



## **Developing an Entrepreneurial Mindset in Youth**

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# Agenda

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- Background Context
- What is entrepreneurship education?
- The Network for Teaching Entrepreneurship (NFTE)
- Activity: Innovation game
- Program impacts
- Policies to support the development of youth entrepreneurship

# Economic background

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- Decline in entrepreneurship and entrepreneurial activity in the United States
  - For the first time in 30 years, the percentage of firms departing the economy exceeded those entering it.
    - Brookings Institute (2014)
- Talent shortage
  - 52 percent of employers report difficulty in finding the right talent. There is an over-supply of available workers but an under-supply of skilled talent.
    - The Manpower Group (2011)
- Changing American workplace
  - 1 in 3 employers want workers with entrepreneurial experience
    - US News (2012)

# What is entrepreneurship education?

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- Entrepreneurship education consists of academic programs focused on developing specific skills, knowledge, and mindsets related to business creation.
- Common at the university level; growing in elementary and high schools
- A wide variety of models, formats, and audiences
  - Curriculum-wide, classroom, or extracurricular level
  - Required or elective
- Features of middle and high school programs:
  - Taught in-person and online
  - Led by certified teachers
  - Coaching or mentoring from local businesspeople

# Entrepreneurship can be learned

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“It is not magic, it’s not mysterious, and it has nothing to do with genes. It’s a discipline, and like any discipline, it can be learned.”

-- Peter Drucker 1986

# The Network for Teaching Entrepreneurship

*NFTE's mission is to provide programs that inspire young people from low-income communities to stay in school, to recognize business opportunities and to plan for successful futures. Our vision is that all young people can have an entrepreneurial mindset that will lead them to great to do great things in life and business.*

## United States

### Northeast

New England  
New York Metro  
- New York City  
- Fairfield Co., CT  
- Westchester Co., NY

### Mid-Atlantic

Philadelphia  
Washington, D.C. /  
Baltimore

### Midwest

Chicago  
Cleveland  
St. Louis

### South

Georgia  
South Carolina  
South Florida  
North Texas

### West

Bay Area  
Fresno  
Los Angeles

**580,000**

Students served worldwide



## International

### Americas

Colombia  
Mexico  
United States

### EMEA

Belgium  
Germany  
Ireland  
Israel

### AIPAC

Australia  
China  
Singapore

# NFTE Experiential activity: Product innovation game

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- Activity Objective: Use entrepreneurial skills, such as creativity, critical thinking and collaboration, to create a new innovative product from limited resources.
- Directions:
  1. Create a totally new product from ONLY the materials given.
  2. Be prepared to give a one minute presentation on your new invention that includes the following:
    - The name of the product
    - The features and benefits of the product
    - A profile of its customers (age, gender, interests, etc...)

# The NFTE Model: Key elements

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- **Experiential curriculum**
  - Learning by doing; project-based; connects learning to the real world
- **Volunteer Support**
  - Volunteers coach students through their business plan, and judge competitions directly supporting students and teachers throughout the program
- **Competitions**
  - Designed to provide excitement, challenge students and reinforce knowledge



# The NFTE Model: Delivery methods and programs

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- **Classroom-based, in-school programs**
  - One or two semesters; NFTE-trained teacher; stand-alone entrepreneurship class or embedded in business, economics or other subjects; elective or required
  - ***Owning Your Future***: Entrepreneurship program for middle and high schools
  - ***Startup Tech***: Tech-entrepreneurship program on mobile app creation
  - ***Explore***: Career exploration through entrepreneurship for middle grades
- **Summer programs**
  - **Bizcamp**: 2-week program during summer vacation or school breaks
  - **GenTech**: tech-entrepreneurship focused on mobile app creation
  - **Startup Summer**: summer incubator program for NFE students
- **Virtual**
  - *NFTE Venture short course; Make Your Job*
- **Modules integrated in other youth settings**
  - *World Series of Innovation*

# The Entrepreneurial Mindset

## Initiative & Self Direction

- Set goals and establish action plans to accomplish them
- Manage time effectively
- Adjust plans to move forward and meet goals

## Flexibility & Adaptability

- Understand how to incorporate feedback effectively
- Learn from and how to act with setback
- Reflect critically on learning experiences and processes

## Communication & Collaboration

- Articulate thoughts and ideas effectively to individuals and groups
- Work effectively in groups
- Respect team members and alternative points of view

## Creativity & Innovation

- Brainstorm and use other creative thinking exercises
- Find creative solutions, evaluate and refine ideas
- View failure as an opportunity to learn

## Critical thinking & Problem Solving

- Analyze and evaluate different points of view
- Synthesize information and arguments from a variety of sources
- Interpret information and draw conclusions

## Future Orientation

- Prioritize long term success in the face of short term sacrifice/work
- See beyond and plan for a time horizon greater than one year

## Opportunity Recognition

- Identify problems as opportunities
- Understand when there is a “window of opportunity”
- Assess business ideas to identify opportunities

## Comfort with Risk

- Understand the difference between risk and reward
- Learn how to calculate risk
- Differentiate between short-term and long-term risks
- Push personal limits to achieve a desired goal

# Impacts: Entrepreneurship education

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- Experimental study of a youth entrepreneurship program in the Netherlands found an increase in self-efficacy, need for achievement, risk taking propensity and problem solving skills in students as young as 11 and 12 years old
  - Huber et al. 2012
- An early study of students in a graduate school entrepreneurship track were three times more likely to be involved in starting a new business than non-entrepreneurship students in the same business school cohort
  - Charney and Libecap 2000
- A European study found that students who attended entrepreneurship programs were more likely to display an entrepreneurial mindset -- analytical, motivated, creative and self-confident with a greater propensity to take risks
  - European Commission 2012

# Impacts: NFTE

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- Approximately 95 percent of students in NFTE's Bizcamps agreed or strongly agreed that the skills they learned in the program would help them in their life and in business.
  - Silander et al. 2015
- 22 percent of NFTE alumni in the workforce are self-employed. This is double the national average.
  - NFTE Alumni Survey 2013
- 80 percent of NFTE students responding to an exit survey expressed confidence that they can start their own businesses -- a 20 percentage point increase compared to the start of the year
  - Internal NFTE Survey 2015
- NFTE students' sense of internal locus of control grew at a greater pace than students in a comparison group of students.
  - Nakkula, M. 2004

# Rethink standards

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- Establish clear state education standards for entrepreneurship
  - Current standards vary by state and are often couched within CTE, consumer education or other tracks
  - Standards for entrepreneurship education need to be elevated
  - Offer a path to certification
- Emphasize the development of the entrepreneurial mindset
  - Aligned with current efforts to develop noncognitive skills in youth
  - Consistent with efforts to prepare low-income students for college and careers

# Invest in innovative research

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- Engage in rigorous research on the implementation and impact of entrepreneurship programs and other experiential programs
  - Enhance education data systems to enable researchers to follow students from school to college to the workforce
  - Support researcher-practitioner partnerships between districts and local universities
  - Identify opportunities to conduct experimental research studies

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Questions?

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## Contact information

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