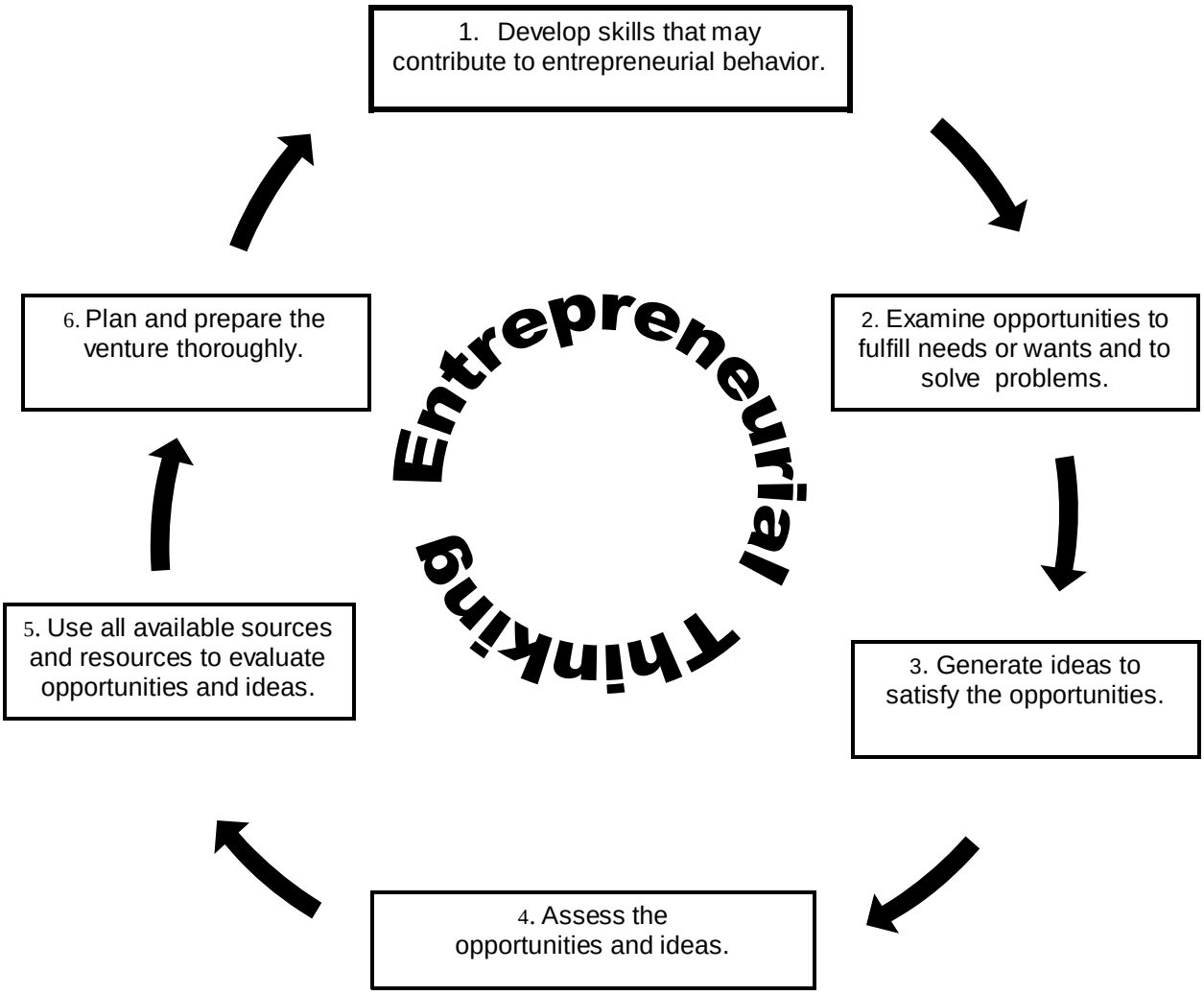
Unit 1

Entrepreneurial Thinking

Entrepreneurial Thinking



Interview with an Entrepreneur

Directions: Contact your teacher and review the list of entrepreneurs. Select two entrepreneurs to interview during the next two weeks. Use the interview questions below to complete the assignment. Once you have completed the interviews, use the template on the following page to complete a profile for each entrepreneur and prepare to present the information in class.

