K-14 Entrepreneurship Education
Market Analysis

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Fall 2000
A strong entrepreneurship education presence in the K-14 education market is a key component of the Kauffman Center for Entrepreneurial Leadership mission to accelerate entrepreneurship in America. This report presents an analysis of the K-14 education market as relevant to entrepreneurship education. The report also provides a brief scan of the current status of entrepreneurship education within the broader K-14 education market.

The K-14 market analysis includes a discussion of (1) the aggregate size and demographic variables of the market, (2) market trends, and (3) the niche for entrepreneurship education within the broader K-14 education market. The entrepreneurship education market scan presents what is currently being done in terms of (1) information about entrepreneurship education, (2) education, including teaching and learning of entrepreneurship at the K-14 level, and (3) education policy as relevant to K-14 entrepreneurship education.

I. Market Analysis: K-14 Education

A. Market Size / Demographics

1. **Students**

   Public school enrollment in grades K-12 increased from 40.6 million students in 1989 to 47.2 million in 1999. During the next 10 years, public elementary school enrollment is expected to remain fairly stable, while public secondary school enrollment is expected to rise by 9 percent.

   The proportion of students in private elementary and secondary schools has decreased slightly over the past 10 years from 12 percent in 1989 to 11 percent in 1999. About 6.0 million students were enrolled in private elementary and secondary schools in 1999.

   It is a little more difficult to measure enrollment in the first two years of post-secondary education. Enrollment in these years includes students in the first...
two years of 4-year colleges and universities, as well as enrollment in 2-year colleges and vocational/technical schools leading to a specific career. Enrollment figures include both credit and non-credit programs. In 1999, 10.4 million students were enrolled in community colleges (5.4 million credit, 5.0 million non-credit), representing 44 percent of all U.S. undergraduate students. Community colleges awarded nearly _ million associate of arts degrees and 200,000 2-year certificates. The average age of community college students is 29.

The percentage of 18 and 19-year-olds attending high school or college rose from 56 percent in 1988 to 62 percent in 1998. The proportion of 20 to 24-year-olds enrolled in school increased from 26 percent to 33 percent over the same time period.

In 1998, 83 percent of the population 25 years old and over had completed high school, and 24 percent had completed 4 or more years of college. This represents an increase from 1980 when 69 percent had completed high school and 17 percent had 4 years of college.

In short, the aggregate view of the education market tells a story of more Americans being better educated. The data tell us there is a large and growing potential market for entrepreneurship education in our nation’s public and private K-14 educational institutions.

2. Teachers and Other “Gatekeepers”

While the nation’s students are the ultimate consumers of entrepreneurship education, the most effective way to reach students is through their teachers and other “gatekeepers” in education. In addition to teachers, some of the other gatekeepers include school administrators, school board members, education policy-makers and parents.

There were approximately 3.1 million elementary and secondary teachers engaged in classroom instruction in 1999, representing an increase of 13 percent over the past 10 years. About 1.9 million teachers were teaching in elementary schools and 1.2 million in secondary schools. There were 2.7 million public school teachers and 0.4 million private school teachers in 1999. About 73 percent of school teachers are women, and two-thirds of teachers are over 40 years of age. Principals tend to be older and are more likely to be male. About 93 percent of principals are over 40, and 65 percent of principals are men.

More than two million new teachers will be needed in the next 10 years. The major reason for the large numbers of new teachers is anticipated retirement of an aging teacher population and younger teachers moving out of the teaching
profession. To a lesser degree, more secondary teachers will be needed to meet the projected increase in secondary school enrollment.

3. **Schools**

In 1930, there were more than 262,000 public elementary and secondary schools in the country compared to about 90,000 today. This long-term decline masks the fact that there has been an increase of about 5,000 schools over the past decade.

The shift toward middle schools (grades 4, 5, or 6 to 6, 7 or 8) continues. As the number of elementary schools rose by 9 percent to 63,000 over the past decade, middle schools accounted for a disproportionately large share of this increase, growing by 43 percent. The number of junior high schools (grades 7 to 8 or 7 to 9) declined by 27 percent.

