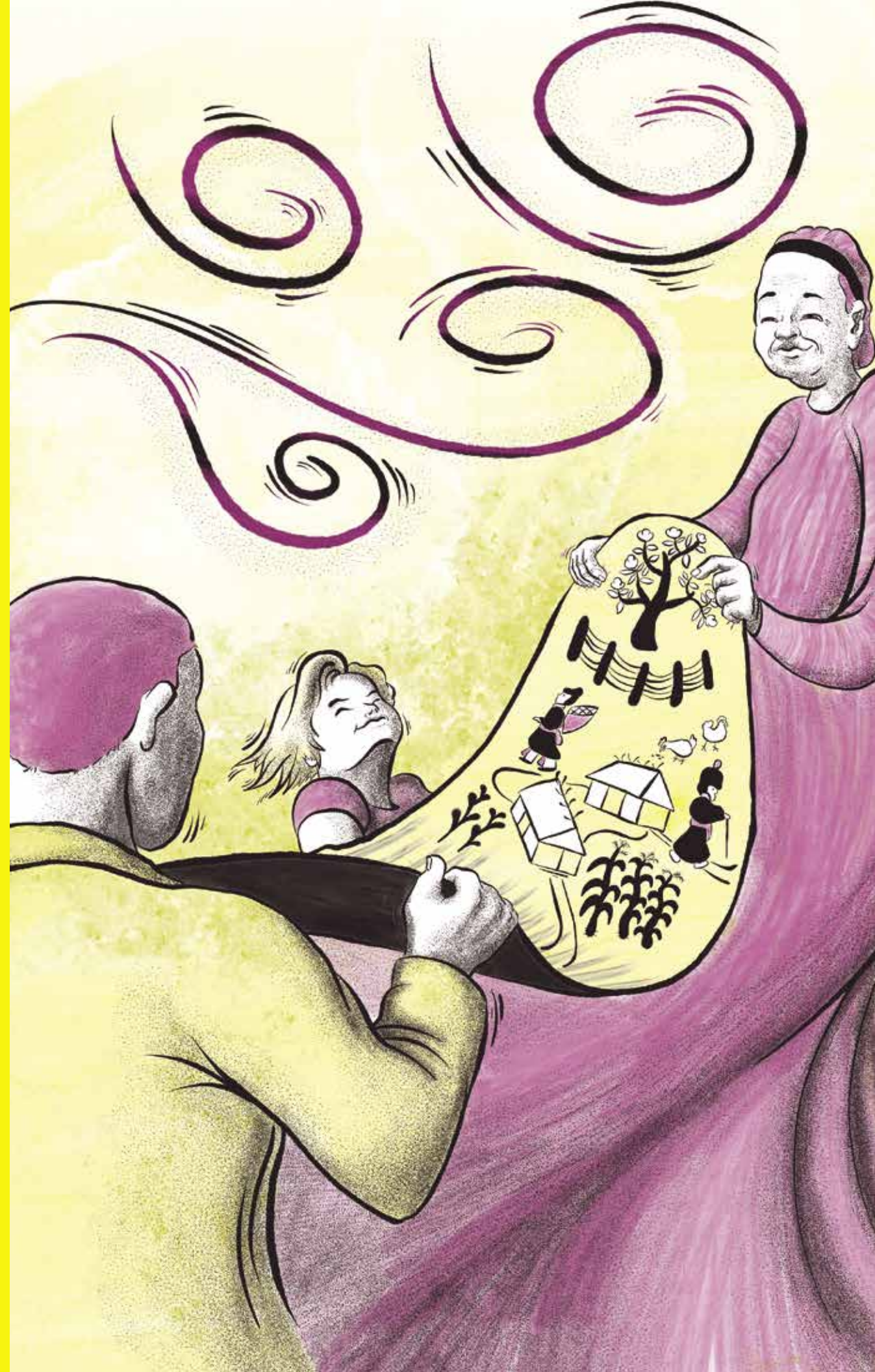


YEARS ACTIVE
Founded in 1990

GEOGRAPHY
Minnesota / Native nations

BUDGET
\$5M +

LEADER
Bao Yang



INNOVATION STORY

No

2

**HMONG
AMERICAN
PARTNERSHIP**

STEERING TOWARD SELF- SUFFICIENCY

STORY BY

May Lee-Yang



ST. PAUL

MINNESOTA

Hmong American Partnership is a social service and community change organization using wraparound services and culturally affirming engagement to help refugee and immigrant communities achieve their full potential — while overcoming racial inequities and generational poverty.