Interview Questions:

1. What made you decide to go into business for yourself?

2. Where did you get the idea for your business?

3. Did your personal interests, hobbies or skills play a deciding role in your business idea?

4. Who is your target market?

5. How did you research your market?

6. Who are your competitors?

7. What are your goals for your business?

8. What do you like most about owning your own business?

9. What do you like least about owning your own business?

10. What advice would you give me if I told you I was thinking about becoming an entrepreneur?

Entrepreneur Profile

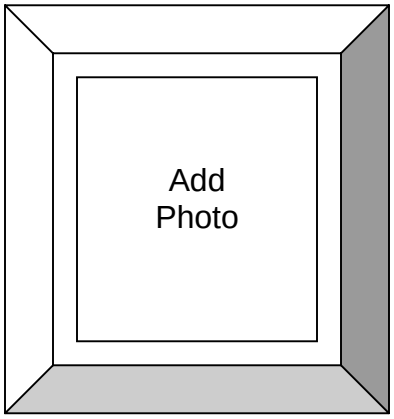
Directions: Complete this profile for each of the entrepreneurs you interviewed.

Business Name:

Owner:

Product/Service:

Idea Origination:



Personal Interests, Hobbies, Skills:

Target Market:

Business Goals:

Best Thing About Being an Entrepreneur:

Least Favorite Thing About Being an Entrepreneur:

Advice:

My Dream

1. What were my most important feelings about this day?

2. What type of work did I choose for myself? Why?

3. Did I work with people, ideas or things?

4. Did I use interests/hobbies/skills that I am developing now?

5. Did I work for someone else or was I in charge of the business?

6. Was I satisfied with the job I chose? Why or why not?

7. Did I live somewhere close to where I live now or far away?

8. If I could go back, what would I change?

Adapted from: *Risks and Rewards of Entrepreneurship,* Consortium for Entrepreneurship Education.

Entrepreneurial Profile – Personal Skills

Directions: Complete the following profile about yourself using a scale of 1 to 4. Remember that there are no right or wrong answers.

Scale: 1 Strongly Disagree 2 Disagree 3 Agree 4 Strongly Agree	
Statement	**Score**
I prefer to work alone.	
I manage my time well.	
I enjoy competing in school and at play.	
I am comfortable meeting new people.	
I listen actively.	
I am a self-starter. For instance, no one has to nag me to do my homework, practice my instrument or clean my room.	
I regularly set goals for myself.	
I like to take chances.	
I regularly meet the goals I set for myself.	
If I can choose, I prefer to work in a group.	
I get bored easily.	
When I work in a group, I am usually the leader.	
I really enjoy inventing (with my imagination or in reality) new ideas, products or solutions to problems.	
I have many natural talents.	
I am happiest when there are no set rules to follow to get the job done.	

Total points: If you scored between 15 and 25 points, this represents the mid- to low-range score. Partnering with others or first working in a small business might be a great way for you to develop entrepreneurial skills. If you scored between 26 and 40 points, you are well on your way to having the right mix of personal skills to become an entrepreneur. Whatever your score, the trick is to identify areas you need to focus on for improvement.

Entrepreneurial Profile – Lifestyle Skills

Directions: Complete the following profile about yourself using a scale of 1 to 4. Remember that there are no right or wrong answers.

Scale: 1 Strongly Disagree 2 Disagree 3 Agree 4 Strongly Agree	
Statement	**Score**
Starting my own business is about making money more than anything else.	
I am willing to give up something to get my business started, including going places with friends, playing sports, etc.	
I have the full support of my family to start my own business.	
I don't worry what others think of me.	
I can continue to do well in school and run my new business on the side.	
I try new things for the thrill of it.	
Part of my job in my new business will probably include taking out the trash, answering phones and stuffing envelopes.	
I have a high energy level.	
I get along with people from different ethnic and socioeconomic groups.	
I want to be able to determine when and where I work.	
I would not mind working long hours and weekends if I need to.	
I believe in doing whatever it takes to get the job done.	
I consider myself to have a lot of "stick-to-it-ism" and I rarely give up.	
I like to think about the future because I see many opportunities.	
My family is my number one priority.	

