



## ENCOURAGING FUTURE INNOVATION: YOUTH ENTREPRENEURSHIP EDUCATION

*Entrepreneurs drive America's economy*, accounting for the majority of our nation's new job creation and innovations. According to the U. S. Census Bureau's 2002 *Survey of Business Owners*, self-employed individuals who have no paid employees operate three-fourths of U.S. businesses. The U. S. Small Business Administration reports that America's 25.8 million small businesses employ more than 50 percent of the private workforce, generate more than half of the nation's gross domestic product, and are the principal source of new jobs in the U.S. economy.

### ■ BENEFITS OF ENTREPRENEURSHIP

Entrepreneurship is an employment strategy that can lead to economic self-sufficiency for people with disabilities. Self-employment provides people with disabilities and their families with the potential to create and manage businesses in which they function as the employer or boss, rather than merely being an employee. Oftentimes, people with disabilities are eligible and receive supplemental supports (technical and financial) which can serve as a safety net that may decrease the risk involved with pursuing self-employment opportunities.

Nearly 80 percent of would-be entrepreneurs in the United States are between the ages of 18 and 34! A 2005 poll from Junior Achievement (JA) found that 68.6 percent of the teenagers interviewed wanted to become entrepreneurs, even though they knew that it would not be an easy path. In spite of this overwhelming interest, however, youth rarely receive any information about entrepreneurship as a career option.

Entrepreneurship education offers a solution. It seeks to prepare people, particularly youth, to be responsible, enterprising individuals who become entrepreneurs or entrepreneurial thinkers by immersing them in real life learning experiences where they can take risks, manage the results, and learn from the outcomes.

### ■ ADVANTAGES OF ENTREPRENEURSHIP EDUCATION

Through entrepreneurship education, young people, including those with disabilities, learn organizational skills, including time management, leadership development and interpersonal skills, all of which are highly transferable skills sought by employers. According to *Logic Models and Outcomes for Youth Entrepreneurship Programs (2001)*, a report by the D.C. Children and Youth Investment Corporation, other positive outcomes include:

- 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 (self-esteem, ego development, self-efficacy), and
- perceived improved health status

## ENCOURAGING FUTURE INNOVATION: YOUTH ENTREPRENEURSHIP EDUCATION

Ongoing research commissioned by the National Foundation for Teaching Entrepreneurship (NFTE) to evaluate the effectiveness and impact of its programs found that when youth participated in entrepreneurship programs:

- interest in attending college increased 32 percent
- occupational aspirations increased 44 percent
- independent reading increased 4 percent
- leadership behavior increased 8.5 percent
- belief that attaining one's goals is within one's control (locus of control) increased, and
- alumni (99 percent) recommended NFTE programs

### ■ BENEFITS OF ENTREPRENEURSHIP EDUCATION

Research regarding the impact of entrepreneurship education on youth with disabilities shows the following benefits:

#### ■ Opportunity for Work Based Experiences

Work experiences for youth with disabilities during high school, both paid and unpaid, help them acquire jobs at higher wages after they graduate. Also, students who participate in occupational education and special education in integrated settings are more likely to be competitively employed than students who have not participated in such activities.

- **Opportunity to Exercise Leadership and Develop Interpersonal Skills** By launching a small business or school-based enterprise, youth with disabilities can lead and experience different roles. In addition, they learn to communicate their ideas and influence others effectively through the development of self-advocacy and conflict resolution skills. Moreover, they learn how to become team players, and to engage in problem solving and critical thinking – skills valued highly by employers in the competitive workplace of the 21<sup>st</sup> Century. Mentors, including peer mentors both with and without disabilities, can assist the youth in developing these competencies.

#### ■ Opportunity to Develop Planning, Financial Literacy, and Money Management Skills

The ability to set goals and to manage time, money and other resources are important entrepreneurship skills which are useful in any workplace. For youth with disabilities, learning about financial planning, including knowledge about available work incentives, is critical for budding entrepreneurs with disabilities who are currently receiving cash benefits from the Supplemental Security Income Program (SSI).

### ■ HOW TO GET STARTED

Entrepreneurship education can be provided in many different settings. There is no one right program or set of activities. Rather, it is matter of identifying what works for the young people served in a program. Before starting, consider the following issues:

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- the age of the young people
  - their interests and abilities
  - the time they have to devote to entrepreneurial activities
  - the available fiscal and human resources (i.e., community support, business support)
  - the expertise of staff and what kind of training and support staff might need
  - the effect program participation may have on youth supports and benefits
  - the availability of existing entrepreneurial programs in the area
  - the support of the program from organization's leadership, and
  - the intended outcomes of the program/activities

## ■ INCLUDING YOUTH WITH DISABILITIES IN ENTREPRENEURSHIP AND ENTREPRENEURSHIP EDUCATION

In order to fully integrate youth with disabilities in entrepreneurship education programs, it is important to consider accommodations and financial resources.

