Entrepreneurship in a YouthBuild Context

What to Think About, How to Plan, and What to Expect (and Not)

DOL YouthBuild Learning Exchange, 10/2011
Agenda

• Introductions and Expectations (10 minutes)
• Entrepreneurship in a YouthBuild Context: Presentation and Discussion (40 minutes)
• Break (10 minutes)
• Guest Presentation: Entrepreneurship Program at YouthBuild North Central West Virginia (30 minutes)
• Q&A, Sharing and Discussion (20 minutes)
• Commitments and Handouts (10 minutes)
Why Entrepreneurship?

- Entrepreneurial skills are not exclusive to starting or running businesses -- the knowledge, skills and abilities (KSAs) learned through entrepreneurship education are transferable to any workplace.
- Entrepreneurship education can lead to supplemental income opportunities, and for certain motivated young people, full-scale, self-sustaining businesses.
- While not all young people should or need to start their own business, in today’s economy, they all need to think and act entrepreneurially.
- In fact, all of us do.
What is Entrepreneurship?

Good Work (www.goodwork.org) defines entrepreneurship as ... “the exercising and development of a set of skills, attitudes, and personality traits...”
...including the following:

- The capacity and willingness to create and conceive, organize, operate, facilitate and manage an economic venture
- Leadership
- Creative problem solving
- Analytical thinking
- The ability to make sound financial and economic decisions
- Being bold enough to take and strong enough to bear the burden of risk that comes with starting a business
- Courage and Resiliency
- The hope and belief that you can change society for the better

- The ability to recognize and imagine social and economic opportunities
- The ability to cast a long term vision, make decisions, and execute a strategic plan
- Innovation and Ingenuity
- The ability to be flexible and adapt to the changing social, political, cultural, and environmental climates that we live in
- Improvisation
- Seeking profit as a reward but not the only reward
- Addressing the needs of and adds value to a particular community or group of communities
Benefits of Entrepreneurship Ed

According to a 2001 report by the D.C. Children and Youth Investment Trust Corporation, entrepreneurship education leads to a number of positive outcomes, including:

- Improved academic performance, school attendance, and educational attainment
- Increased problem-solving and decision-making abilities
- Improved interpersonal relationships, teamwork, money management, and public speaking skills
- Job readiness
- Enhanced social psychological development
And There’s More

In evaluating its own programs, the National Foundation for Teaching Entrepreneurship (NFTE) has found that when youth participated in entrepreneurship programs:

- Interest in attending college increased 32%
- Occupational aspirations increased 44%
- Independent reading increased 4%
- Leadership behavior increased 8.5%
- Belief that attaining one's goals is within one's control also increased
First Things First

1. Financial Literacy

2. Financial Literacy

3. Financial Literacy
Program Steps

Staff a Coordination Function

- Staff needs to have real entrepreneurial experience even though (s)he may have different YouthBuild responsibilities
- VISTA member or volunteer from the community can be an alternative to hired staff

Develop Exposure Opportunities

- Help young people understand owning a business is hard work.
- Participate in or organize a ‘micro-enterprise expo’ in your community or neighborhood.
- Coordinate internships for youth with small businesses
- May lead to job
Program Steps, Cont’d

Idea Factory
• Ask youth what items and services they buy outside of the community
• Where can “tourists” spend money in your community?
• Community walk-through to identify gaps

Business Planning Research
• Who is your customer going to be?
• How much will they pay for your product or service?
• What do you need to get started?
• How much will that cost?
Program Steps, Cont’d

Expand training program beyond employability skills to include business skills
- See list of curricula

One-on-one assistance
- Work toward parental engagement
- Work closely on money management and financial tracking
- Link with mentors, SBDCs, etc.

Make Connections with Financing Sources
- Start with regional CDFI, credit union or loan fund
Manage Expectations!

- Consider *entrepreneurship education*, not necessarily *entrepreneurship*
- Talk *enterprise* development, not necessarily *small business*
- Encourage *supplementary income*, not *sole source of income*
- Emphasize the *planning process* not just *the business plan*
- **Recognize that not every young person can or should start a business....**
Community Opportunities

- Great way to engage community colleges or other educational partners in new way
- Financial institutions love this stuff – could lead to small donations, savings account or IDA relationships, etc.
- Adult entrepreneurs love to share their stories, and may share other resources as well
- Excellent opportunity to develop career placement partnerships
- First step toward developing program-sponsored business enterprise