Total points: If you score below 32 points, there may be a number of family, financial or personal responsibilities that will take time away from your business. This simply reveals some of the realities of your current life and gives you parameters within which you need to make your business decisions. If you scored above 33 points you can begin to understand what type of business opportunity is best for you to pursue.

Entrepreneurial Profile – Business Skills

Directions: Complete the following profile about yourself using a scale of 1 to 4. Remember that there are no right or wrong answers.

Scale: 1 Strongly Disagree 2 Disagree 3 Agree 4 Strongly Agree	
Statement	**Score**
I have an e-mail address and I use it.	
I read the daily newspaper cover to cover, not just sports, comics or fashion.	
I have a bank account and I know exactly how much money I have because I keep accurate records.	
I find myself constantly thinking up new ideas.	
I like to organize tasks so they go quicker and I am more efficient.	
I have borrowed money from my parents/brother/sister or friends and repaid the amount.	
I create savings and spending plans and stick to them.	
I usually plan my tasks before I get started.	
I understand the difference between fixed and variable costs.	
I am comfortable using a computer to make banners, cards, write papers, surf the Internet and complete my homework.	
I enjoy making presentations and know how to give a professional presentation.	
I like selling an idea or product to people I don't know.	
I have experience in the business I want to start.	
I can make up my mind in a hurry if I have to and my decision is usually a good one.	
I am good at negotiating a decision and I usually get what I had hoped for.	

Total points: If you score between 13 and 31 points on this assessment you should take some time to narrow down the specific areas of business in which you need to develop more skills. If you scored above 32 points, you possess a good deal of basic business knowledge. No matter what your score is, you should seek out experienced business people to find out what skills they developed to succeed in business.

Characteristics of an Entrepreneur

Directions: Researchers have identified several characteristics that successful entrepreneurs share. Think about entrepreneurs you've read about or whom you know personally. List the characteristics you believe that all successful entrepreneurs must possess.

- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____

Now, find two other students with whom to share your list. As a group, agree on the top 5 characteristics that every successful entrepreneur must possess:

1. _____
2. _____
3. _____
4. _____
5. _____

My Hobbies, Interests and Skills

Directions: On the **left-hand** side, make a list of your past and current hobbies, your interests and your skills. Now, consider how you could turn a hobby, interest or skill into a business opportunity. On the **right-hand** side of the page, list the business opportunity next to the corresponding hobby, interest or skill.

Hobby/Interest/Skill	Business Opportunity

To Make My Dream Come True…

Directions: Review the information on your ***My Dream*** worksheet. Think about what steps you need to take to make your dream come true. Create an action plan by writing down very specific steps with completion dates attached to each step.

For example, to make your dream come true you may decide that you need to enhance your computer skills.