Hmong American Partnership

Deep relationships allow Hmong American Partnership to quickly engage with and tap into community insights, and to take courageous risks with that community in mind.

BREAK
THROUGH

Through its deeply entrepreneurial approach, Hmong American Partnership has found new ways to keep talent and resources from leaving the communities it serves, while maintaining a difficult balance — both growing its impact and keeping community voices centered in all of its decisions.



Faced with an economic downturn and questions about its future, HAP turned to an entrepreneurial model that wasn't afraid of risk, and found new paths to better economic opportunities for the Hmong community.



HAP's social enterprise model delivers much-needed resources to the organization's suite of programs, allowing HAP to maintain a diversity of programming that offers a number of touchpoints based on the needs of its clients.




WE CANNOT JUST BE AT THE MERCY OF WHERE THE DECISION-MAKERS' PRIORITIES ARE MOVING.

We need to figure out how to help ourselves.

Bao Vang

Hmong American Partnership



On the southwest corner of University and Western avenues in St. Paul, a rectangular building overlooks the westbound light rail platform.

HAP'S TAPESTRY RESTAURANT

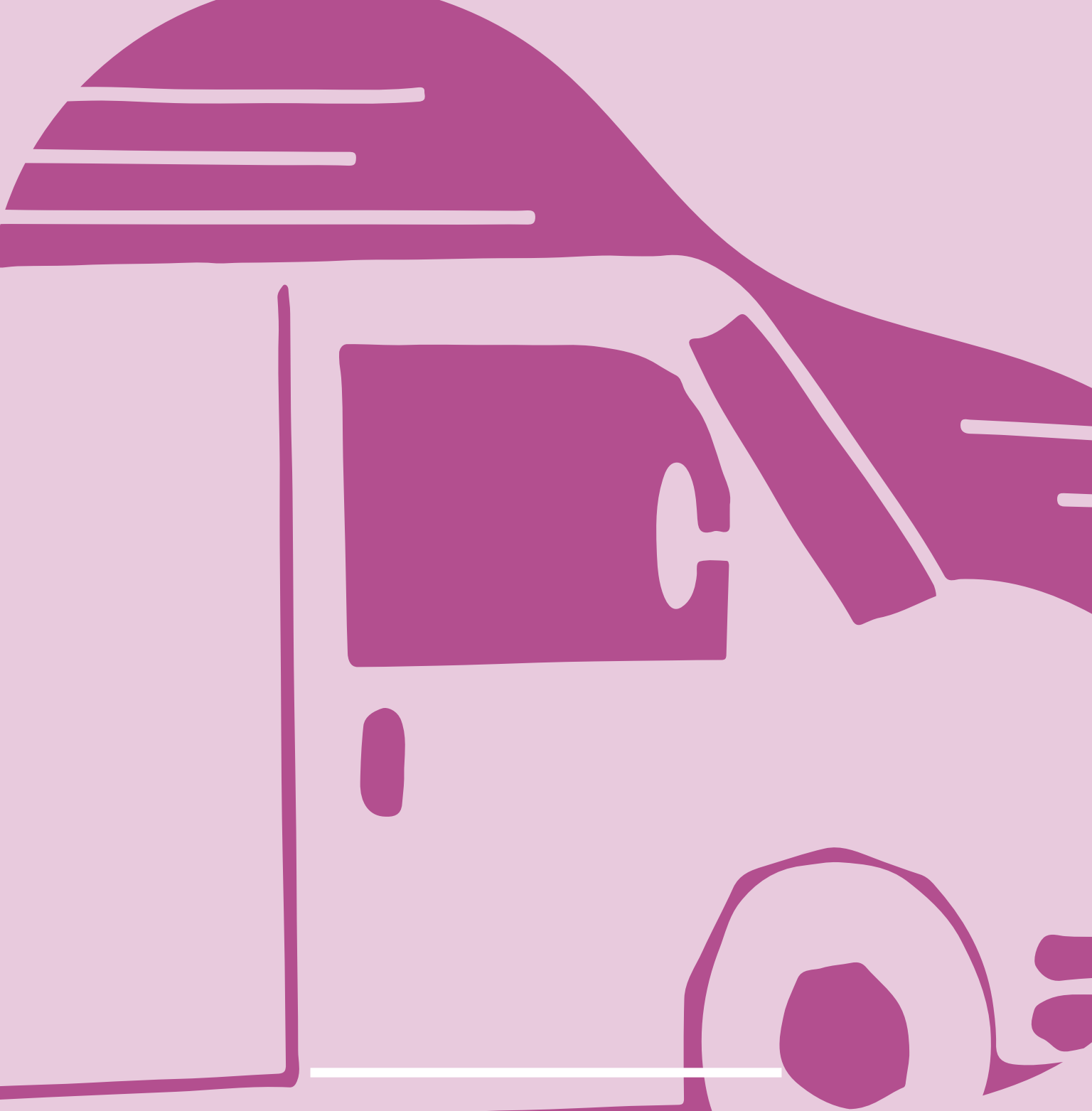
Upon entering this building, you'll first encounter a shop specializing in Thai rolled ice cream. Move farther in, beyond a set of double doors, and you will be transported to another time and place: dark wood floors, rails carved in Asian-inspired geometric designs, pillars that hold up curved wooden awnings. There is even a short bridge overlooking a koi pond that leads to a sea of tables. This is Tapestry Restaurant, a social enterprise that Hmong American Partnership (HAP) began in 2018. The second floor of the building houses one of HAP's eight sites and includes staff offices, meeting rooms and client programming spaces.