Elementary schools are getting larger, increasing in average size from 403 to 478 students over the past decade, while secondary schools are getting smaller (721 to 699). Some of the decrease in average size of secondary schools is accounted for by an increased number of alternative schools. Not unexpectedly, schools in rural states tend to be smaller than schools in states with large urban areas.

There are about 16,000 public school districts in the country, each governed by a local school board, as well as a state board of education. There are 1,132 community colleges, of which 995 are public and 137 are independent. Twenty-nine states have a state governing board for community colleges, 17 states have local boards and 4 states have a combination of a local and state board governing structure for community colleges.

4. **Expenditures**

Elementary and secondary schools and colleges and universities spent 7.3 percent of gross domestic product in 1999, for a total of $619 billion. Elementary and secondary schools spent 60 percent of the total, while colleges and universities accounted for the other 40 percent. Of the state and local funds spent on all education, 70 percent went to elementary and secondary schools, 25 percent to colleges and universities and 5 percent to other educational programs.

The public expenditures for elementary and secondary education were divided among local (44%), state (50%) and federal (6%) government shares. The estimated expenditure per pupil in average daily attendance was $6,915 in 1999, an increase of 7 percent in real terms over the past decade.
B. Market Trends

Trends in the education market will impact how and to what extent entrepreneurship education becomes a part of the school day. Some of the recent market trends that will impact education in the next decade are discussed in this section.

1. Accountability / Standards / Assessment

The education of America’s children has remained a consistently high priority during the past 30 years of social, political and technological changes. During the 1970s and 1980s, concerns about educational achievement resulted in a “back to basics” movement, followed by expectations that all students should perform beyond a set of minimum competencies. More recently, the establishment of national education goals, followed by state academic standards and testing has been driven by a desire on the part of the American public that schools should be held accountable for all students being able to attain high levels of academic achievement.

The Goals 2000 Educate America Act of 1994 set expectations for all students to achieve to high standards; provided funding for state efforts to establish challenging academic standards and assessments to measure school and district progress; and established rigorous accountability systems to hold schools and school districts accountable for student performance. In 1996, only 14 states had adopted academic standards. Today, 49 states have content standards and 48 have assessments to measure student progress in core academic areas. All states are required to have standards, assessments, and accountability systems in place by the end of this school year. How entrepreneurship relates to schools’ success in meeting standards and assessment measures is a key factor in moving entrepreneurship into the mainstream in education.

2. Privatization / Charters / Vouchers

One of the more contentious debates in education in the past few years has been over the issue of school vouchers, charter schools, and the privatization of instructional services within the public schools. At the core of the debate is the desire of the American public for choices in the education of their children. It is important to understand how these and other trends in the education market may impact on the delivery of entrepreneurship education in the schools.
While there is a clear trend toward more vouchers, charters and privatization, their absolute size remains small in relation to the total education market. The first charter school was established in 1992, and the fall 2000 school term saw about 2,000 charter schools operating throughout the country. Even with this rapid growth, charter schools enroll less than 1 percent of the national school-age population. Voucher programs and for-profit ventures account for even fewer students. While the aggregate numbers remain small, the penetration of vouchers, charters and privatization varies greatly from school district to school district based upon state and local education policy and a variety of other factors.

3. **Technology / Distance Learning**

Approximately 95 percent of the nation’s public schools are connected to the Internet as the 2000-2001 school year begins. While almost all schools are connected, only about five out of eight classrooms are connected. Schools have about one computer for every six students. While the extent of computers and Internet use varies significantly by school district, the trend is toward more universal access. The issue then becomes, how and to what extent will technology and distance learning impact the next generation of students? Entrepreneurship educators must be careful to develop sound education curriculum. The appropriate role for technology is as a tool to enhance the curriculum and to support and facilitate student learning.