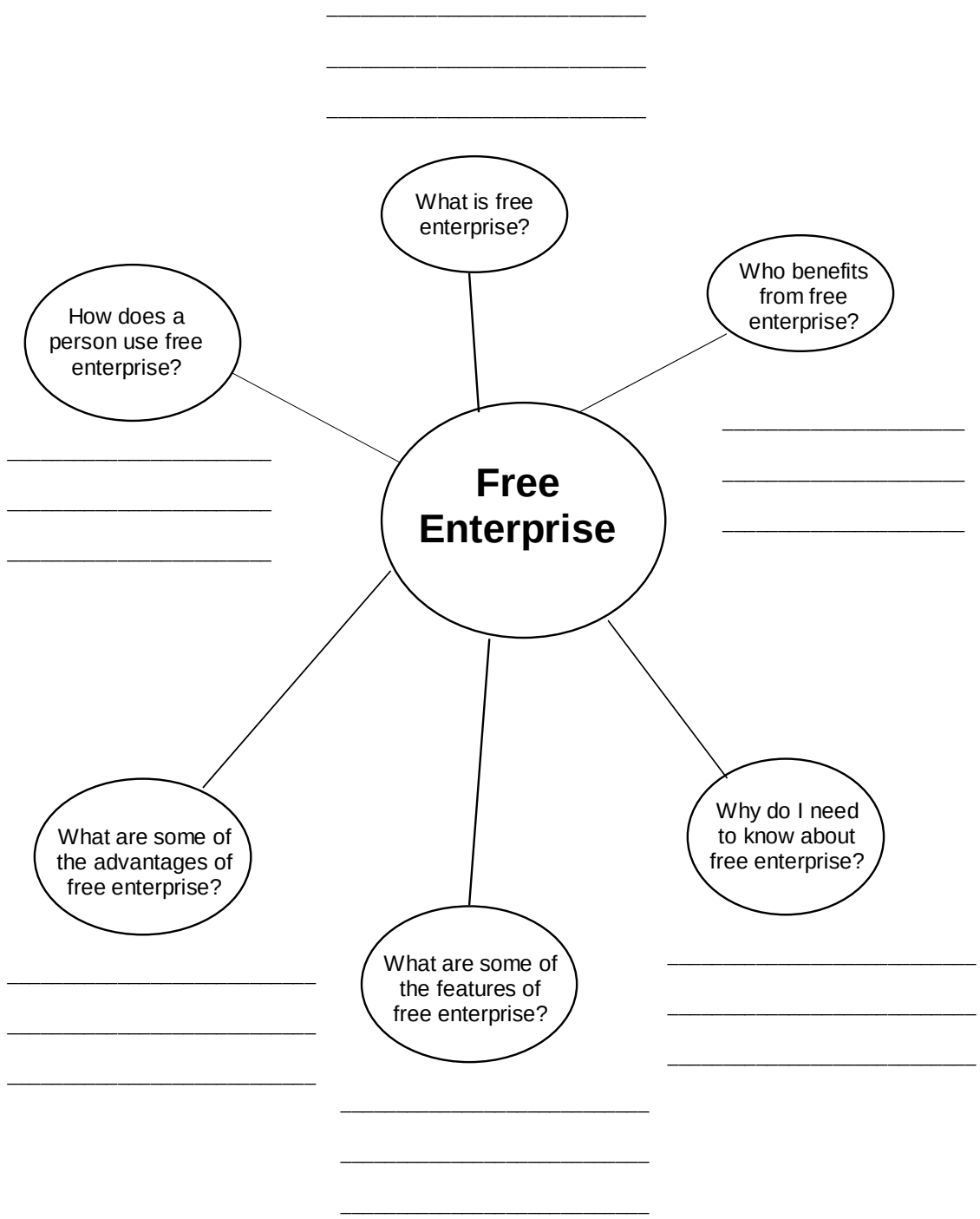
Goal: Enhance my computer skills to include Power Point.

Action Steps:

1.	Research class offerings	October 15
2.	Register for Power Point class	November 1
3.	Attend 4-week Power Point class	January 5
4.	Create Power Point presentation	February 1

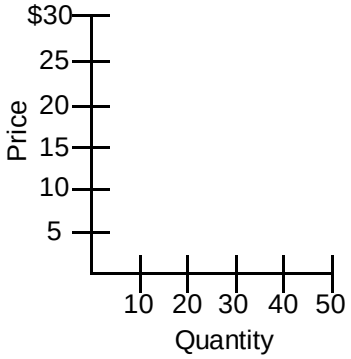
Free Enterprise Map

Directions: Answer the questions on the Free Enterprise Map.

