ENTREPRENEURSHIP

Definition

Entrepreneurship education allows students to develop a deeper understanding of economic principles and to apply classroom learning by organizing and operating a business enterprise. An entrepreneurship education program should involve students developing individual entrepreneurship projects in which they assume all risks in expectation of gaining a profit and/or further knowledge. An entrepreneurship program may be a component of a specific course within the curriculum or be a stand-alone course for credit. Entrepreneurship education may be offered in any Career and Technical Education program.

Rationale

An entrepreneurship program should be designed to help students further develop skills in the areas of economics, business management, and marketing. The program should complement instruction and further prepare students to meet their career objectives. Entrepreneurship programs should allow students to experience all aspects of developing and running a business enterprise. Students should receive instruction and support for developing their projects and receive feedback from the teacher/instructor.

Entrepreneurship programs offer many benefits to students. Just as important to apply academic knowledge such as record keeping and economics is the opportunity to grow in the areas of self discipline, critical thinking, and problem solving. These skills can be mastered only through experience and practice. The real-life experience gained through entrepreneurship projects is viewed favorably by college admissions officers and potential employers. Other benefits to the student include the opportunity to earn money and to make connections within the business world.

An entrepreneurship program may lead students toward entrepreneurship projects that are either short term or long term in nature. Short-term projects usually involve providing only one product or service for a limited period of time. The focus of a short-term project should be to learn and develop specific skills related to the project. Long-term projects continue for a period of one to four years and must include learning a broad range of skills and knowledge.
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The ultimate goal of an entrepreneurship program is for students to develop management and critical thinking skills that they will use throughout life. These would include but not be limited to product development, marketing, advertising, financing, record keeping, budgeting, communication, customer service, decision making, locating and utilizing resources, and complying with governmental regulations. Students should receive instruction on the topics mentioned above as part of the entrepreneurship program. The program should also give students the opportunity to apply these specific skills within their individual projects.

Within the entrepreneurship program, students should have complete control of their individual projects but should use the teacher, parents, and other partners as resources in making management decisions. The teacher should visit work sites, interview student clients, and review business records to gain a complete understanding of student projects. The teacher should provide students with ongoing feedback for improving their entrepreneurship projects and work to connect them with other adults who can provide knowledge and assistance.

As part of the entrepreneurship program, students should receive instruction relating to local, state, and federal regulations relative to small businesses. Adherence to these laws and regulations should be a requirement of the entrepreneurship program and an element of student evaluation.

Students may receive credit toward high school graduation for work in entrepreneurship programs provided that all conditions of 704 KAR 3:305 Section 5 have been met. Specifically, the experience must be “designed to further student progress towards the Individual Learning Plan,” “supervised by qualified instructors,” and “aligned with state and local content and performance standards.”

If credit is not awarded for work in the entrepreneurship program, the student may receive a grade for his/her efforts. This grade could be part of the course design or be used as bonus points. An example evaluation instrument is on pages 3-6 and 3-7 of this chapter.

Students may use the entrepreneurship program to gain recognition from the appropriate youth organization that recognizes this kind of effort.

Steps in Planning and Implementing an Entrepreneurship Program

- Determine whether the entrepreneurship program will be tied to a specific course, a culminating project for the school or a specific career major, or an out-of-school program.
- Determine whether the focus of the entrepreneurship program will be to have students participate in short-term or long-term entrepreneurship projects. Even if the focus is on short-term entrepreneurship projects, some students may choose to continue and expand their projects.
• Decide how instruction will be delivered in the areas of product development, marketing, advertising, financing, record keeping, budgeting, communication, customer service, decision making, locating and utilizing resources, and complying with governmental regulations.
• Develop a sample business plan for students to use and an instrument for evaluating student progress and performance.
• Determine what resources will be needed to assist students in beginning their entrepreneurship projects.
• Develop an agreement with all parties involved, including students, parents, teachers, and possible mentors. (See Appendix A-2 for sample.)
• Design a system for monitoring student progress and for providing students with feedback on improving their entrepreneurship projects.

Legal Issues

Students may receive credit toward high school graduation for work in entrepreneurship programs provided that all conditions of 704 KAR 3:305 Section 5 have been met. Specifically, the experience must be “designed to further student progress towards the Individual Learning Plan,” “supervised by qualified instructors,” and “aligned with state and local content and performance standards.”

705 KAR 4:231 Section 5 requires Career and Technical Education Programs to provide opportunities for students to participate in work-based learning experiences. Entrepreneurship is named as one type of work-based learning experience in the regulation.

As best practice, policy statement(s) regarding off-campus experiences for work-based learning should be components of the curriculum outlined by the School Based Decision Making council (SBDM).

Students should comply with all local, state, and national laws and regulations related to their entrepreneurship program. This should include licensing, copyright, sales tax, income tax, etc.

Professional Staff Criteria

An entrepreneurship teacher/coordinator must—

• Have a broad knowledge of business and business management skills
• Be a successful planner and organizer
• Work well with people
• Enjoy teaching others to succeed
• Have a positive attitude
• Hold a teaching certificate in the appropriate occupational area
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Components of a Work-Based Learning Plan/Agreement

A sample Work-Based Learning Plan/Agreement may be found in Appendix A. This may be modified to meet the needs of the school, student, and program.

