

# CREATING TOMORROW'S ENTREPRENEURS TODAY

Youth Entrepreneurship

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*"The youth entrepreneurial program that is getting started at the NDSU Research & Technology Park is an excellent way to introduce young people to what entrepreneurship in America is all about. There is no question that it will help young people identify their talent and interests, should they want to pursue a career in entrepreneurship," stated Mike Bullinger.*

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## INTRODUCTION

We are, as many have said, “firmly in the 21<sup>st</sup> century”, but what does that mean, especially to the business and education sectors of our community. It is a given that our region is part of the global economy and that we are in direct competition for the best minds and most talented individuals with a strong work ethic. But, how do we identify, educate, train and retain those individuals so that our region can compete in that very global economy. Bill Gates said, “The 20<sup>th</sup> Century was the century of the global corporation, the 21<sup>st</sup> Century will be the age of sales, marketing and the entrepreneur.”

Is he correct? Many agree, however, there are others that say that Mr. Gates has not gone far enough, that the 21<sup>st</sup> century is really a war for the talents of education and entrepreneurial minds. If we do not advance our entrepreneurial mindset, we risk no longer being competitive in the global economy.

In the summer of 2008, the NDSU Research & Technology Park's Board of Directors approved Tony Grindberg's request to conduct a youth entrepreneurship feasibility study. The intended outcome was:

- 1) To determine, if possible, the identification of entrepreneurial characteristics in youth;
- 2) To establish a task force to recommend initiatives in the development of youth entrepreneurial education in the communities of Fargo, West Fargo and Moorhead; and
- 3) To provide support for future entrepreneurial development in the region.

A joint venture comprised of the Fargo Moorhead Chamber of Commerce, Fargo Moorhead Economic Development Corporation, NDSU Research & Technology Park, Fargo Public Schools, West Fargo Public Schools and Moorhead Public Schools was created to assist with developing a strategy for the advancement of youth entrepreneurial education.

“A collaborative effort between schools and businesses will allow students opportunities beyond the school walls, and cement the symbiotic relationship between quality education and successful business ventures. The Youth Entrepreneurship Program is a great conduit to allow all involved to move forward with this endeavor,” said Louise Dardis, Assistant Superintendent, West Fargo Public Schools.

To advance this initiative, Paul Tefft was hired to serve as a Project Consultant. Mr. Tefft joined the NDSU Research & Technology Park in September 2008 on contract to facilitate and manage the overall process. As a former West Fargo High School teacher, Mr. Tefft brought a unique perspective to the initiative, strong understanding of the education system, network of educators, and belief in the need to engage students with entrepreneurial education at a much earlier stage in the education process in an effort to compete in a knowledge-based economy.

## YOUTH ENTREPRENEURSHIP TASK FORCE

A group of over 200 area business leaders and educators were identified to participate in a task force. In an effort to obtain input, buy-in, and recommendations from these individuals, a series of meetings were planned to discuss opportunities and challenges associated with youth entrepreneurial education.

Specifically, three task force meetings were scheduled at the NDSU Alumni Center beginning in February 2009, with subsequent meetings to be held in March and April. However, due to the flood, the second and third meetings were rescheduled to late April and early May.

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During the course of the task force meetings, participants were divided into groups and had the opportunity to share ideas, explore possibilities, and make recommendations. To set the stage and prompt discussion, the following questions were presented to the participants:

- 1) What do you think this program should include or what should be developed?
- 2) How do we identify young entrepreneurs?
- 3) How can we implement your recommendations?
- 4) How do we define success five years from now?
- 5) Open feedback

These discussions generated a host of thoughts, ideas and suggestions but more importantly a strong commitment to advance youth entrepreneurial education in the Fargo-Moorhead area. Participants recognized the need for entrepreneurial education to be further integrated into the education process for several reasons. Youth with entrepreneurial tendencies should be encouraged to explore where those possibilities may lead to, directed to focus on future course work that will further enhance those talents, and exposed to other entrepreneurs that have expertise in starting and growing an entrepreneurial venture.

## **RECOMMENDATIONS**

At the conclusion of the task force meetings, the NDSU Research & Technology Park held several internal meetings to streamline the recommendations and create a framework for implementing them. However, before addressing the recommendations in this report, it is important to note that a geographic region was determined; age of youth to be served and other critical variables were also defined in an effort to guide the development of the program.

A two-year pilot program is being recommended for this initiative with a geographic area defined as the Fargo (Fargo North, Fargo South, and Fargo South II) and West Fargo Public School districts. Upon successful completion of the pilot program, an expansion into other schools in Cass and Clay counties will be considered and implemented, if deemed appropriate. It should also be noted that while Moorhead Public Schools is a strong supporter of this initiative, it does not have the resources available to participate in the pilot program at this time. However, as a strategic partner in this endeavor, the school will be included in on-going program development and future planning.

Defining the age of youth to be served in this program was also critical. With limited resources available, implementing duplicative efforts was not the goal for this initiative. Rather, identifying an age group that does not have a comprehensive entrepreneurial program in place but that would benefit from one was the focus for discussion. While there are different variations of entrepreneurial programs available in the Fargo and West Fargo school districts for grade school and high school students, the goal is to have this program implemented at the 8<sup>th</sup> and 9<sup>th</sup> grade levels where there is currently very little entrepreneurial programming available.

