



Entrepreneur School Project Model

LEONARDO DA VINCI PROJECT ON TRANSFER OF INNOVATION
UNDER THE LIFELONG LEARNING PROGRAMME



AGREEMENT NO. ES/07/LLP-LdV/TOI/149013

Version 1.0



CONTENTS

Framework 3

Introduction 4

Background of the model 6

 Project presentation 6

 General objectives..... 8

 Specific objectives..... 8

 Methodology 8

The model..... 10

 Activity 1 10

 Activity 2..... 12

 Activity 3..... 13

 Activity 4..... 14

 Activity 5..... 14

 Activity 6..... 15

 Activity 7 15

 Activity 8..... 16

 Pilot project schedule..... 19

Conclusion 20



FRAMEWORK

The project **Eureka Junior – My First Business Plan** is part of the wider Businesses of the Future Programme, which was carried out in the Autonomous Region of Madeira, Portugal.

Schumpeter, the classic economy author, defined the concept of company manager as an individual who is different, who takes risks, who wagers, who has ideas and is dynamic. An entrepreneur is not very different from the Schumpeterian company manager.

Several studies have shown that it is possible to create entrepreneurs or to create environments conducive to the appearance of entrepreneurs (entrepreneurship). Likewise, it has been demonstrated that there is a correlation between a high degree of enterprising attitudes and the economic development of regions (Beugelsdijk, Noorderhaven, 2002); and it has also been shown that entrepreneurship is the core of the competitive advantage of nations (Porter, 1990).

There are mechanisms, tools and structures that can be used to create enterprising environments: risk capital, seed capital, business incubators, training... But, more important than that is to guarantee the creation of an enterprising culture based upon education.

Starting from the definitions of “entrepreneurial ability” (Kangaharju, 2000), “entrepreneurial human capital” (Georgellis and Wall, 2000) and the work of Brockhaus (1982), three attributes were identified: need for achievement, internal locus of control and innovativeness. The methodology for change proposed in this project has the objective of promoting the development of entrepreneurial behaviour by means of a pedagogical practice where the concepts are intertwined with active experimentation and the experience of each individual.

This project is innovative, as a systemic and holistic programme: it is positioned downstream and upstream in relation to the introduction of enterprising attitudes in education and in turning the Autonomous Region of Madeira into an enterprising and innovative region.



INTRODUCTION

For an entrepreneur to develop any type of business he/she will firstly have that to develop good sales skills, financial know-how and self-motivation.

Given that a business without customers does not work, the entrepreneur must possess highly developed skills at the level of market trends analysis and effective implementation of marketing and sales strategies.

A strong emphasis on training the entrepreneurs, together with the commitment by the authorities on training/education on entrepreneurship for the youngsters, both are crucial in creating an attitude of proactive agent in the young entrepreneurs, thereby providing them – **through a strong emphasis on training** - with the necessary skills that will allow them to build competitive structures that are suitable and adaptable to this era of governance, transparency, good practices and social responsibility.

According to Chris Curtis, the entrepreneurship expert and guru, “the advantage of entrepreneurship education is that it enhances education itself in many cases. One of the main complaints of the students is “Why do I have to learn this if I am never going to use it?”. This will never be a problem with entrepreneurship education. The relevance is immediate.” Chris Curtis further adds: **“In the long run, as regards education, the importance lies in the change of attitude in relation to traditional education. Attitudes are shaped by action and entrepreneurship training is based on action. In other words, education that produces entrepreneurial attitudes and prepares youngsters for life after school”**.

What makes this type of educational provision extremely effective is the fact that it is built upon activities and experiences, instead of a more theoretical approach. The curriculum that has been developed in this project will provide an effective and multidisciplinary participation together with a pedagogical experience designed to support the students in the discovery and development of the qualities, characteristics and attitudes of successful entrepreneurs. Entrepreneurship education will be based on the learning by doing approach, with emphasis on experience, know-how and real practice in an enterprise context.



The project activities enhance student involvement by encouraging them to raise questions, accept challenges, explore new ideas, be innovative and creative and have fun at the same time that they learn.

The purpose of the project **My First Business Plan** is not to set up a business. The project is aimed, instead, at enabling enterprising attitudes and spirit within an educational context, focussing on the development of entrepreneurial personal characteristics and qualities, as well as on management skills and knowledge. A business in the future is only one result. Therefore, **the main objective of this project is that students, teachers and parents start to embrace an entrepreneurial frame of mind and to harness the development of the enterprising qualities they already possess, even if dormant.**



BACKGROUND OF THE MODEL

It could be said that the most effective form of learning is the one related to real situations, which are in some way representative of the situations that the students may find in the future and where they will have to use the knowledge and skills they have acquired (De Corte, 1994). Such form of learning stimulates the skills and predispositions of the individuals, in that they consider learning not as a passive and individual process of knowledge acquisition, but as a process of construction of significant knowledge (Miranda, 1999).

