Economics of Inclusion

Newly formed Massachusetts LGBT Chamber of Commerce is open for business and positioned to empower enterprises small and large

Being inclusive is good for business. “Economies are strong and efficient when everyone is engaged and everyone can participate,” says Sam McClure, senior vice president of the Washington, D.C.-based National LGBT Chamber of Commerce (NGLCC).

McClure points to the impact of LGBT-owned businesses on the U.S. economy as an example: 1.4 million LGBT-owned businesses across the country contribute more than 1.7 trillion dollars to the national economy, she says, citing a recent NGLCC report.

“That’s trillion with a ‘t,’” she adds. “And those numbers are only growing stronger.”

The NGLCC networks thousands of businesses with hundreds of corporate sponsors through 49 affiliated groups across the country. And, says McClure, the national organization has its eyes on Massachusetts.

“There’s so much opportunity here,” McClure says following a recent sit down with the working group of the newly formed Massachusetts LGBT Chamber of Commerce, which filed its legal papers last month and is now officially open for business.

“The Northeast corridor is just humming with business opportunity, and we are really excited to have an emerging local partner that can help us reach all of its LGBT business owners. The entire LGBT community and all of Massachusetts need to know they now have a local organization ready to partner with the NGLCC to bring greater economic development and empowerment to the Commonwealth,” says McClure. “The economic potential here is enormous.”
Another first for Massachusetts

One of Massachusetts Governor Charlie Baker’s first executive orders after he took office in 2015 was to make the state the first in the country to include LGBT-owned businesses in its supplier diversity program.

This means that LGBT-owned businesses can join a program that already ensured participation in government contracting and procurement opportunities for businesses owned by people of color, women, veterans, and people with disabilities.

To bring LGBT businesses into the program, the state took advantage of the NGLCC’s fully accredited, industry-standard certification process. So with NGLCC certification, LGBT business owners greater access to doing business with the government and private companies under government contracts; in fact, all agencies of the state and state-contracted business must do at least 20 percent of their business with state-certified companies. The state even pays the NGLCC’s $300 certification fee on behalf of each LGBT business owner.

What’s more, because of the state’s partnership with the NGLCC, owners of certified LGBT enterprises can also access all the opportunities the national organization provides. This includes being routinely sought after by the NGLCC’s corporate partners looking for LGBT-owned suppliers; scholarship, mentorship and leadership training; and networking events like the annual NGLCC International Business and Leadership Conference where thousands of certified businesses come to meet each other, as well as representatives from over 170 corporate partners. (This year’s conference will be in Philadelphia, August 14–17. Visit nglcc.org for details.)

Until now, however, there’s still been one missing link for LGBT businesses to really thrive with the state’s supplier diversity program.

Many LGBT business owners don’t know about the program, or don’t know how to access the program, or don’t really understand what the program can do for them.

Other groups in the program—like minority, women, veteran and disabled business owners—have advocacy groups in place to help them connect with the state program.

This is where the newly formed Massachusetts LGBT Chamber of Commerce comes in.

A little history

Back in early 2016, when the state supplier diversity program opened its doors to the LGBT community, the region’s oldest and largest LGBT business organization had just closed theirs.

Times had changed since the Greater Boston Business Council (GBBC) was founded 25 years earlier, and the business landscape had changed too. For many years, the GBBC was the only gay business organization around. Over time, many LGBT groups covered much of the same territory as the GBBC—like Pride in Our Workplace, which caters mostly to Fortune 500 companies; The Boston Gay
Professionals Meetup Group; Lesbians Who Tech; StartOut for LGBT entrepreneurs; Boston Spirit’s own Executive Networking Night; and OutBio for LGBT life science professionals—you name it. Many are geared to specific professions, others more for networking.

“But since the GBBC closed its doors, there’s been no group that forms a hub for building all businesses from an LGBT perspective,” says James Lopata, board chair of the new Chamber, co-owner of executive coaching firm innerOvation, and executive director of Boston Spirit [Editor’s Note: Full disclosure: Yes, that’s me].

“That’s why we formed the Massachusetts LGBT Chamber of Commerce,” Lopata says. “To fill that gap—connecting small businesses with large corporations and the state supplier diversity program and the national organization: offering a locus for the LGBT community to grow the economy in the Commonwealth and beyond. We see ourselves as a great companion organization to the other groups in the area.”