The jury is still out on the impact of technology on student achievement. There is no disagreement that computer literacy should be taught because of the value of Internet technology as an educational tool. There has not, however, been sufficient research to demonstrate that computer usage leads to increased student test scores in a variety of academic assessments. The U.S. Department of Education, the National Science Foundation, and others are funding basic research in learning and sponsoring a variety of conferences and programs to assess the impact of technology on learning.

4. **Teacher Preparation: In-Service / Pre-Service / Certification**

High quality teachers are one of the most important factors in student learning. Over the next decade, schools will need to hire 2.2 million new teachers to meet the demand created by rising enrollment, and to replace a large pool of retiring baby boomers and those who choose to leave the teaching profession. Therefore, teacher preparation over the next decade is critical, as two of every three teachers who will be teaching in the year 2010 are not currently in the teaching profession.

The Higher Education Act of 1998 increases professional development funds for schools and raises the standards for teacher education and certification. The National Board of Professional Teaching Standards offers special
certification to teachers who meet select standards. The reauthorization of the Elementary and Secondary Education Act places special emphasis on teacher preparation. The proposed reauthorization emphasizes the importance of every child having a qualified teacher by requiring states to ensure that teachers are fully qualified and certified, and expanding critical teacher recruitment, preparation, and training, including innovative methods to attract mid-career professionals to the teaching field. This latter provision holds particular promise for teaching entrepreneurship in the schools.

5. Community College: Workforce Training / Entrepreneurship

Entrepreneurship training in community colleges is typically seen as a subset of workforce training, an area of interest equal to pre-baccalaureate education in America’s community colleges. Entrepreneurship training is typically found as a non-credit, continuing education program. In some instances, it may be for credit and/or a component of a two-year degree or certificate program.

Workforce training is designed to improve the skills of current or prospective employees, while entrepreneurship training is designed to assist people who want to start or grow their own business. Community colleges are generally involved both in workforce and entrepreneurship training, but the activity in the former is significantly greater than the latter. To the extent that entrepreneurship training is a part of community college activities, it is generally done in conjunction with a small business development center located at community colleges. The American Association of Community Colleges and the League for Innovation in the Community College have reported on workforce and entrepreneurship training as an outgrowth of the vocational and technical education programs of community colleges.

C. Market Niche for Entrepreneurship Education

1. What is Entrepreneurship Education?

The Kauffman Center for Entrepreneurial Leadership commissioned the Gallup organization in 1994 to conduct a national Gallup poll on entrepreneurship education. The results of that first Gallup poll, which was co-developed by the Kauffman Center, indicated that seven out of 10 high school students want to start their own businesses. The survey goes on to report that those same students think they don’t know much about entrepreneurship and that they want their schools to teach more about entrepreneurship.

The results of the survey make a clear case that there is a demand for entrepreneurship education in the nation’s schools. Today’s schools, however, largely teach about business in terms of the knowledge of skills necessary for employment (“take a job”) rather than entrepreneurship (“make a job”). The
latter requires "the knowledge, skills, and mindset to create jobs by conceiving and starting up new businesses". (Kourilsky, 1995)

According to Kourilsky (1995) “…general recognition of what content should lie at the core of entrepreneurship education has not kept pace with the compelling and accelerating case emerging for entrepreneurship education”. To the extent that schools have sought to teach entrepreneurship, they often turn to business management education. The core of entrepreneurship education, as distinct from business management, is: (1) identifying a market opportunity and a business idea to address the opportunity; (2) marshaling and committing resources in the face of risk to pursue the opportunity; and (3) creating a business (Sahlman and Stevenson, 1992). To achieve success in the schools, entrepreneurship education must incorporate each of the above three distinctive elements of entrepreneurship education.

The major limitation to adding any content area to the schools is the lack of time in the school day. A second significant limitation, as applied to identifying a niche for entrepreneurship education, is that state standards and assessments are directed at the more traditional academic areas (i.e., mathematics, language arts, science and social studies). These two limitations require strategic positioning if entrepreneurship is to be included as a part of the school day.