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Students in the 8<sup>th</sup> and 9<sup>th</sup> grade are at an age where further guidance and focus on personal and academic interests may assist with molding that individual into a certain career path that they may not have otherwise explored. Recommendations resulting from this youth entrepreneurial feasibility study include the following:

- I. Expansion of DECA Program
- II. Youth Mentoring
- III. Annual Innovation Competition
- IV. Virtual Entrepreneurial Challenge

By engaging this age group in these entrepreneurial educational opportunities they will be able to gain insight into future opportunities which can assist them with defining the skills they need to succeed in their entrepreneurial venture. These skills and interests can continue to be honed and refined as they move through high school and into post-secondary education.

## **I. EXPANSION OF DECA PROGRAMS**

Fargo North, Fargo South, Fargo South II and West Fargo High Schools currently offer some level of a DECA program. DECA chapters operate in over 4,000 high schools across the U.S., Puerto Rico, Guam and territories, Mexico, Germany and Canada. With over 180,000 members, mostly juniors and seniors, DECA's high school division is recognized and endorsed by all 50 state departments of education and the U.S. Department of Education.

Membership in the high school division is open to students with a career interest in marketing, management, hospitality, finance, entrepreneurship, and/or business administration. DECA programs are co-curricular, meaning programs complement nationally recognized curriculum standards in the classroom and then go further to incorporate realistic educational experiences not available through classroom instruction alone.

DECA provides specific programs for the classroom teacher to use in student development and achievement. The principles guiding the association's programs are curriculum related career skills, workplace experiences, community service and the development of business leadership capabilities.

Through this endeavor, it is recommended to expand current DECA offerings to include 8<sup>th</sup> and 9<sup>th</sup> grade students and to place a stronger emphasis on entrepreneurship in the program. Incorporating 8<sup>th</sup> and 9<sup>th</sup> grade students into an existing DECA program is the most efficient and cost effective means of introducing entrepreneurial education at this level. In addition, support, interest and enthusiasm from the local DECA instructors for this opportunity has been welcomed through this process resulting in local buy-in and immediate collaboration for implementation.

Currently, all Fargo and West Fargo High Schools offer marketing and entrepreneurial classes. Part of expanding the DECA program will include incorporating a business plan competition in which all of the various classes at the schools compete. While development of the business plans will take place throughout the school year with guidance from the DECA instructors and other business mentors, the program can be coordinated and facilitated through a partnership with the NDSU Research &

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Technology Park. The business plans will be submitted to a screening committee comprised of educators, NDSU Research & Technology Park staff, and select business leaders.

A similar approach to the InnovateND program will be adopted with the top finalists selected by the screening committee presenting their business plan to a group of independent judges. The winners are then partnered with DECA participants in the 11<sup>th</sup> and 12<sup>th</sup> grade to be accepted into the Technology Incubator to start the entrepreneurial venture. Students will work through the summer months on starting and growing the business with assistance from DECA instructors and other business leaders serving as mentors/advisors. In recognition of the summer program, it is recommended that schools provide a ½ credit for students as further incentive to participate in the program.

Further development of this program may include DECA students presenting to area investors and angel funds as a means of exposing them to the fund raising process and an opportunity to raise capital needed to fully engage business operations. An after school or Saturday program may also be explored as the youth program is implemented. Finally, future expansion of this program may include advocating for a student component to be added to the InnovateND program so that the student winners can compete in the final judging round of the state-wide competition.

## **II. YOUTH MENTORING**

Gaining access to knowledge through a professional network is a critical component of all entrepreneurial ventures. As a result, building a network will allow students to discover partnerships that can assist with leading their entrepreneurial venture to success. This network will be comprised of potential mentors and advisors from a variety of professional disciplines including legal, human resource, sales and marketing, finance, leadership, organizational management and others.

Students will gain valuable indirect benefits from establishing a network with mentors and advisors including learning how to interact with business professionals, gaining self-confidence and developing much needed business skills.

Further consideration will need to be given with regards to time commitments, assignments to the appropriate student teams, feedback and reporting mechanisms, and other aspects of a mentorship program. Further research will be conducted to determine if any existing youth mentorship models may be adopted or modified.

## **III. ANNUAL INNOVATION COMPETITION**

To further engage 8<sup>th</sup> and 9<sup>th</sup> grade students in education and technology-based career opportunities, it is recommended that a team, or multiple teams, in the Fargo and West Fargo School Districts be created to compete in an Annual Innovation Competition.

An example of a type of program that could be explored is the For Inspiration and Recognition of Science and Technology (FIRST) competition. FIRST was founded in 1989 to inspire young people's interest and participation in science and technology. Based in Manchester, NH, the 501 (c) (3) not-for-profit public charity designs accessible, innovative programs that motivate youth to pursue education and career opportunities in science, technology, engineering, and math, while building self-confidence, knowledge, and life skills.