Dr. Mai Moua, a strategic advisor for HAP who previously worked as its chief operating officer, tells the story of how a nonprofit organization came to own a restaurant. When HAP convened one of its many community listening sessions, staff found that people needed jobs; business owners and hospitality services needed workers; and Hmong farmers, who constitute approximately 60 percent of Twin Cities farmers market vendors and thus operate in a saturated market, needed other outlets for their products.

HAP looked at its internal expertise and realized it could draw on its successes helping people find work, helping people build businesses and working with farmers. The organization created Tapestry as a social enterprise — a revenue-generating business intended to further a social, cultural, community economic or environmental cause. Under this model, what previously had been three community challenges became an opportunity to work across multiple issues and, as HAP puts it,

“TO ADVANCE A COLLECTIVE ECONOMIC PROSPERITY THAT WOULD BE equitable for all.”

Since its inception, Tapestry Restaurant has created over 20 full-time jobs and graduated 48 trainees, placing them into hospitality positions.



DRIVING FOR STABILITY



HOW COULD WE TURN THIS PROBLEM into a solution?

Bao Vang

Hmong American Partnership



The Twin Cities are home to an estimated 75,000 Hmong residents, the largest concentration in the United States. According to a 2015 study from the Pew Research Center, 28 percent of Hmong Minnesotans live under the federal poverty level and the community has a 10 percent unemployment rate — compared to 6 percent among all U.S. Asians and a national average of 4 percent.

In 1990, HAP was established as a nonprofit social service organization focused on supporting Hmong refugees coming to Minnesota. By 2007, it faced a crisis: Externally, the country was on the cusp of the Great Recession, which meant many nonprofits were closing their doors. Or merging. Or being acquired. Funders announced they had fewer dollars to fight for, and some shifted their priorities altogether. HAP needed to diversify its funding, which primarily consisted of restricted federal grants for providing refugee services. It widened its reach from Hmong constituents to broader immigrant refugee populations, but this still did not solve its conundrum, as the U.S. planned to stop resettling refugees.

Internally, the organization was also in turmoil due to leadership shifts. Public board meetings became packed with community members and sparked heated conversations and protests that sometimes ended with the police escorting board members off the premises for their own safety. Other community members urged funders to reevaluate their relationships with HAP. Suddenly, the organization was at risk of losing everything.