2. **Elementary School Market**

At the elementary level, Mini-Society® has been successfully incorporated into the elementary schools as an interdisciplinary, experience-based entrepreneurship curriculum for children between the ages of eight and twelve. The interdisciplinary nature of the program makes it possible for teachers trained to implement Mini-Society to incorporate lessons from other academic subject areas as a part of debriefing the children’s experiences. In this way, teachers can make efficient use of time and cover the academic requirements imposed by statewide standards and assessments.

3. **Secondary School Market**

At the secondary school level, entrepreneurship is most often taught as part of the business curriculum. It is either taught as a separate, stand-alone course or it is incorporated as a distinct unit in another course, most frequently the marketing course. Thus, at the secondary level, entrepreneurship tends to reach students in a business or vocational education track.

4. **Community College Market**

The community college market does not face some of the more significant limitations of the elementary and secondary market. It is easier to add elective
courses, community colleges aren’t pressured by standards and assessments, and most community colleges have a substantial continuing education program that is market driven.

Within the community college market, entrepreneurship is most frequently taught in either a two-year certificate program or as a continuing education offering. In either case, it is commonly offered as a stand-alone course. When taught in a continuing education program, it is offered as a non-credit course. When included in the two-year certificate program, the course generally carries academic credit.

5. **Youth Group Market**

National youth organizations have begun to incorporate entrepreneurship education into many elements of their programs. The fit of entrepreneurship into an experience-based learning format is particularly important for youth groups that seek to provide their members with a variety of experiences and real world learning opportunities.

Several youth organizations have incorporated entrepreneurship into their programmatic activities for 8 – 12 year old children. The national 4-H organization (and 28 state 4-H organizations), and the national Girls, Inc. organization (and more than 20 local Girls, Inc. organizations) conduct Mini-Society as part of their regular programs for youth in a variety of venues including summer camps, after school programs and clubs. At the secondary level, Junior Achievement, The Boy Scouts of America, FFA and DECA have all incorporated entrepreneurship as a key part of their education mission and programming.
II. Market Analysis: K-14 Entrepreneurship Education

In order to assess the market for K-14 entrepreneurship education, it is useful to segment the market into the following components: information, education, and policy. For purposes of this analysis, the information component of the entrepreneurship education market involves informing relevant audiences of the need for and existence of K-14 entrepreneurship education. The education segment of the market involves teaching and learning entrepreneurship for awareness, readiness and application. The policy market segment is aimed at encouraging education policy in support of K-14 entrepreneurship education. Each market segment is a vital and interrelated part of the K-14 entrepreneurship education market.

A. Information

The information segment of the K-14 entrepreneurship education market targets a broad audience with a general message about the need for and existence of entrepreneurship education.

1. Audience / Medium / Impact

The potential audience includes not only students in the K-14 target range, but also parents, teachers, school officials, education decision-makers at all levels of education, youth groups and thought leaders. While the specifics of the message vary by target audience, the basic message is that entrepreneurship education should be an important part of a young person’s education in America. The appropriate medium also varies depending on the targeted audience, from mass print and electronic media to journals and trade publications, and other educational materials targeted to key audiences. The intended impact of the information segment of the K-14 entrepreneurship education market is to have a broad impact without a great deal of depth.

2. Current Activity

Current activity at the information level is evident in a number of activities. At the student and teacher level of the market, there are several general circulation magazines that focus on or highlight youth entrepreneurship. Examples of these publications are Y&E and American Careers. The combined
circulation of these two periodicals provides more than 650,000 young people information about entrepreneurship.

Dissemination of research results is important for education decision makers and thought leaders to view entrepreneurship education as an integral part of America’s education system. The Kauffman Center for Entrepreneurial Leadership Clearinghouse on Entrepreneurship Education (KCELCEE) – an adjunct to the ERIC research database – plays a key role in positioning entrepreneurship and entrepreneurship education publications for access by the media, academic researchers, policy-makers, and other key stakeholders. KCELCEE usage averages over 250,000 “hits” per month as users access the more than 10,000 abstracts posted to the website. The EntreWorld website also provides access to a number of entrepreneurship education sources.