### ■ Accommodations

Some youth with disabilities may need accommodations in order to maximize their ability to benefit from the program. Accommodations are changes made in a classroom, worksite, or assessment procedure that help people with disabilities learn, work, or receive services. Accommodations are designed to alleviate the effects of a disability so that the person can perform effectively. For additional information about accommodations, contact the Job Accommodation Network ([www.jan.wvu.edu](http://www.jan.wvu.edu)).

### ■ Financial Planning

Special financial planning considerations exist for people with disabilities who are Social Security benefit recipients planning a career path that involves small business ownership. Several work incentives are available to assist them in their efforts, including a Plan for Achieving Self-Support (PASS) account. It is also important that they understand the impact of their small business efforts on their entitlement to cash and medical benefits. For additional information, contact the Benefits Planning and Outreach Consultant in your local area ([www.ssa.gov/work/ServiceProviders/BPAODirectory.html](http://www.ssa.gov/work/ServiceProviders/BPAODirectory.html)).

## ■ RESOURCES TO LEARN MORE ABOUT ENTREPRENEURSHIP AND ENTREPRENEURSHIP EDUCATION

### Abilities Fund

[www.abilitiesfund.org/entrepreneurs](http://www.abilitiesfund.org/entrepreneurs)

This organization is a nationwide community developer targeted exclusively to advancing entrepreneurial opportunities for Americans with disabilities.

### Coleman Foundation

[www.colemanfoundation.org](http://www.colemanfoundation.org)

Coleman Foundation offers programs that focus on creation of entrepreneurs and the development of entrepreneurship as an academic discipline with a strong emphasis on programs that encourage independence and self-development for individuals with developmental disabilities.

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### **Consortium for Entrepreneurship Education**

[www.entre-ed.org/index.htm](http://www.entre-ed.org/index.htm)

The Consortium, whose membership includes local schools and school districts, universities and community colleges, business organizations, and non-profit organizations interested in developing entrepreneurship education have developed 15 standards for entrepreneurial education premised on the philosophy that entrepreneurship education is a lifelong learning process.

### **DECA, Inc.**

[www.deca.org/](http://www.deca.org/)

DECA is a national association of marketing education consisting primarily of students in marketing programs, as well as alumni, teachers, and professionals in marketing education and in marketing teacher education. DECA chapters attract students who are interested in preparing for entrepreneurial, marketing, or management careers.

### **Ewing Marion Kauffman Foundation**

[www.kauffman.org/](http://www.kauffman.org/)

The Ewing Marion Kauffman Foundation works with partners to encourage entrepreneurship and entrepreneurship education and training efforts, to promote entrepreneurship-friendly policies, and to assist entrepreneurs and others in commercializing new technologies.

### **Junior Achievement**

[www.ja.org/](http://www.ja.org/)

Junior Achievement uses hands-on experiences to help young people understand the economics of life. In partnership with business and educators, and through age-appropriate curricula, Junior Achievement programs begin at the elementary school level, teaching children how they can impact the world around them as individuals, workers and consumers. Junior Achievement programs continue through the middle and high school grades, preparing students for future economic and workforce issues.

### **MicroSociety**

[www.microsociety.org/index.htm](http://www.microsociety.org/index.htm)

*MicroSociety* is an innovative school design in which children create a microcosm of the real world inside the schoolhouse. Each student has a role in running that world. Young entrepreneurs produce goods and services, elected officials establish laws, CrimeStoppers keep the peace, judges arbitrate disputes, and reporters track down stories. All citizens earn wages in the school's "micro" currency, invest in product ideas, deposit and borrow money from "Micro" banks, and pay taxes, tuition, and rent. The *MicroSociety* program has been implemented in kindergarten through 8th grade, as well as in after-school programs.

### **Mind Youth Own Business**

[www.mindyourownbiz.org/default.shtml](http://www.mindyourownbiz.org/default.shtml)

Created by the U.S. Small Business Administration and Junior Achievement, this site targets teenage entrepreneurs who want to start, run or grow their own businesses.