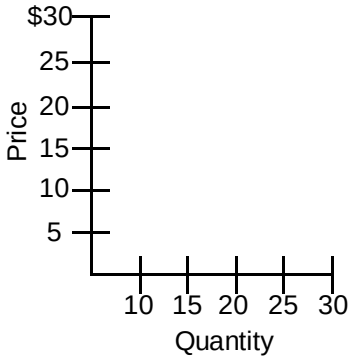


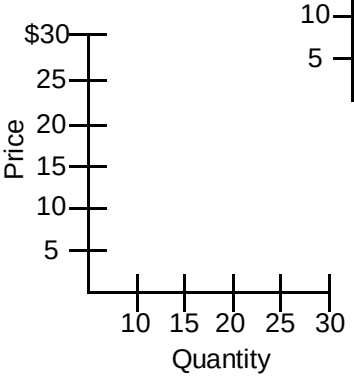
Supply and Demand

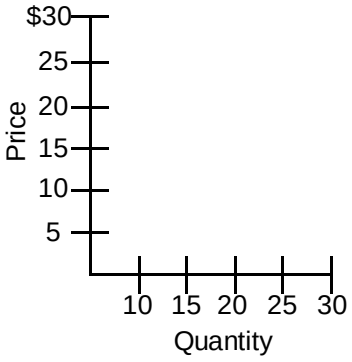
Take Me Out to the Ballgame!
The Blake Street Boppers have a supply of autographed baseball hats. They have decided to sell 50 hats at $30, 40 hats at $25, 30 hats at $22.50 and 15 hats at $17. Baseball fans are willing and have the money to buy 15 hats at $30, 20 hats at $25, 30 hats at $22.50 and 50 hats at $12. Build a supply-and-demand graph to determine the market clearing price and how many hats will be sold.

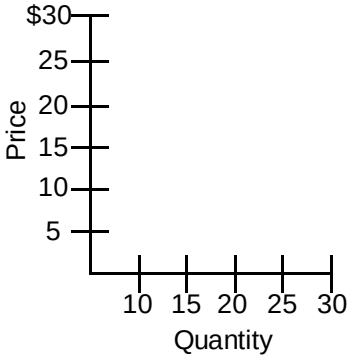


Bling and Things
Janella and Tasha have decided to turn their jewelry hobby into a small business. They make their own clay beads and mix them with glass beads to create dazzling bracelets. They have decided to sell their necklaces and bracelets at the school art fair next week. They are going to sell 30 double-strand necklaces for $22, 20 single-strand necklaces for $18, 16 double-twist bracelets for $16, 12 single-loop bracelets for $12 and 10 clasp-bracelets for $8. When Janella and Tasha get to the fair they discover that prospective buyers are willing and have the money to purchase 10 double-strand necklaces at $22, 12 single-strand necklaces at $18, 15 double-twist bracelets at $16, 22 single-loop bracelets for $12 and 30 clasp-bracelets for $8. Build a supply-and-demand graph to determine the market-clearing price and how many items will be sold.



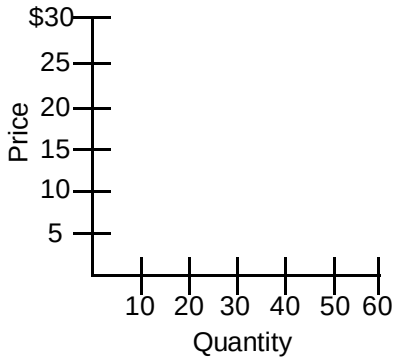


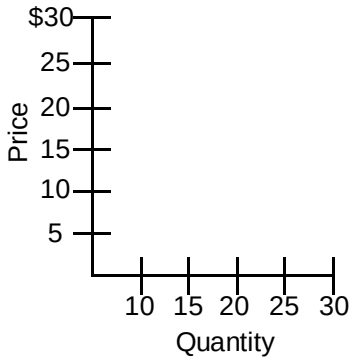




And the Beat Goes On…

Carlos and Anthony are members of a rap group and they are getting ready to organize a talent show at their high school. They are planning to sell tickets and are struggling to determine what price to charge. They want to attract a big crowd. They are considering charging a different price based on the seats. They are thinking about selling 60 seats at $25, 50 seats at $20, 40 seats at $18, 30 seats at $15, 25 seats at $10 and 10 standing room only spots at $8. They do a quick market survey and discover that students are willing and have the money to buy 10 seats at $25, 12 seats at $20, 18 seats at $18, 30 seats at $15, 40 seats at $10 and 50 standing room spots at $8. Build a supply-and-demand graph to determine the market-clearing price and suggest what price Carlos and Anthony should charge per ticket.