Dissemination of research publications and white papers is also intended to highlight the need for and existence of entrepreneurship education. Examples of these publications include a series of Gallup polls on entrepreneurship education; *Entrepreneurship Education for Youth: A Curricular Perspective*, *Entrepreneurship Education: Opportunity in Search of Curriculum*, *Marketable Skills for an Entrepreneurial Economy*, and *The “E” Generation, Prepared for the Entrepreneurial Economy*? (See the bibliography for citations on these and other relevant research publications and white papers.) Taken together, these publications make a compelling case for entrepreneurship education to a wide variety of audiences.

The national and local mass media outlets will periodically run stories on successful young entrepreneurs and/or success stories of entrepreneurship education programs. While it is difficult to track the impact of the stories, they do raise awareness of youth entrepreneurship for a general audience.

3. **Gaps / General Assessment**

The gap that has not been filled in the information market is for a coordinated, national campaign to target specific messages about entrepreneurship education. A careful analysis will be necessary to identify the costs and benefits in order to determine the viability of such a major initiative.

In general, the information segment of the entrepreneurship education market reaches a large audience at a low cost per person. While this strategy helps to create general awareness of youth entrepreneurship, there is little direct, measurable impact beyond estimates of the number of people reached. Therefore, while a coordinated, national public information campaign is clearly in the general interest of entrepreneurship education, it may be difficult for any one organization concerned with return on investment to justify a strategy to take on such a major initiative.
B. Education

Entrepreneurship education programs typically focus on awareness, readiness or application of knowledge and skills acquisition by youth. Movement along the awareness, readiness, application continuum typically requires a progressively more extensive education intervention. Therefore, programs that focus on awareness are able to reach larger numbers of students at a lower cost than programs that focus on readiness or application. The scan of organizations and programs identified in this section does not necessarily reflect the program’s intent in terms of awareness, readiness, and application. It should be understood, however, that the reach and the cost of the program are significantly affected by whether the primary purpose of the program is to provide the learner with knowledge and skills for awareness, readiness or application.

During the past decade an increasing number of educational organizations – both profit and non-profit – have begun to enter the entrepreneurship education market. The following sections present a brief description of some of these organizations and their entrepreneurship education programs and activities. The first section describes organizations in which the primary focus is on youth entrepreneurship. The second group of organizations has a broader youth education mission, but include entrepreneurship as a part of their youth education efforts.

1. Organizations with a primary focus on youth entrepreneurship:

   a) **The Consortium for Entrepreneurship Education** is a U.S.-based membership group that serves as advocates for entrepreneurship education for youth and adults. The consortium’s purpose is to provide information and resources for teachers, instructors, program developers and others who help students of all ages find their own entrepreneurial opportunities. Annual membership is offered to state departments of education in the United States as the primary membership group. Associate membership is available to any other entrepreneurship advocate or educator and brings the same benefits of sharing information in meeting the needs of members in support of all types of entrepreneurship education. The work of the consortium saves members duplication of effort and provides resources for teachers in their states. All members participate in the Annual Entrepreneurship Education Forum, held each year in different locations in the United States. The Kauffman Center is a co-sponsor of the Forum.

   b) **Education, Training & Enterprise Center (EDTEC)** is a national youth entrepreneurship training company. Founded in 1985, EDTEC is a minority-owned firm with a mission to address the needs of youth in urban America by making the most of the human capital often overlooked by
traditional training firms. EDTEC’s major entrepreneurship curriculum, *The New Youth Entrepreneur*, is a 12-volume set developed in conjunction with the Kauffman Center. The curriculum is also available in Spanish. Over the last two years, the firm has provided training to over 3,000 people, including educators, enterprise zone officials, federal employees, housing authority staff and public housing residents.