It was into this landscape that Bao Vang was hired as HAP's president and CEO. Bao recalls, "The board asked me, 'We not only need to restore funder confidence, but the economy is going down south.

WHAT ARE YOU GOING TO DO TO STABILIZE HAP? How are we going to survive this economy?"

Bao's first idea for diversifying HAP's revenue stream emerged from her noticing the organization was spending a lot of money on transportation for its clients. Even if staff members taught clients how to access public transportation services, the clients inevitably

returned to HAP for help because of comfort around language and culture. Bao also noticed that Hmong charter schools had similar transportation issues. She began thinking, "How do we do the work smarter? How could we turn this problem into a solution?"

She suggested starting a transportation company. Funders and community partners questioned this pivot, and the board worried about the risk. Had she run a transportation company before? (The answer was no.) What did she know about starting such a business? (Nothing.)

"I was not afraid of failure because I'm an entrepreneur," says Bao. "Business is in my blood. I knew I had a solid business plan."

That plan included offering charter schools slightly lower rates for the first several years of services, plus house stops and drivers who could speak Hmong — a perk for many Hmong parents.

Bao says, "I remember sharing with my board, 'If you look at the first year, we're actually removing \$100,000 off HAP's budget, and we're also making some money.' As soon as they saw that, it put their minds at ease."



CHARACTERISTIC NO. 1

What sources are best to turn to when looking for guidance

in shaping an organization's priorities or strategies?

We at HAP value working alongside and with our community. Fundamental to this value is the understanding that community members are experts of their own lives. This means that community members know what they need in order to change their situations; they are in the best position to define and develop culturally responsive and community-responsive solutions. The challenge is that systems have been designed without community members, and resources and opportunities are not uniformly accessible to everyone. One approach to upending these inequities is the continued intention to include community participation and feedback in the predesign of programs and services. It is critical more than ever that our programs and services center community.

Hli Xiong
HAP

HAP took out a loan, purchased some vans and started a training school for drivers. When the organization realized it was paying a lot for repair and maintenance, it started its own mechanic shop. Now all repairs happen in-house.

HAP TRANSPORTATION BEGAN WITH A FEW BROKEN VANS THAT IT FIXED UP, CATERING TO A SCHOOL OF 180 STUDENTS.

Now, it has over 70 vehicles in its fleet and serves over 3,000 students.

“We can’t just grow any more without a bigger place to park our vehicles,” says Bao. Derlee Moua, HAP workforce development director, explains the critical role HAP Transportation plays in moving clients towards prosperity. It is a training center where people can get their Class B Licenses (CBL), shadow drivers and learn from Hmong- and Karen-speaking instructors. Because of clients’ barriers with language, education and technological literacy, Derlee says, trainers often spend twice as much time with HAP clients as other CBL training programs. Since 2017, 97 people have completed the CBL Training, and 13 are now employed directly through the organization.



How can organizations look beyond short-term risks toward

the long-term benefits of trying new ideas and approaches?

In the world that we live in, you have to be very entrepreneurial. You have to be very innovative. You have to be incredibly resilient. You have to be ahead of the cusp of what people are doing. You almost have to be a futurist, to think through, 10 years from now, 20 years from now, what will your community need? When your community starts to speak about what it is that they want from you and you look at what is happening politically, economically, socially, culturally, and put that all together, you always have to find the silver lining within the challenges you are faced with. How do you take that and move it forward? Because at the end of the day, your community still counts on you.

Dr. Mai Moua
HAP

CHARACTERISTIC NO. 2



ENTERPRISING ENGAGEMENT

WE WANT TO SERVE
the whole client.

Hli Xiong

Hmong American Partnership



Though the transportation company idea initially received pushback from funders, community partners and even HAP's board, the pivot to social enterprise has been vital to the organization's ecosystem, providing unrestricted revenue that continues to subsidize underfunded programs.

And diversity of programming is a key element of HAP's model. "We want to serve the whole client," says Hli Xiong, who previously worked as interim director of impact areas.

Hli often thinks of her parents as she does this work. She recalls how her parents used to go to one agency, work through the barriers of language to explain their problem and then be referred to another agency, where they would have to begin the explaining process again and again.

