

Teaching youth to build businesses

A NFTE-UK case study

Introduction

5 Many people dream of owning their own business and being their own boss, but most hesitate to take the plunge. Like them, you may worry that you don't have enough money, time, or experience to operate your own small business.

Michelle Araujo insists there is always time, as a single mother and full-time college student. Michelle should know, because at 19 she started her own business while attending college and caring for Angela, 3, Erica, 18 months and newborn son, Kristian.

10 Before starting her clothing re-sale company, *A La Mode Fashions*, Michelle knew nothing about business and had little money. Today, she's a successful entrepreneur and a prime example of a young American who has benefited from the good work of NFTE.



15 NFTE (pronounced 'nifty') is the National Foundation for Teaching Entrepreneurship. It is an international, non-profit charitable organization which introduces low-income teenagers to entrepreneurship, teaching them to develop and run their own small businesses.

NFTE students learn to set up and run their own enterprises. They have role models like Michelle, Bill Gates of Microsoft who tried his first business at 13 and founded Microsoft at the age of 19 and Berry Gordy. Raised in a tough Detroit ghetto, Berry set up the Motown Record Company, which discovered artists such as Michael Jackson and Stevie Wonder. Michelle, Bill Gates and Berry Gordy are all entrepreneurs who have created successful businesses. Whether small businesses or harvest/fast growth enterprises - each is valuable to merging creative interests and passions with financial reward for the entrepreneur, co-workers and the community.

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This case study shows how many young people in the United States have been encouraged to improve their numeracy, literacy and communication skills by learning through 'enterprise'. NFTE is a world leader in the field of youth entrepreneurship with its UK headquarters based at Regents College, Regents Park, London.

30 Vision

NFTE's vision is to foster economic self-sufficiency among children/teens in need worldwide. Its mission is to provide excellent curriculum, teacher certification and alumni/graduate support. Educational research shows people learn best when introduced to new ideas in a meaningful context. If they can see the value of what they are learning and relate it to their own interests, their motivation is far greater.

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The driving force behind the US development of NFTE was Steve Mariotti. With experience of business and working with young people, he identified entrepreneurship as an opportunity to capture the imaginations of deprived young people. Steve studied economics before working at Ford Motor Company but found working for a large company restrictive and set up his own successful import/export business. During this period Steve had a life changing experience. He

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was mugged by teenagers and as he had very little money on him their actions were largely futile.

To understand their problems he became an inner city school teacher. He was dismayed to discover that young people had a negative attitude to maths, reading and communication, the very skills they needed for successful careers. Steve started teaching youngsters about running a business. They were excited by enterprise and this helped them to develop their all-round educational skills. Working with other enthusiasts, Steve founded NFTE in 1987. The organization spread rapidly across the US, supported by major companies, such as Microsoft and Goldman Sachs. They could see the importance of helping everyone to contribute as valued members of an "inclusive society". Businesses can only be really successful in communities that value all of their people. Organizations have a responsibility to improve the communities around them, so quality companies try to promote a caring society.

NFTE in the UK

NFTE fits well with recent educational and social developments in the UK. The curriculum in UK schools now places stronger emphasis on vocationalism, preparing young people for adult responsibilities and working life. A range of vocational subjects is taught, with business proving one of the most popular options. NFTE-UK maintains that universal entrepreneurial literacy is an essential ingredient to the long term strength of the UK.

NFTE-UK's vision is: 'To provide every disadvantaged young person with the knowledge and confidence to achieve economic self-sufficiency.'

The social objectives of NFTE-UK are to:

- teach young people to build businesses
- prepare NFTE students to succeed in school and the workplace
- link educators, businesses and civic leaders to the lives of socially excluded young people
- support and develop partnerships with organisations that share NFTE's vision and that can help deliver its UK targets.

Conclusion

NFTE is not just about helping young people set up their own businesses. It also helps them to stand on their own feet, and become more productive and responsible in general society. It enables young people to take a more realistic view of the challenges they face in life and to develop the skills they need to succeed.

The programme's directors argue that entrepreneurship teaches young people something valuable about opportunity, making your own luck, building self-esteem and understanding the real world. For example, girls starting a NFTE course asked to estimate the cost over one year of having a baby, guessed about \$150. Upon completion their estimates were more realistic, nearer \$6,000.

NFTE enables young people to develop the skills and understanding to make a success of their lives. At eighteen, Omayra Rodriguez Matthews had a one-year old son, Peter. Omayra set up a business called Peter's Party Favours making Latin American party gifts, called *capias*, table

centrepieces and refrigerator magnets. Omayra joined the entrepreneurship course and learned how to turn a hobby and passion into a moneymaking venture.

85 Another NFTE participant, Byron Bennett, set up 'Room Mates Central'. This Internet-based service brings together young people in New York City who are seeking roommates. The Internet site (www.roommatescentral.com) provides a state-of-the-art service. To create his business, Byron carried out detailed business planning to establish the size of his market, how to raise finance and the projected profit. Byron quickly learnt that there is no substitute for serious planning to turn an exciting proposition into a successful business.

90 Another young 'graduate' of NFTE sums up the philosophy of the venture when she states: 'I do not want to die in poverty; I want poverty to die in me.'

Glossary

deprivation – carencia

deprived – desfavorecidos

dismayed – consternado

driving force – fuerza impulsora

futile – inútil

harvest/fast growth enterprises – empresas que han obtenido un rápido crecimiento

inner city – zona pobre, barrio marginal

state-of-the-art – de vanguardia, de última generación

to foster – promover, fomentar

to merge – unir, fusionar

to mug sb – atracar a alguien

to set up – iniciar, empezar

to take the plunge – correr el riesgo

venture – aventura, empresa (en el sentido de acción)

Questions

- 1.- Who created NFTE and why?
- 2.- What kind of values are taught by entrepreneurship?
- 3.- What does NFTE do in addition to helping young people to set up their own business?
- 4.- What did the young entrepreneurs (Omayra, Byron...) learn?