PROJECT PRESENTATION



The aim of the **Eureka Junior** project is to harness entrepreneurial attitudes in children and youngsters by means of sequential activities and a methodology centred upon innovation and creativity. A strategy game is used for this purpose – **“Eureka Junior – My first Business Plan”** – in order to simulate the process of starting a business in a simplified way.

An entrepreneur needs to structure his/her business idea in an **objective, clear and rigorous** fashion when starting up a business. It is very important that the business idea is well-defined, rigorous and well-presented, so as to have a good impact when it is analyzed and to receive a positive final evaluation. The process



and the format to guarantee the positive evaluation of a business idea is made by producing of a business plan. **The business plan is essential in defending a business idea.**

In Funchal, in the Island of Madeira, two schools participated in the Eureka Junior project, in the scope of the Businesses of the Future Programme: the **School Dr. Ângelo Augusto da Silva** and the **School Gonçalves Zarco**, with a total of **56 students** and a team of **5 teachers**. This project also was followed by **two coordinators of the Regional Directorate of Education**, Area of Entrepreneurship. Three classes (29 students) of the School Dr. Ângelo Augusto da Silva and two classes (27 students) in the School Gonçalves Zarco took part in the project.

Basic and Secondary School Dr. Ângelo Augusto da Silva

Class	Project business area	Company name
13th TA (CEF-7)	Computer store	<i>Equipar Ideias</i>
	Gym	<i>Espelho da Saúde</i>
	Gym and Bar	<i>Triple F - Golden Rule</i>
12th 3	Gym	<i>AquaGym</i>
	Computer store	<i>Iron Net</i>
	Bar	<i>Soran</i>
11th - 7	Paintball	<i>Paintworld - Madeira, Lda.</i>
	Computer store	<i>Informat, Lda.</i>
	Bar	<i>Bats, Lda</i>

Basic and Secondary School Gonçalves Zarco

Class	Project business area	Company name
13th Tourism	Gym	<i>Relax Academy</i>
	Health spa	<i>Recanto de Bem-Estar</i>
	Radical sports store	<i>Desportos Radicais</i>
	Bar	<i>Ao Sabor das Letras</i>
13th Accounting	Sports agency	<i>Soluções Desportivas</i>
	Bar	<i>Ansel's Bar</i>



GENERAL OBJECTIVES

To harness the creation of entrepreneurial attitudes in the children and youngsters of the 2nd and 3rd cycles of basic education and of secondary education, by means of the accomplishment of activities that are creative and oriented to the real world, by means of the use of a strategy game.

SPECIFIC OBJECTIVES

- To facilitate the acquisition of knowledge on important aspects of the process of starting a business;
- To enable the experimentation on starting up a fictitious company;
- To increase the creative potential of the students.

METHODOLOGY

The strategy game **Eureka Junior - My First Business Plan** is composed of sequential tasks regarding a set of activities that are necessary for a simplified process of starting up a business. A simple trajectory is stipulated, in **8 stages**, where the class is divided in groups of 3 (minimum) and 5 (maximum) students to follow it step by step in order to reach the main goal: **starting a business**.

In order to participate, each group plays the game as future entrepreneurs, tests its business idea through a project of its own initiative, taking responsibilities, making decisions, facing difficulties or reaching success, and having to equate several factors throughout the various activities. Some creativity games are also used within certain activities.

It is envisaged that this game is used in the classes of the **"Project Area"** subject. Each activity takes 3 hours, corresponding to two lessons of this non-curricular area, with the exception of Activity 6, which, due to its characteristics, is recommended to take 4 lessons. The length of Activities 7 and 8 will be different, taking 2 days and 1 day respectively.



At the beginning of the game a (fictitious) check of 3000€ is granted to each group. Each group will also receive a bonus of 500€ for the timely conclusion of each activity. The larger the sum obtained, the higher the capital to start up the business. In Portugal, a minimum of 5000€ is required for this purpose.

In this game, moving on to a new activity depends upon completion of the previous activity.



THE MODEL

Nowadays the biggest motivation for the elaboration of the business plan continues to be securing financing for the business. Any entrepreneur who wants to set up a business must prepare this document right away. This will help to clarify and materialize his/her idea. At the end of the preparation of the business plan, the entrepreneur is more alert to the possible risks and threats of the new business; this may even lead to the conclusion that the business will not be sustainable (which is preferable to a quick bankruptcy). It will be possible to start the business with much more confidence, and with much better defined vision, goals and objectives.