BECAUSE OF HAP'S HMONG-LANGUAGE RESOURCES AND VARIETY OF PROGRAMS, clients don't face this challenge.

For example, someone might come to HAP because they have diabetes and join a cohort to work on health and wellness. If they or a staff member identifies that they need a job, they might join a training program, such as HAP Transportation or Tapestry Restaurant. However, if that person has limited work experience or English language skills, they might attend the Adult Basic Education (ABE) program, which also helps the client learn industry-specific lingo, or take courses in workforce development to learn how to use technology, practice mock interviews and write resumes.

"We want to make life as easy as possible for our clients," says Hli.

In 2015, Community School of Excellence (CSE), a pre-K-10 Hmong charter school in St. Paul, asked HAP for help. After going through a contentious and very public leadership transition, CSE had been asked to "turn around the school" or close down for good. While HAP had no experience running a school, Bao noted that the organization existed to serve the community, and if the community asked, it needed to respond.

"We made sure that people understood this wasn't about coming in to save a school," says Dr. Moua. "The vision was actually about the educational disparities that would exist if this school and the community is not served.

HMONG CHILDREN DESERVE education equitably."

HAP facilitated over 20 focus group meetings and conducted over 100 interviews with parents, students, teachers, community leaders and partners. Dr. Moua explains, "The teachers and parents came up with the idea of having a group of dedicated and passionate individuals represent the school's work and help the school transform into an exemplary educational institution."




How can organizations make sure their work is growing from community and not acting as a purely external force?

As an organization whose primary stakeholder is community, it's our duty to approach our work and design our services to benefit the community, as defined by them. It's easy to come into a community space and tell others what to do because we can get the work done faster. In our history, people and organizations do this to our Hmong and refugee and immigrant communities all the time. At HAP, our stance is that we are the vessel, and we hold that space for the community to ideate and design. At the end of the day, it's their livelihood, and it's their lived experiences. We have to be intentional to hold that space, stand back and actively listen and then recognize that we are witnessing the evolution of community.

Dr. Mai Moua
HAP

CHARACTERISTIC NO. 3



While the charter school is not a social enterprise in and of itself, HAP's experience with social enterprises enabled it to delve more deeply into a field with which it wasn't familiar. HAP believes that any organization and any community can turn its talents and assets into some kind of business. The questions to ask are:

As a community, where are our resources leaking and going outside of the community as opposed to staying inside?

CLASS IN SESSION

Where does the opportunity exist to collectively keep money working in the community? What social enterprise model can facilitate that?

Using this approach, HAP stopped paying exorbitant prices for food services. Instead, it developed the first USDA-certified Hmong menu at CSE, purchased produce directly from Hmong farmers and enhanced the overall nutrition of the school meals. Again, it transformed challenges into assets.

Today, HAP has grown into the largest Hmong-founded nonprofit in the United States and is a nationally recognized expert in what it calls "culturally affirming engagement with underserved populations." And its social enterprise work is not stopping with a restaurant, a charter school and a bus company. In 2019, the organization opened HAP Academy OIC, which will expand its vocational education work.

Bao Vang believes social enterprise builds pride among staff and community. This pride is all the more important considering Hmong history with America.

When the U.S. engaged them to work secretly for the CIA in Laos during the Vietnam War, Hmong people went from farmers to soldiers. As their crops and fields were either burned, bombed or drenched in Agent Orange, they depend on bags of rice that U.S. airplanes dropped. Once they came to the U.S. as refugees, many Hmong became dependent on government assistance due to the linguistic, cultural and educational barriers of moving from a developing country to a more developed one with a different language. HAP's growth mirrors many Hmong refugee stories. Both began their journey in the U.S. focused on basic needs. Now, 45 years later, economic self-sufficiency is about more than survival.

**IT IS ABOUT A SHIFT IN DYNAMICS,
a reclamation of power.**

Bao often tells people, "As Hmong Americans, we are smart. We're creative. We cannot just be at the mercy of where the decision-makers' priorities are moving. We need to figure out how to help ourselves. This is such an important thing to do."