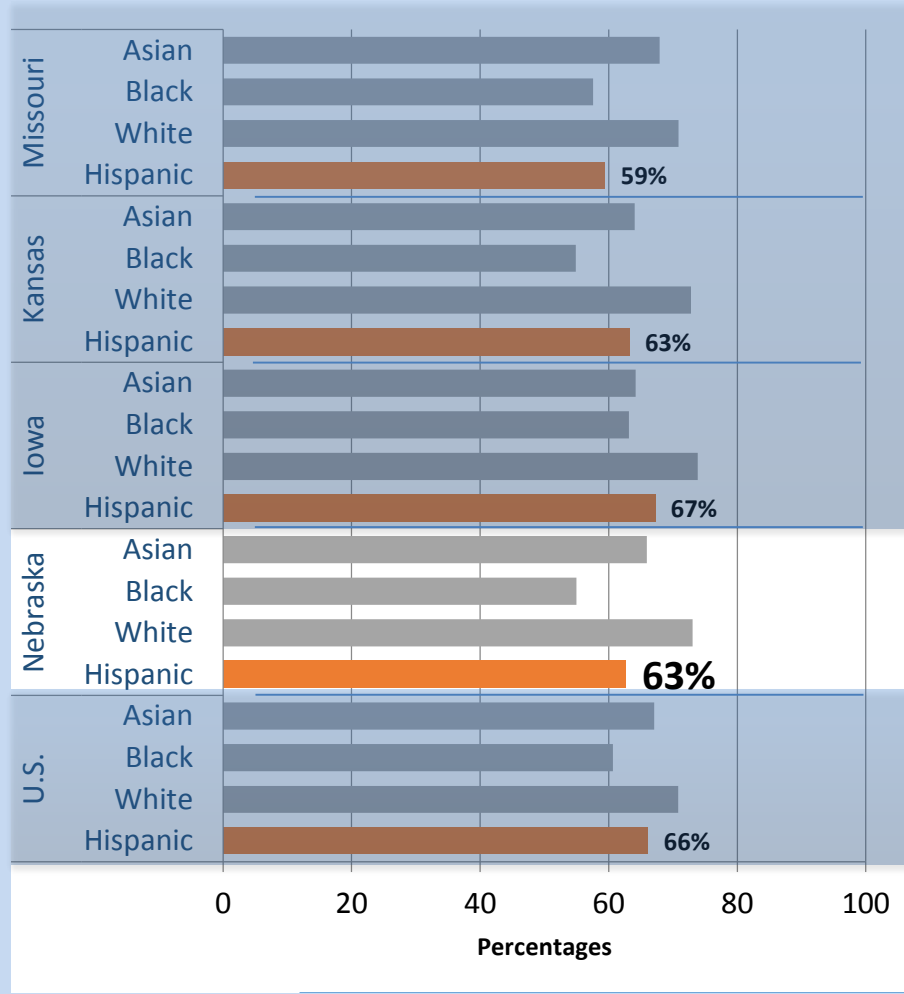


Source: Own Calculations based on U.S. Census Bureau Survey of Business Owners 2002 and 2007- Summary Tables A1

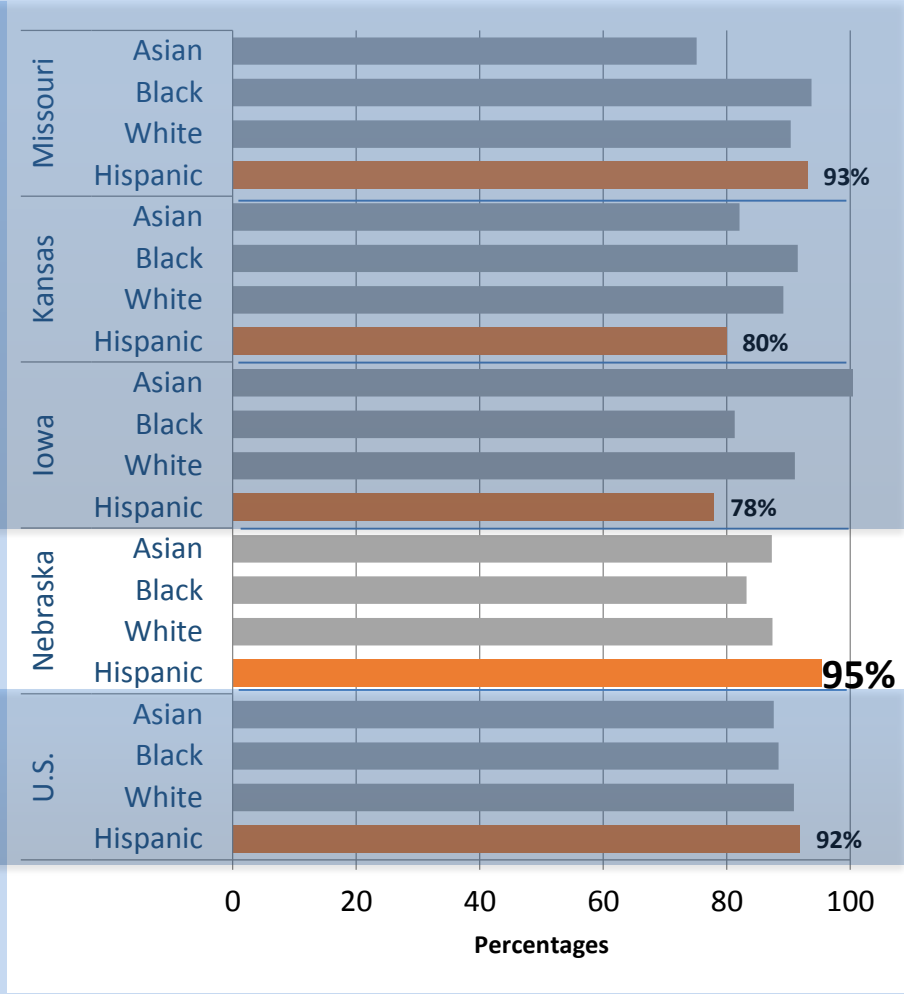
# Latino-owned *establishments* 2002-2006