A business plan must never be a document to help only at the start-up phase. It must be updated regularly to readjust strategies for the future and define new forms of growth and creation of value.

ACTIVITY 1

A business plan must be composed of three parts:

1. Presentation of the business idea – Activity 1;
2. Marketing plan – Activity 2;
3. Financial plan – Activity 3.

The objective of Activity 1 is to lay down the business idea; the students will also have to give the business a name and define its mission.

In our pilot-project, the range of business areas proposed to the students was restricted to the following ones:

- Computer store;
- Radical sports store /Surf store;
- Laboratory;
- Regional produce factory;



- Bar;
- Gym.

Creative games: Brainwriting and/or mind mapping technique.

The use of creative games is proposed for this activity so that the students manage to complete it more easily. The teacher may select one of these games in accordance with the characteristics of the group:

Brainwriting

It is the quiet version of brainstorming. By removing verbal interaction, it eliminates the possibility of the group leader to favour certain more active and extrovert participants. In brainwriting, everyone can have ideas at the same time and everyone is encouraged to elaborate upon the ideas of the other participants.

The main phases of this technique are the following ones:

- 1st – The session leader identifies the main theme.
- 2nd – The participants, seated in a room, individually write their ideas for about five minutes.
- 3rd – The session leader collects the papers and reads the ideas or writes them on a board.
- 4th – Each group debates and evaluates each idea, gathering the best ones and discarding the ones that are not feasible.

Mind map technique

The objective of this technique is to allow the mind to enjoy complete freedom. The process runs as follows:

- 1st – Write the main theme at the centre of a page.
- 2nd – Draw several lines from it and write keywords at the end, for example, "objectives", "benefits", "development", "techniques" and "principles".



3rd – Generate ideas from each keyword related with the main theme. At the beginning do not worry about the type of ideas or their usefulness; there will be time to deal with that later.

4th – Establish the relationships you want between ideas and draw any schemes or diagrams you may find useful.

5th – Analyze the resulting combinations and evaluate the coherence and feasibility.

In this phase, the “entrepreneur” should define and structure his/her business idea in a clear way. It is very important that the business idea is well-defined.

A template is provided for this activity with a predefined structure as a guideline, since the objective is to foster creativity.

Associated documents: business plan; identification of the business.

ACTIVITY 2

The objective of Activity 2 is the elaboration of the marketing plan (promotional and/or dissemination actions).

The use of creative games – **Brainstorming** – is intended to make this activity easier for students.

Creative game: Group brainstorming

The use of group brainstorming for this activity may enable the flow of ideas for promotional and dissemination actions of the company. For this creative game it is advisable to designate a “secretary”, a person who will write down the ideas and prevent repetitions. However, this person should not try to guide the brainstorming process or criticize other people's ideas, which could jeopardise the creative flow. A set time or a minimum number of ideas should be foreseen for this exercise.

In this activity, the establishment of objectives is of the utmost importance, in that this is the start of the process of strategy definition. Planning is crucial in marketing strategy, since it allows for the anticipation and articulation of all the decisions



related to the management of a given brand, thus reducing the scope for error in the implementation stage.

Template documents supplied: business plan; marketing plan.

ACTIVITY 3

The main objective of Activity 3 is the preparation of the financial plan (expenditure versus income).

Results: In this phase the entrepreneur should elaborate the financial plan in a clear and realistic way.

Creative game: Scenario building technique

This technique requires balancing different factors in order to imagine the evolution trends of a business. The scenarios are normally used to design alternative strategies for action, which involves an analysis of the various factors and resources of the business: starting the business; human resources; infrastructure and equipment, as well as the capital to turn the business idea into reality; return on the investment, i.e., the time it takes to pay back the costs of the company.

The objective is to identify strategies to create more strengths and reduce the weaknesses of the company, to maximize the opportunities and minimize the threats to the business. The main steps are:

1st – Identify the problem.

2nd – Anticipate the trends that will determine the future of the business.

3rd – Build detailed future scenarios for each trend.

4th – Summarize each scenario in a story or narrative, defining the impact it is bound to have on the company.

5th – Use each story or narrative as a basis to develop new strategies.

Template documents supplied: business plan; financial plan.



ACTIVITY 4

In Activity 4 each group presents the business plan to a jury made up of one person from each group, the teacher and one institutional representative (for example, a class director or even the school principal). The jury awards the classification in a scale of 1 to 5, where 1 is the minimum and 5 the maximum.