### **National Federation of Independent Business (NFIB) Young Entrepreneur Foundation**

[www.nfib.com/page/YoungEntrepreneurFoundation.html](http://www.nfib.com/page/YoungEntrepreneurFoundation.html)

The mission of the NFIB Young Entrepreneur Foundation is to educate young people about the critical role of small business and the American free-enterprise system and to help

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students interested in small business and entrepreneurship further their education. Among its programs are the Free Enterprise Scholars Awards which rewards high school students with monetary scholarships.

**National Foundation for Teaching Entrepreneurship (NFTE)**

[www.nfte.com/whatwedo/programs/](http://www.nfte.com/whatwedo/programs/)

NFTE brings its entrepreneurial training to high school students, especially those from low-income communities. Through its programs, students gain an entrepreneurial understanding of basic workplace and life skills, often for the first time. NFTE provides its entrepreneurship training programs in a variety of intensities via a "mini-MBA" course, using a specially developed, proven curriculum.

**Partners for Youth with Disabilities—Young Entrepreneurs Program (YEP)**

[www.pyd.org/mentoring\\_programs/young\\_entrepreneurs.htm](http://www.pyd.org/mentoring_programs/young_entrepreneurs.htm)

The Young Entrepreneurs Program (YEP) utilizes mentoring as the basis for a comprehensive, hands-on, practical program that takes participants with disabilities through the entire process of starting a small business.

**Small Business and Self-Employment Service (SBSES)**

[www.jan.wvu.edu/SBSES](http://www.jan.wvu.edu/SBSES)

Operated under the Job Accommodation Network (JAN), and funded by the Office of Disability Employment Policy of the U.S. Department of Labor, the SBSES provides comprehensive information, counseling, and referrals about self-employment and small business ownership opportunities for people with disabilities.

**Service Corps of Retired Executives (SCORE)**

[www.score.org/resources\\_young.html](http://www.score.org/resources_young.html)

SCORE matches volunteer business management counselors with clients in need of expert advice. SCORE has experts in virtually every area of business management and maintains a national skills roster to help identify the best counselor for a particular client.

**Social Security Administration (SSA)**

[www.socialsecurity.gov](http://www.socialsecurity.gov)

The Social Security Administration supports various funding tools for self-employment. Some of these tools/incentives include: Plans for Achieving Self-Support, Income Thresholds for Medicaid, Property Essential for Self-Support, Impairment-Related Work Expenses, Blind Work Expense, and Self-Employment Subsidy.

**United States Department of Agriculture (USDA)**

[www.usda.gov/wps/portal/usdahome](http://www.usda.gov/wps/portal/usdahome)

[www.4-h.org](http://www.4-h.org)

USDA provides students, parents, and teachers with youth-g geared information and resources related to agriculture. 4-H has had a long-standing history of helping youth reach their fullest potential through developing life skills, and learning by doing. 4-H also fosters personal development and leadership through career exploration (learning about alternatives in jobs, permanent callings, and work preparedness), critical thinking skills, economics, business, and marketing (study of principles underlying commerce, merchandising, and entrepreneurship).

**United States Department of Commerce**

[www.mbda.gov/?section\\_id=5](http://www.mbda.gov/?section_id=5)

The U.S. Department of Commerce's Minority Business Development Agency has established entrepreneurship programs that reach minorities including youth. The objectives of the Centers are to provide electronic and one-on-one business development services for a nominal fee to minority firms and to individuals entering, expanding, or improving their efforts in the marketplace.

## United States Department of Labor

[www.dol.gov](http://www.dol.gov)

The U.S. Department of Labor has several programs that help a variety of individuals. In early 2005, the Employment and Training Administration (ETA) of the US Department of Labor issued Training and Guidance Letter 16-04, "Self-Employment Training for Workforce Investment Act Clients," to encourage the workforce investment system to make entrepreneurial training opportunities available for people interested in self-employment under Title I of the Workforce Investment Act of 1998."

## United States Small Business Administration

[www.sba.gov](http://www.sba.gov)

The U.S. Small Business Administration maintains and strengthens the nation's economy by aiding, counseling, assisting and protecting the interests of small businesses and by helping families and businesses recover from national disasters. It provides technical assistance to help entrepreneurs starting or operating a small business, provides assistance in financing and contracting, and information on laws and regulation.

## Young Entrepreneur Online Guide to Business

[www.sba.gov/teens/](http://www.sba.gov/teens/)

Developed by the U.S. Small Business Administration, this site targets young entrepreneurs who want to start, operate or grow their businesses.

## ■ REFERENCES

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**Disclaimer:** The purpose of this fact sheet is to provide youth entrepreneurship resources. The inclusion of a resource does not denote endorsement by the U.S. Department of Labor, Office of Disability Employment Policy. Furthermore, the list of resources should not be considered exhaustive.



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