Chapter 8
Challenges in Creating and Sustaining an Entrepreneurial Business in Milwaukee

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ABSTRACT
Small business entrepreneurs have made important contributions to economic activities in the U.S. In recent years, there were decline and high entrepreneurial failure rates for entrepreneurs throughout the country. Specifically, the continuous challenges faced by entrepreneurs in the city of Milwaukee, Wisconsin have negatively affected job creation and the entrepreneurial process. What are the challenges faced by Milwaukee’s entrepreneurs in creating and sustaining their businesses? How have the entrepreneurial challenges affected Milwaukee entrepreneurs’ experiences in creating and sustaining their businesses? What specific support might be effective in overcoming the challenges? The purpose of this study was to explore the lived experiences of 20 entrepreneurs, specifically the challenges they encountered while sustaining an entrepreneurial enterprise in the city of Milwaukee. This chapter identifies the barriers and challenges that entrepreneurs and entrepreneurial small businesses must overcome. Recommendations for government leaders, entrepreneurs, and future researchers are provided.

INTRODUCTION
Creating and sustaining entrepreneurial small businesses is important for the U.S. economy. Entrepreneurial small businesses are the engines of growth that create jobs, opportunities, and financial support for many communities (Yang, 2012). Successful entrepreneurial undertakings provide a speedy increase in economic activities and growth (Nelson & Quick, 2009). As Mach and Wolken (2006) manifested, entrepreneurial small businesses were responsible for about 50% of production and created over 70% of
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net new jobs annually. Despite their size, entrepreneurial small businesses have all the needs of larger businesses.

A crucial factor facing entrepreneurial small business leaders in the first few years of business is a deficiency in leadership (Collins, 2005). People being involved in the entrepreneurial process are required to create, discover, and execute leadership that is cognizant of the reality in the environment, yet many do not possess the right leadership skills (Kouzes & Posner, 2003). Information on how to start and sustain a business is crucial because entrepreneurial leaders are constantly dealing with issues and challenges (e.g., finding additional revenue sources, the lack of suitable and qualified workers, the rising cost of energy, the rising cost of healthcare, and limited access to capital) (Jones, 2010). How leaders choose to deal with those issues and challenges will ultimately determine their future and that of the organization (Jones, 2010).

The major problem was that many small business entrepreneurs have confronted challenges due to a decline in entrepreneurial activities resulting in high entrepreneurial failure rate in the U.S. (Foley & Zimmer, 2014; Gee, 2013; GEM, 2016; SBA, 2012). Specifically, the continuous challenges faced by entrepreneurs in the City of Milwaukee have resulted in fewer opportunities for potential and established entrepreneurs (MMAC, 2012; SBA, 2014). Although entrepreneurship has its importance and growing recognition on economic growth and development, limited empirical data exist regarding to the sustainability of small entrepreneurial businesses and the lived experiences of the individuals who started these entrepreneurial businesses in the City of Milwaukee. The purpose of this empirical phenomenological study was to explore the lived experiences of 20 entrepreneurs, especially the challenges they faced due to a decline in entrepreneurial activities while they were creating and sustaining an entrepreneurial business in the City of Milwaukee.

BACKGROUND

Milwaukee is the largest city in both size and population in the US state of Wisconsin. The latest census data showed a population of 595,047 residents, and the median income for the City of Milwaukee is $35,958 (U.S. Census Bureau Data, 2016). The demographics of Milwaukee included Black (40%), White (39%), Hispanic (17%), Asian (3.5%), and American Indian (0.5%). Milwaukee has the reputation for being one of the most segregated cities in America; African Americans dominate the north side, Caucasians dominate the east side, and the south side is largely Hispanic (Causey, 2014; Denvir, 2011; Kulling, 2014; Tidmarsh, 2014; WUWM/Milwaukee Public Radio, 2013). Milwaukee has earned a reputation for precision manufacturing. Milwaukee is a major supplier of industrial controls, steel, foundry parts, and mining machinery (MMAC, 2012). The city is the home headquarters to five Fortune 500 companies: (a) Harley-Davidson, (b) Manpower, (c) Johnson Controls, (e) Northwestern Mutual, and (f) Rockwell Automation (MMAC, 2012). In 2014, the American Institute for Economic Research (AIER) ranked the Milwaukee area number 12 on the mid-size metro-scale for being one of the best college cities (AIER, 2014).

In retrospect, Milwaukee started out as a trading post in the early 1800s when three white settlers (i.e., Slomon Juneau, Byron Kilbourn, and George Walker) arrived (Gurda, 1999). These Milwaukee’s founding fathers helped turn the swamp into the city of Milwaukee, and each man settled in a different place along the river called Juneautown, Kilbourntown, and Walker’s Point (Gurda, 1999). From the 1930s to the 1960s, Milwaukee was a major industrial city making a wide variety of machinery products
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