Entrepreneurs' Role in a Market Economy

Directions: Using the Internet or reference materials at the library, find articles about entrepreneurs in magazines such as Inc., Fortune, Entrepreneur, Business Week, Money, etc. Write a 2-3 paragraph paper that provides examples of how the economy benefited from the entrepreneurial activity outlined in the article. Attach a copy of the article you chose for your paper. Spelling, grammar and punctuation count.

Cost of Goods Sold

Directions: Read through the scenarios and complete the calculations to determine the answers.

1. CJ's Sweets manufactures chocolates and sells them by the box. Each 1lb box of chocolates sells for $18.00. CJ pays her friends $6.00 an hour. It takes two people one hour to produce a box of chocolates. The box, ribbon and tissue materials cost $3.50.

Cost of Goods Sold
Manufacturing Business: unit =

Selling Price per Unit: **$ _____**
Labor cost per Hour: $ _____
# of Hours per Unit: x ____hours = $
Materials per Unit: $
Cost of Goods Sold per Unit **$ _____**

2. Benita's Beads and Baubles sells glass beads collected from all over the world. The beads are sold in bags, which Benita buys from the manufacturer for $15 per bag. Retailers must purchase one dozen bags at one time from Benita for $300.

Cost of Goods Sold
Wholesale Business: unit =

Selling Price per Unit: **$**
Cost of Goods Sold per Unit **$_____**

3. Philippe's Photocards sells a variety of poster-size laminated photo cards of wildlife, seascapes, celebrities, national parks, etc. Philippe buys the photo cards from a wholesaler for $300 per 25 cards. He sells each card to his customers for $22.00 a card.

Cost of Goods Sold

Retail Business: unit =

Selling Price per Unit: **$**

Cost of Goods Sold per Unit $_____

4. Natalie's Nails offers a variety of services. Natalie's most popular service is a full set of nails with polish, which takes approximately an hour to complete. Her supplies, including nail polish remover, nail polish, cotton swabs, etc., cost $3.00 per set. She pays herself $15 an hour. Natalie charges $35 for a full set with polish.

Cost of Goods Sold

Service Business: unit =

Selling Price per Unit: **$** _____

Labor cost per Hour: $ _____

# of Hours per Unit: x ____hours = $

Materials per Unit: $

Cost of Goods Sold per Unit $ _____

Business Idea Survey

Directions: Refer back to the ***My Hobbies, Interests and Skills*** worksheet. Consider the business opportunities you listed that correspond with your hobbies, interests and skills. Select the business idea that you would like to develop into an actual business. Answer the questions below.

Business Idea: _____

1. What characteristics, interests or skills do I have that will help me in this business?

2. Has anyone started this type of business before? If so, give examples.

3. How can I learn to run this business or who can teach me?

4. How much time will the business involve?

5. Who will buy the product/service?

6. What's my potential for profits?

7. Am I ready to begin?

EOU Practice Skills

Directions: Read through the scenarios and complete the calculations to determine the answers. Hint: Refer back to the ***Cost of Goods Sold*** worksheet.

Remember, sales price – cost of goods sold = gross profit per unit.

1. CJ's Sweets manufactures chocolates and sells them by the box. Each 1lb box of chocolates sells for $18.00. CJ pays her friends $6.00 an hour. It takes two people one hour to produce a box of chocolates. The box, ribbon and tissue materials cost $3.50.

   What is CJ's Gross Profit per Unit? $_____

2. Benita's Beads and Baubles sells glass beads collected from all over the world. The beads are sold in bags, which Benita buys from the manufacturer for $15 per bag. Retailers must purchase one dozen bags at one time from Benita for $300.