Moving ahead

The Massachusetts LGBT Chamber of Commerce may be newly formed, opening for business in 2018, but it’s been a steady work-in-progress since Governor Baker signed that executive order back in 2015. Even before then actually, since quite a few members of its working group of small business owners, corporate leaders and community advocates have had their eyes on the changing business landscape around them since the days of the GBBC.

To get their nonprofit paper-work and organizational structure in order, the team brought on Grace Moreno as their executive director. Moreno has an impressive track record of establishing both nonprofit and business start-ups. Most recently, she managed the creation of the Edward M. Kennedy Institute for the U.S. Senate, where she led all aspects of this project from construction of its facility in Dorchester next to the John F. Kennedy Presidential Library to hiring its staff.

“I’m very excited about all that the Chamber’s aiming to do—the goals, the vision and mostly who’s at the table. They are a very powerful group of representatives from Massachusetts businesses,” Moreno says.

“Our first priority is to focus on our strategic plan,” she says. “We need to establish how our programs will operate. Luckily, we’re not starting from scratch. There are a lot of LGBT-owned chambers throughout the country. I’ve done a lot of research into how they do things. The beauty of it is that everyone does things differently, which means there are so many examples of how to custom create our programs to fit our community.”

Over the past year, the working group has also invited other consultants to the table—like McClure, who says she’ll join them on a regular basis from D.C. to maintain a strong connection with the national organization, and representatives from the state government like Deputy Assistant Secretary William McAvoy, who tells Boston Spirit, “The Baker-Polito Administration is proud of our efforts to increase diversity in the Commonwealth’s...
procurement process, which includes establishing the first-in-the-nation LGBT-owned business certification. The administration’s supplier diversity office looks forward to working with the new chamber and assisting [its] members who are interested in doing business with the Commonwealth.”

Toward economic viability for all

Moreno sees the Massachusetts LGBT Chamber of Commerce as a “genuine opportunity for the LGBT community to really step up to a different space in business. A lot of us are excited to throw our time and effort behind it because we think it’s a really cool and necessary endeavor. As a community, we have historically spent so much time fighting just to get equal space in the world; it’s really nice to sit down with other gay and lesbian and transgender folks and look beyond basic needs to do something positive that is centered around business and financial growth. After all, if you can’t meet the financial needs of a community, you really can’t take care of the basic needs.”

Grace Moreno, executive director, Massachusetts LGBT Chamber of Commerce

Mission Statement

The Massachusetts LGBT Chamber of Commerce works to create an economic growth inclusive state by promoting opportunities among LGBT-owned and allied businesses, corporations and professionals. Representing its members, the Massachusetts LGBT Chamber of Commerce serves as a business advocate and a link between business and government in an effort to promote equality. We do this through advocacy, education and partnerships with the Massachusetts business community.

“In terms of Harvard-Pilgrim’s involvement with the Chamber, we have an inclusion business strategy and we value differences in everything we do and everyone we work with, including our suppliers,” says Young, who also consults for the Chamber. “In many ways the goals of the Chamber are already in alignment with H-P’s strategic initiatives. We want to make sure that women-owned, minority-owned, veteran-owned and now LGBT-owned businesses share and help build the economic viability of our community.”

Small business owner and board member Matt Veteto was one of the first to get state certification. He went through the process for his Chestnut Hill-based company New Coat Painting. Veteto found the process somewhat challenging, especially the training sessions at the State House.

“It was almost like learning a different language,” he says. “In the business world, if you need some construction and painting done, you call me, I give you a price and we make it happen. With the government, it’s a little different.”

Veteto got his certification and says that with the help of the Chamber other business owners will find the process less challenging.

Approaching small jobs or looking for big contracts, Veteto says the certification is always a plus. “I can show potential customers I’ve been vetted and say hire me looking to hire me for a job, I have an LGBT-owned painting company that’s been state and nationally certified.

“I’m not one to hold up a giant rainbow flag and say hire me just because I’m gay. But from my core values as a business owner, as a father, and as a human being, the way I run my business, how the Chamber and the NGLCC vet and certify businesses—with respect and dignity for all—that’s what it’s all about. Trying to do the right thing, every step of the way. [a]