A Work-Based Learning Plan/Agreement for an entrepreneurship project should also include:

- Description of the entrepreneurship project
- List of skills to be developed through the program
- A copy of the student’s business plan which should include:
  - product/service to be provided
  - proposed budget including projected income and expenses
  - plans for financing the project
  - marketing plan for the project
  - exchange agreement(s) if the student will be exchanging labor for inputs, facilities, or machinery

Resources

705 KAR 4:231 Section 5—General program standards for secondary career and technical education programs (See Appendix B, Resources)

Community Ventures Corporation

Consortium For Entrepreneurship

Entrepreneurship Education

EntreWorld Ewing Marion Kauffman Foundation

FCCLA Star Event Manual

HomeBasedWork.com

INC.com

Kauffman Center for Entrepreneurial Leadership
Ewing Marion Kauffman Foundation
4801 Rockhill Rd., Kansas City, MO 64110

Kentucky Department of Agriculture

Kentucky Entrepreneurial Coaches Institute
Resources (continued)

Kentucky Small Business Development Center: www.ksbdc.org
Kentucky State University Entrepreneurship Roundtable: www.kysu.edu/entre_biz
Mind Your Own Business: http://www.mindyourownbiz.org/default.shtml
U. S. Small Business Administration: http://www.sba.gov
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Evaluation Instrument For Use In Entrepreneurship Programs

Each item should be marked as 4, 3, 2, 1 with 4 being highly proficient and 1 being novice.

**Student Business Plan**

___ Business plan includes a complete description of the product or service that will be offered.

___ Business plan includes a complete and accurate budget with realistic projections of income and expenses.

___ Business plan includes a complete description of how start up capital for the project will be secured. A copy of the completed loan application should be included if applicable.

___ Business plan includes a marketing plan for the project. Samples of advertisements, fliers, business cards, etc. should be included if these are part of the marketing plan.

___ Business plan includes three or more goals for the project. Goals should be SMART (Specific, Measurable, Attainable, Related, and Timed)

___ Total For Business Plan X 5 = _____ (100 possible)

**Student Project**

___ Student has actively implemented the business plan.

___ Student is producing a product or service that has value to customers and makes customer service a priority.

___ Student has implemented marketing strategies as outlined in the business plan and has developed effective, high quality marketing tools (if applicable).

___ Student uses technical publications, industry professionals, and governmental resources to stay abreast of trends in the industry.

___ Student is keeping complete records and using these records to make management decisions.

___ Student regularly reflects on progress that he/she has made toward achieving goals and implements new strategies for achieving goals.

___ Student is complying with all local, state, and federal laws and regulations.

___ Total For Student Project X 5 = _____ (140 possible)

**Reflective Writing Piece**

___ Reflective writing piece details work on the project including how it was planned and implemented.
Student reflects on the value of the project as part of his/her educational experience—includes 2-3 specific things the student learned from the project.

Student reflects on how he/she will use the knowledge and skills gained from this project in their future.

Student reflects on how he/she would approach entrepreneurship projects in the future, based on his/her experience with this project.

Reflective writing piece is well written and has few grammatical errors.

Total Reflective Writing Piece  X  3 = ____ (60 possible)

Total Student Business Plan
Total Student Project
Total Reflective Writing

Total Score ____ (300 possible)
Entrepreneurship Leadership Skills Checklist

Name_______________________________

<table>
<thead>
<tr>
<th>W</th>
<th>NI</th>
<th>S</th>
<th>MY ENTREPRENEURSHIP SKILLS</th>
</tr>
</thead>
<tbody>
<tr>
<td>W</td>
<td>NI</td>
<td>S</td>
<td>Seeking a promotion</td>
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<tr>
<td>W</td>
<td>NI</td>
<td>S</td>
<td>Presenting ideas in a business meeting</td>
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<td>W</td>
<td>NI</td>
<td>S</td>
<td>Proposing new products or services</td>
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<td>W</td>
<td>NI</td>
<td>S</td>
<td>Creating a new way to do things</td>
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<td>W</td>
<td>NI</td>
<td>S</td>
<td>Completing projects beyond regular job duties</td>
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<tr>
<td>W</td>
<td>NI</td>
<td>S</td>
<td>Being a self-starter</td>
</tr>
<tr>
<td>W</td>
<td>NI</td>
<td>S</td>
<td>Knowing about entrepreneurship</td>
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<tr>
<td>W</td>
<td>NI</td>
<td>S</td>
<td>Setting up safety and sanitation procedures</td>
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<tr>
<td>W</td>
<td>NI</td>
<td>S</td>
<td>Reading financial reports</td>
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<tr>
<td>W</td>
<td>NI</td>
<td>S</td>
<td>Marketing a business</td>
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<tr>
<td>W</td>
<td>NI</td>
<td>S</td>
<td>Understanding laws related to my targeted career</td>
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<tr>
<td>W</td>
<td>NI</td>
<td>S</td>
<td>Increasing profits</td>
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<tr>
<td>W</td>
<td>NI</td>
<td>S</td>
<td>Creating a business plan</td>
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<td>W</td>
<td>NI</td>
<td>S</td>
<td>Finding business financing</td>
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<tr>
<td>W</td>
<td>NI</td>
<td>S</td>
<td>Starting a business</td>
</tr>
<tr>
<td>W</td>
<td>NI</td>
<td>S</td>
<td>Re-creating a business</td>
</tr>
</tbody>
</table>

Identify the three skills on which you most need to work for improvement.