For each point given to the business idea, each group receives a bonus of 1000€; the total amount is calculated by adding all the points received and each group receives the corresponding fictitious cheques. The credit at the end of Activity 4 enables each group to take the game forward to the registration of the business.



Each group will have to present its business plan for 15 to 20 minutes, in the format they consider appropriate (from PowerPoint presentations to posters).

Documents supplied: voting cards; cheque simulator; evaluation grid.

ACTIVITY 5

The use of fictitious cheques is necessary in Activity 5.

The groups of students have to address themselves to a real institution to simulate the process of registration of the business.



In the pilot-project the students went to ACIF-CCIM – Association of Commerce and Industry of Funchal (Chamber of Commerce and Industry of Madeira), where they were met by representatives of the ACIF-CCIM section “Company in the Hour”. In Portugal, an initial amount of at least 5000€ (joint stock) is required to register a business.

The students have to fill in basic forms for the registration process, provided to them at that moment. This activity should take 2 lessons and the class should be divided in the company groups.

Related documents: forms for business registration.

ACTIVITY 6

On the basis of the marketing plan defined in Activity 2, in this activity the students have to develop the marketing tools planned. It is compulsory to produce the company’s brochure and poster; other promotional materials can be produced. Students must also develop a PowerPoint presentation of their businesses.

Related documents: PowerPoint template.

ACTIVITY 7

In the pilot project all the promotional materials produced by the students were presented at the Eureka Junior Exhibition, an initiative that took place on the 21st of May, Day of the Entrepreneur in ACIF-CCIM. The students were able to present their companies to the public, guests and the jury that evaluated the business start-up projects.



ACTIVITY 8

On the 21st of May the projects were presented at the Final Conference of the Businesses of the Future Programme – My First Business Plan, where prizes were awarded to the best Eureka Junior projects.

**Best Business Plan of the Eureka Junior Project
Category Gym and Bar**

1st Prize

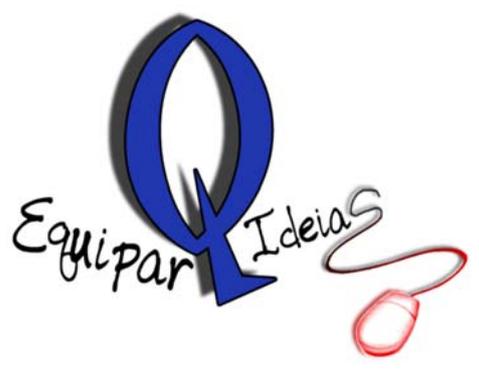




Best Business Plan in the category
- Radical sports store -



Better Business Plan in the category
- Computer store -



Better Business Plan in the category
- Bar -





Project theme	Company name	Start	Act. 1	Act. 2	Act. 3	Act. 4	Act. 5	Act. 6	Act. 7	Act. 8	Total
Computer store	<i>Iron Net</i>										
Computer store	<i>Equipar Ideias</i>										
Computer store	<i>Informat, Lda.</i>										
Bar	<i>Barts, Lda</i>										
Bar	<i>Soran</i>										
Bar	<i>Ao Sabor das Letras</i>										
Bar	<i>Ansel's Bar</i>										
Gym and Bar	<i>Triple F - Golden Rule</i>										
Gym	<i>AquaGym</i>										
Gym	<i>Espelho da Saúde</i>										
Gym	<i>Relax Academy</i>										
Health spa	<i>Recanto de Bem Estar</i>										
Sports store	<i>Soluções Desportivas</i>										
Sports store	<i>Paintworld - Madeira, Lda.</i>										
Sports store	<i>Desportos Radicais</i>										



PILOT PROJECT SCHEDULE

	Task Name	Start	Finish	
1	Training of the Eureka Junior teachers	08-Jan-2007	08-Jan-2007	
2	Activity 1 – Company mission	09-Jan-2007	26-Jan-2007	
3	Activity 2 – Marketing plan	29-Jan-2007	16-Feb-2007	
4	Carnival	19-Feb-2007	21-Feb-2007	
5	Activity 3 – Financial plan	22-Feb-2007	9-Mar	
6	Activity 4 – Presentation to the jury	12-Mar	23-Mar	
7	Easter	26-Mar	6-Apr-2007	
8	Activity 5 – Registration of the business	23-Apr-2007	27-Apr-2007	
9	Activity 6 – Promotional material	03-May-2007	18-May-2007	
10	Activity 7 – Eureka exhibition	21-May-2007		
11	Activity 8 – Final presentation of the projects			



CONCLUSION

The creation of environments that are conducive to the emergence of entrepreneurial attitudes in children and youngsters is of the utmost importance, in that this allows for the individuals to widen the scope of their skills, thus developing an **entrepreneurial profile**.