c) **Independent Means**, formerly An Income of Her Own, is a company that offers products and services for girls’ financial independence, including conferences, a business plan competition and summer camps. The conferences are one-day programs that bring women entrepreneurs together with teen women for activities and discussion to explore entrepreneurship as a career option. The National Business Plan Competition invites women from 13 – 21 to submit a business plan to win one of five $2,500 cash awards. Camp $tart-Up consists of residential summer camps where teen women learn the rudiments of creating a business plan, master a basic business vocabulary and become acquainted with a set of business concepts. Support from the Kauffman Center has provided scholarships for young women to attend Camp $tart-up.

d) **The Kauffman Center for Entrepreneurial Leadership** has the abilities and resources to strengthen the continuum of education and learning experiences for youth. With programs targeted to children at all levels, the Kauffman Center partners with organizations that specialize in reaching kids. Teachers are the keys to effective learning. The Kauffman Center and its partners train educators, creating a ripple effect as one teacher reaches many students in many classes over the years. While entrepreneurship education is taught mostly in a classroom setting, the Kauffman Center expands the opportunities to learn outside the classroom by including such curricula in afterschool activities and by bringing entrepreneurship into the home. The youth entrepreneurship programs, initiatives and partnerships of the Kauffman Center are described in the Appendix.

e) **KidsWay/EDGE** is a national corporation that specializes in youth entrepreneurship education. They collaborate with schools, youth agencies, colleges, teachers, and corporations to help bring entrepreneurship education into their communities. They specialize in teacher training, after school programs, entrepreneurship camps, entrepreneurship curriculum, and an annual conference. The Kauffman Center provides matching grants for organizations attending this conference to implement entrepreneurship education programs. KidsWay, Inc. has co-published issues of the Y&E magazine with the Kauffman Center for Entrepreneurial Leadership that have been devoted exclusively to entrepreneurship education for youth.
f) **The National Coalition for Empowering Youth Entrepreneurs (NCEYE)** is a professional association of representatives from business, education, government and community organizations interested in advancing youth entrepreneurship education. The Coalition’s mission is to integrate effective entrepreneurial education programs that allow for empowering a 21st century generation of entrepreneurs who are socially responsive to their community, their nation and their world. In partnership with the Kauffman Center, NCEYE sponsors an annual conference that promotes awareness, education, research and the dissemination of information based on the best practices of effective entrepreneurial programs.

g) **National Foundation for Teaching Entrepreneurship (NFTE)** brings its entrepreneurial training to high school students, especially those from low-income communities. Through its programs, students gain an 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 curriculum. NFTE programs have reached more than 28,000 students since it was founded in 1987, and NFTE has trained 1,200 teachers.

h) **REAL Enterprises** is a national nonprofit organization. REAL helps individuals, schools and communities in rural America grow through hands-on entrepreneurship education. REAL’s purpose is to prepare youth in rural America to be active, self-sufficient, and productive citizens who can contribute to their community’s social and economic development. The REAL program consists of entrepreneurship curriculum and training and support for a national network of educators and member organizations.

2. **Youth / educational organizations that include entrepreneurship as a program area:**

a) **Boy Scouts of America** supports more than 300 local councils that provide youth programs for boys between the ages of 7 and 20. Scouting offers a time-tested set of activities that have produced fine citizens, strong family members, and community leaders for more than 90 years. The merit badge program, which provides opportunities for youth to explore more than 100 fields of skill and knowledge, plays a key educational role in scouting. Since 1996, the Boy Scouts of America has offered an entrepreneurship merit badge which was developed in partnership with the Kauffman Center.
b) **DECA**, a national association of more than 200,000 marketing education students, provides teachers and members with educational and leadership development activities to merge with the classroom instructional program. DECA chapters attract students who are interested in preparing for entrepreneurial, marketing or management careers. In partnership with the Kauffman Center for Entrepreneurial Leadership, DECA offers two entrepreneurship awards programs through its 5,500 high school chapters throughout the United States.