   What is Benita's Gross Profit per Unit? $_____

3. Philippe's Photocards sells poster-size laminated photo cards of a variety of wildlife, seascapes, celebrities, national parks, etc. Philippe buys the photo cards from a wholesaler for $300 per 25 cards. He sells each card to his customers for $22.00 a card.

   What is Philippe's Gross Profit per Unit? $_____

4. Natalie's Nails offers a variety of services. Natalie's most popular service is a full set of nails with polish, which takes approximately an hour to complete. Her supplies, including nail polish remover, nail polish, cotton swabs, etc., cost $3.00 per set. She pays herself $15 an hour. Natalie charges $35 for a full set with polish.

   What is Natalie's Gross Profit per Unit? $_____

5. Which business has the highest Gross Profit per Unit? _____

If Only…

Part I: Take a few minutes to think about things/problems that annoy you. List the problems on the left-hand side of the worksheet. Then go back and consider a business solution for each of the problems listed and write them in the appropriate space.

Problem	Business Solution
1.	1.
2.	2.
3.	3.
4.	4.

Part II: Consider the following situations and think about what business you would start in response. List your solution in the appropriate space.

Situation	Business Solution
1. The population of people over 60 years of age is increasing steadily.	1.
2. A new sports arena is being built in your town.	2.
3. Recent studies indicate that childhood obesity is a major health problem.	3.
4. The local parks system has banned all animals.	4.

Business Category Game

Directions: Write the name of the business category in the appropriate space. Choose four letters from the alphabet and write one letter at the top of each column. Then, fill in as many spaces as you can with a product or service that fits the category and begins with the letter at the top of each column.

Business Category_____

Letter:				
Business Ideas:				

Business Category_____

Letter:				
Business Ideas:				

Business Category_____

Letter:				
Business Ideas:				

Business Category_____

Letter:				
Business Ideas:				

SWOT Analysis

Directions: Read the following business opportunity and complete a SWOT analysis.

Business Opportunity:
In the past two years, you have noticed that more and more of your friends like to drink coffee products. You are not particularly fond of anything but Dr. Pepper, but every day you see more students coming to high school carrying specialty coffee drinks from a variety of major chain coffee shops. The school cafeteria does not offer anything but hot chocolate and is only offered November through February. The school store only offers bottled drinks and is not open before school or during lunch.

Your brother works in a local coffee shop and has been thinking about starting his own business. He is looking for a good location for his own coffee cart. His boss is willing to provide your brother with a reasonable lease on a cart, products at wholesale and only wants 25 percent of the profits. Your brother approaches you about the idea of putting his cart in your high school and he has offered you the opportunity to work the cart. He is asking you to invest money and time in the business. You decide to evaluate the business by conducting a SWOT Analysis.

Strengths	**W**eaknesses	**O**pportunities	**T**hreats

Based on your analysis, is this a good investment of your time and money?

Opportunities are Everywhere!

Directions: Entrepreneurial thinking requires that you view the world differently. You can learn to view situations from a different perspective by observing and listening carefully. Business opportunities are everywhere; you just have to learn how to recognize them when you come across them. You can use this activity to practice. No need to write complete sentences, just jot down your ideas and observations.

1. Check out your community. Are there problems that people are always complaining about? Can you think of a creative way to resolve the problem?

2. Check out your friends. How do they use certain products? Do they have to make adjustments? Do they use them for other purposes? Do you have an idea for a more convenient use?

3. Do you have younger brothers and sisters? What annoys them? Is there a business idea that would meet their needs/wants that would also meet other kids their age?

4. Do you have access to people aged 65 and older? Is there something that annoys them? Can you think of a way to resolve their issues that would also be a good business idea?

5. Random Observations:

Idea Investigation Worksheet

Media used:

- ❑ Internet URL: _____
- ❑ Magazine: _____
- ❑ Newspaper: _____

Root of Opportunity:

- ❑ Problem: _____
- ❑ New Law: _____
- ❑ Trend: _____
- ❑ Invention: _____
- ❑ Technological Advances: _____
- ❑ Unique Knowledge: _____

Business Opportunity: _____

_____

Team Members: _____
Teacher Approval: _____
Date of Presentation: _____