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Specifically, FIRST LEGO League (FLL) is an exciting global robotics program that ignites an enthusiasm for discovery, science, and technology in youth ages 9 to 14 (16 outside of the U.S. and Canada).

Each year FLL teams embark on an adventurous Challenge based on current, real world issues. Guided by a team coach and assisted by mentors, the students:

- 1) Research and solve a real-world problem based on the Challenge theme;
- 2) Present their research and solutions, and
- 3) Build an autonomous robot using engineering concepts.

Using the yearly Challenges, FLL:

- 1) Entices students to think like scientists and engineers
- 2) Provides a fun, creative, hands-on learning experience
- 3) Teaches students to experiment and overcome obstacles
- 4) Builds self-esteem and confidence
- 5) Inspires youth to participate in science and technology

No matter what the youth's subject interest, FLL offers an opportunity for engagement. Whether it is by creativity, technology, or research, FLL dares students to test, explore, expand, or completely change thoughts or approaches for different sciences each year.

## **IV. VIRTUAL ENTREPRENEURIAL CHALLENGE**

In today's world, technology is embedded in every aspect of a youth's daily life. Socializing is done through Facebook, MySpace, and texting. Laptops, iphones, iPods and other forms of technology are necessities to youth so developing an educational platform in a social and learning environment that they already use will be critical to attracting and engaging students in this program. As a result, the idea of a virtual entrepreneurial challenge evolved from this initiative. Creating an on-line challenge that enables students to learn about entrepreneurship and then apply their skills in an interactive competitive environment should complement the other facets of this overall program.

The initial concept of the challenge includes a series of on-line tutorials that students go through and then apply what was learned at each stage by creating an on-line business community. Students would create, manage and operate ventures solely in the on-line environment. Opportunities to buy and sell, trade, compete, partner, acquire, merge, and conduct other business functions would be provided as part of the challenge with students succeeding or failing as they would in the normal course of business in the real world. Other aspects may include an international business component, government grants and contracts, and research and development.

## **IMPLEMENTATION PLAN**

A two-year pilot program with the Fargo and West Fargo Public Schools is recommended. Identification of the appropriate individuals at each of the schools and business leaders in the community will need to be done to plan the expansion of the DECA program and build the youth mentoring program. Components of this program will be implemented in a phased approach over the next two years with on-going development continuing for future growth and expansion of the program.

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Research on Annual Innovation Competitions will need to be conducted. However, if there is interest in the FIRST program, on-line registration for a FIRST team must be completed no later than September with the Challenge revealed that month. Students participate in the Building Season in October and November and submit a tournament application in mid-October. Tournament season takes place in the months of November through February with the World Festival taking place in mid-April.

Students will need to be solicited for the team, or teams, along with mentors, coaches and volunteers. Space for the students to meet as a group will also need to be identified and secured. Potential space for this initiative may be available at the Technology Incubator.

The virtual entrepreneurial challenge will take the longest to create and implement as research will need to be conducted to determine if any similar opportunities exist or if it needs to be completely developed from the ground up. Identifying programmers and developers that are capable of creating this on-line challenge and determining funding sources will also take time. Once those tasks have been completed, the decision to move forward with developing the game can be made.

## **Budget**

A two-year budget is under development with input from the Advisory Committee for refinement.

## **CONCLUSION**

In a perfect world, entrepreneurial education would be integrated in all classes starting no later than 6<sup>th</sup> grade so that students would leave middle school with more than a basic knowledge of entrepreneurship. However, this is not a perfect world and currently the area's youth have little exposure to entrepreneurship. If we as a community are going to develop successful entrepreneurial programs, then we must invest the necessary time and financial resources to develop educational programs.

Former Federal Reserve Chairman Alan Greenspan said, "In a democratic capitalist society, personal investing and savings, home ownership and small business ownership are the key ways to build personal prosperity. Youth today often do not understand how to take their entrepreneurial dreams and make them come true. Entrepreneurial education offers a unique way to help them learn and practice the essential financial and business concepts and skills that, when coupled with their own passion and local market knowledge, can help these dreams come true."

We all aspire to better standards of living and economic security. If we are going to achieve these in a knowledge-based economy, we must identify young entrepreneurs much earlier; provide them with the necessary education, financial resources, and encouragement to be successful, and then stand aside and watch what they can achieve.

Entrepreneurship is not just business, it is economics, politics, history and geography. It is the building block of society. Without strong entrepreneurial education, our society will not have the tools necessary to compete in the global economy. If this region is to maintain the current leadership as the economic engine of the state, then the preparation of students for success and leadership in the global market place is the most important responsibility of education today.

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"Young North Dakotans are second to none when it comes to energy, education, drive, and focus. If we can leverage that raw talent by embedding a spirit and expertise in entrepreneurship we will truly have unleashed a powerful force in our state," said Dr. Rick Buresh, Superintendent of Schools, Fargo Public Schools.

We must not lose sight of the fact that ideas are the engine of economic endeavor and that failure is part of that scenario. Not everyone is entrepreneurial, but we should be able to identify those that have the skills and talent for it. This Youth Entrepreneurial Program is the first step in that direction.

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