c) **FFA** is a national organization dedicated to making a positive difference in the lives of young people by developing their potential for premier leadership, personal growth and career success through agricultural education. The FFA’s 451,997 members and 7,268 chapters represent all 50 states. FFA is a diverse organization in rural, urban and suburban schools. Students aged 12 – 21 enrolled in agricultural education programs are eligible for membership. The agricultural education program provides a well-rounded, practical approach to learning through three components: classroom education in agricultural topics; hands-on supervised agricultural experience such as starting a business or working for an established company; and FFA, which provides leadership opportunities and tests students’ agricultural skills. Through a partnership with the Kauffman Center, FFA conducts an Agri-Entrepreneurship Awards Program that recognizes the entrepreneurial initiative of FFA members.

d) **4-H** Council is a national not-for-profit organization, which uses private and public resources to fulfill its mission “to be an uncommon youth development organization fostering innovation and shared learning for youth workers and young leaders”. 4-H focuses on diverse groups of young people in a variety of urban and suburban locales while continuing to serve youth in rural areas. National 4-H Council helps provide “hands-on” co-educational programs and activities to young people nationwide in collaboration with the youth development education initiatives of the Cooperative Extension System of the United States Department of Agriculture, state land-grant universities and county extension programs. The Kauffman Center partners with 28 state 4-H organizations to bring Mini-Society® to youth participating in 4-H clubs, camps and after-school programs in those states.

e) **Girls, Incorporated** is a national non-profit youth organization that prepares girls to lead successful, independent, and complete lives, particularly those in high-risk, underserved areas. Each year, Girls Inc. serves 350,000 young people, ages 6 to 18, at more than 1,000 sites nationwide. Programs based on cutting-edge research encourage girls to take risks and master physical, intellectual, and emotional challenges. In
partnership with the Kauffman Center, Girls Inc. conducts Mini-Society® for 8 – 12 year old girls at more than 20 sites throughout the nation.

f) **Junior Achievement (JA)** educates young people to value free enterprise, understand business and economics and be workforce ready. JA programs give young people practical, engaging, and informative lessons that educate them about business and economics and help prepare them for fulfilling professional careers. Recently, Junior Achievement has begun to include entrepreneurship with its program for youth. In partnership with the Kauffman Center, Junior Achievement is piloting the Making-a-Job program at middle schools in seven of its service areas throughout the country.

g) **Leadership Education and Development (LEAD)** is a national, non-profit organization, that seeks to encourage minority students with outstanding academic performance and demonstrated leadership skills to pursue careers in business. Through a series of national summer business institutes conducted at major business schools across the country, LEAD introduces minority high school students to business education and exposes the students to careers in business. Since 1980, more than 6,000 young men and women have successfully completed a LEAD Summer Business Institute. Through a partnership with the Kauffman Center, the EntrePrep program is included with the LEAD Summer Business Institute at the University of Pennsylvania, the University of Michigan, the University of Chicago, Northwestern University, the University of Minnesota, the University of Texas and the University of California at Los Angeles.

h) **National Council on Economic Education** and its affiliated network of state councils and 270 university centers for economic education is dedicated to improving economic literacy. Each year the network trains more than 120,000 teachers serving 7.5 million elementary and secondary school students. Through partnerships with the Kauffman Center for Entrepreneurial Leadership, 23 state councils and centers for economic education across the country provide teacher training and classroom implementation of Mini-Society®.

3. **Textbooks**

The majority of in-school education at the elementary and secondary level is centered around a textbook. There are only two textbooks in entrepreneurship published for the secondary school market, an indication that entrepreneurship is not offered as a course in a large number of the nation’s secondary schools.

To the extent that entrepreneurship is taught at the high school level, it is most frequently taught as part of a marketing course. *Marketing Essentials*, by Farese, Kimbrell and Woloszyk, is the text for about 80 percent of the high school level marketing courses. The text is published by Glencoe McGraw-Hill. The text is currently in its second edition, which was published in 1997. This text contains 12 units, one of which is entrepreneurship. Approximately 10 percent of the text is dedicated to entrepreneurship.