N=359

## Survival rates compared



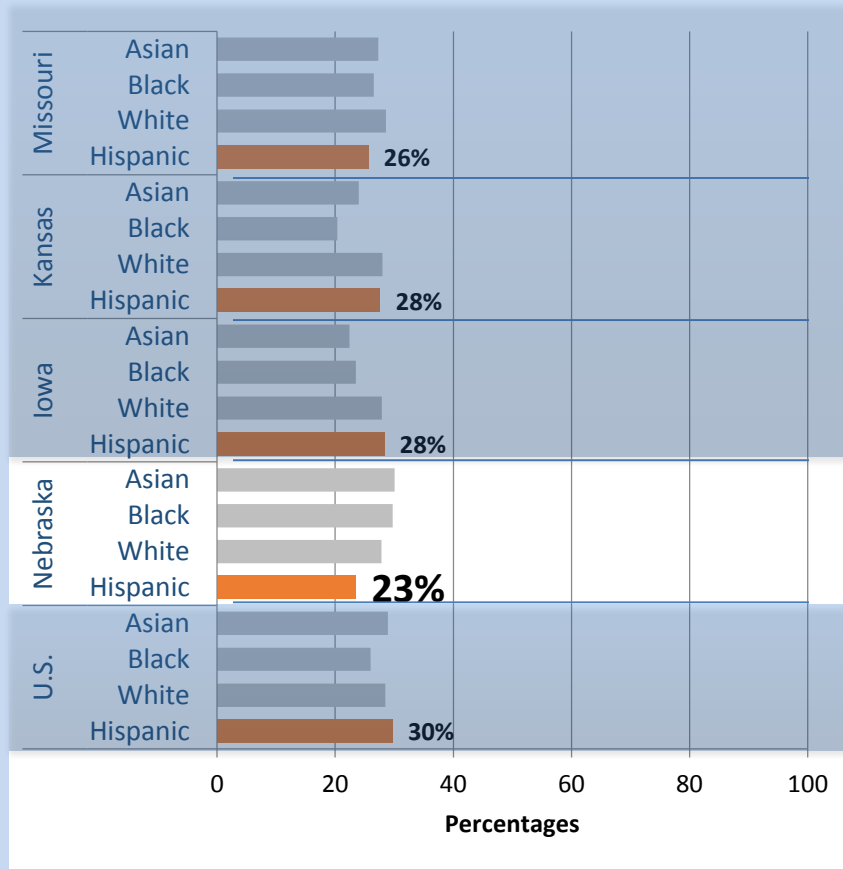
## Job retention rates compared



Source: Own Calculations based on Special Tabulations of the U.S. Census Bureau Survey of Business Owners 2002 and 1986-2006 Business Information Tracking Series - Summary Table 4

# Strong job creation through few expansions

## Expansion rates compared



- **32%** of the jobs created in Latino firms during 2002-2006 were due to expansions
- Latino-owned business added **10** employees per expansion when the general average in the state was 6.

# *Some Characteristics of Latino-owned Firms in 2007*

- Half opened between 2002-2007
- Low access to financial services
- Only 15% are employer firms. Two thirds of employer firms have between 1 to 9 employees
  - More likely to hire employees in non-standard work arrangements
- 54% home-based, 17% family-owned
- Concentrated in four industries:
  - Health Care and Social Assistance (22%)
  - Other services (14%)
  - Construction (13%)
  - Waste Management (10%)
- Cater to English and Spanish speaking communities
- Low use of technology




# *Some Characteristics of Latino-business Owners in 2007*



- **35%** had some level of education beyond high school
- **20%** had some previous experience as self-employees
- **60%** founded their businesses  
**56%** provide services/ produce goods in their business
- **45%** had business as primary source of income
- **35%** were foreign born

# *Better Earnings from Self-employment*

**Comparison of Personal Income Earnings by Class of Worker for Hispanic Civilian Employed Population 25-64, Nebraska 2000 and 2008-2012**

<b>Class of worker</b>	<b>2000 <i>(in 2012 dollars)</i></b>	<b>2008-2012* <i>(in 2012 dollars)</i></b>	<b>Percent Change</b>
Self-employed	\$28,071	\$35,876	 28%
Wage worker in Private Sector	\$30,948	\$28,533	-8%

Source: Own Calculations based on Census 2000 5% PUMS and American Community Survey 2008-2012 PUMS.

**\* Difference is statistically significant at 95% level.**



# *Some Policy Recommendations*

- More research!
- Strengthen partnerships between organizations working with business owners and community-based organizations serving the Latino community
- Increase bilingual and bicultural staff in relevant governmental offices
- Create channels to more stable migratory status for business owners and immigrant population overall