4. Gaps / General Assessment

While entrepreneurship education is a relatively new addition to the K-14 educational curriculum, it is a rapidly growing area of education in schools and youth groups throughout the country. The growth of programs such as Mini-Society® demonstrates the success of integrating entrepreneurship into existing traditional subject areas; a strategy that has proven successful at the elementary level. At the secondary level, it will be necessary to increase the number of students exposed to entrepreneurship education and broaden its reach in both vocational and academic subject areas. Given that the base of quality entrepreneurship education in the schools has been established over the past decade, expanding entrepreneurship education on a major scale will involve making an impact on local, state and national education policy as well as expanding curricular development and teacher training efforts.

C. Policy

Education and public policy, such as the policy issues relevant to the section of this report on trends in the education market, will have an impact on the success of K-14 entrepreneurship education. Policy related to entrepreneurship education involves a variety of dimensions described below.

1. Dissemination of Relevant Publications

There is an increasing body of research in entrepreneurship education that serves to inform policy discussions. The dissemination of journal articles and white papers that result from that research serves to enhance the position of entrepreneurship education among policy-makers and decision-makers in education. Examples of these publications and white papers are: *The Findings From a National Survey of Entrepreneurship and Small Business* (The Journal
of Private Enterprise, Spring, 1996); Entrepreneurship Education: Opportunity in Search of Curriculum (Business Education Forum, October 1995); The E Generation (2000); and Seeds of Success: Entrepreneurship and Youth (1999). Additional citations are found in the bibliography.

2. National Education Policy

Although a relatively small component of education spending originates at the national level, federal legislation has a significant impact on entrepreneurship education. Two bills pending in the U.S. House and Senate are directly relevant to entrepreneurship education. Rep. Goodling (R-PA) introduced an amendment to the Elementary and Secondary Education Act reauthorization to fund curriculum-based youth entrepreneurship education programs that provide disadvantaged youth with applied mathematics, entrepreneurial, and other analytical skills. Rep. Kucinich (D-OH) introduced a measure to award a grant or contract to an organization to establish and operate a "National Clearinghouse for Teacher Entrepreneurship". While the fate of both measures is uncertain, they serve as examples of national policy measures that have great potential impact on entrepreneurship education.

During the past decade, national education policy has dealt extensively with establishing education goals, standards and assessments in an effort to address the issues of quality education and accountability. While not directly focused on entrepreneurship, such policy has a direct effect on American education. As a result of these policies, the National Business Education Association, in partnership with the Kauffman Center, has developed Entrepreneurship Education Standards. In addition, ACT, also in partnership with the Kauffman Center, has developed entrepreneurship tests at the elementary and secondary level.

3. State Education Policy

By the close of the current school year, all states will have developed education standards and assessments in core academic subject areas as part of an accountability system in education. While not typically a part of state assessment programs, entrepreneurship may be presented as a vehicle to help schools teach the areas of the curriculum that are being assessed. State education policy also directs professional development funding for in-service teachers. A case can be made for using funds to support teacher education in entrepreneurship.

4. Local Education Policy

The most critical layer of education policy occurs at the local level, where entrepreneurship may find a place in the school curriculum. Three conferences conducted by the Kauffman Center with the U.S. Department of Education

5. Professional Associations

Much of the thought leadership in education exists with the various professional education associations. While these professional associations have a wide variety of purposes, they generally focus on content, research or administrative issues. Establishing relationships with some of the key education associations helps to set the stage for widespread inclusion of entrepreneurship education in the schools.

6. Gaps / General Assessment

Change in American education is a long-term process. The analogy is that of a marathon rather than a sprint. If the long-term goal is for entrepreneurship education to be an important part of American elementary and secondary education, the appropriate short-term strategies are to inform the policy discussions at the local, state and federal levels that will continue to support the long-term goal.
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