This final report for the JumpStart III program presents a summary of the entrepreneurship training programs developed by each of the four JumpStart III partners selected in March 1997. Grants for the colleges totaled $354,546 over 2 years. The JumpStart funding has been only a starting point for these and the other 12 JumpStart partners in bringing entrepreneurship education to the community college population. At Eastern Oklahoma State College, recruiting workshops and one-day entrepreneurship workshops were held, and several courses in entrepreneurship and business operation were developed. Chattanooga State Technical Community College's program provided training for two populations within Chattanooga's public housing projects: the TRACE (Training Residents and Creating Entrepreneurs) program for women interested in starting their own businesses, and the Minority Construction Training Program for residents interested in the construction of industry. The program at St. Augustine College in Illinois was conducted in partnership with the Economic Development Unit of the Uptown Center Hull House, and was designed to train entrepreneurs in the Vietnamese and Latino communities in Chicago. Westchester Community College's three-month, 100-hour program targeted low-income women in New York who have gone through a divorce, whose spouse has died, or who are financially responsible for their families. (JA)
JumpStart III Final Report
(Grant Number 97-422)

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Introduction

This is the final report for the JumpStart III program, grant number 97-422. Fifty-two community colleges submitted proposals, and four JumpStart III partners were selected in March, 1997: Chattanooga State Technical Community College in Tennessee, Eastern Oklahoma State College, St. Augustine College in Illinois, and Westchester Community College in New York. Grants for the four colleges totaled $354,546 over two years. The programs serve very different populations. Chattanooga State targeted residents of several public housing projects in Tennessee, Eastern Oklahoma focused on members of the Choctaw Nation of Indians, St. Augustine worked with the Economic Development Unit of Uptown Hull House to bring entrepreneurship to members of the Latino and Vietnamese communities in Illinois, and Westchester’s program reached out to displaced homemakers. The four JumpStart III programs all began on April 1, 1997 but had varying termination dates due to extensions granted to several of the programs. Following is a summary of the programs and accomplishments of each of the JumpStart III partners.

Eastern Oklahoma State College

Eastern’s primary targeted population is the members of the Choctaw Nation of Oklahoma. During the time of the grant, plans were underway to develop a Native American cultural center on Eastern’s campus, and it was hoped that the entrepreneurship training program would eventually be offered through this institution as a benefit to the Native American students. The center has not yet been built, but the director of the program, Estella Bennett, worked with Larry Wade, the Director for Higher Education of
the Choctaw Nation, in developing the program and offering recruiting workshops to Native Americans. Of interest is the fact that Mr. Wade emphasized that he did not want the program to be just for Native Americans, as that could marginalize the members of the Choctaw Nation. The goal is to mainstream the students. However, in keeping with the high value placed on teamwork by members of the Choctaw Nation, several group activities were incorporated into the course.

In addition, an advisory committee of local business people, lending officers, small business development representatives from the state department of commerce, and local and regional economic organizations was formed. This group was utilized to help in developing curriculum, as speakers to groups of students, to review student business plans, and as advisors for funding sources.

To create interest in entrepreneurship education at Eastern, recruiting workshops and one-day entrepreneurship workshops were held throughout the two academic years. Many of them were offered at high schools, especially those schools with high concentrations of Native American students, to build a base of students who would be interested in the courses once they enrolled at Eastern. Other sessions were attended by high school business teachers hoping to incorporate some principles of entrepreneurship into their own courses. Once a year Eastern hosted an American Indian Day to welcome American Indian students from area high schools and help them identify career fields. Information was distributed to more than 200 students at these two events. As a result of these activities, more than 1,800 students and 30 business teachers received information about entrepreneurship.
A four-semester course sequence was originally developed: Introduction to Entrepreneurship, Basic Entrepreneurial Skills, Business Plan Development, and Operating Your Business. Each session was offered once during the two-year period of the grant. A total of 20 students participated in the four courses. After the first year, the advisory group recommended that the first two courses be combined into one course to be called Introduction to Entrepreneurship. The director plans to offer this course in an online format in the future.

For each of the three courses, an instructor’s guidebook – listing time frames for each topic, teaching suggestions, student activities, and experiential activities – was developed. In addition, a student manual, consisting of handouts with questions to be completed, was also developed. Because these manuals are primarily outlines, it is assumed that the instructor will provide supplemental materials for the class. The instructor was encouraged to invite guest speakers to speak with the students. The following topics were addressed in the Introduction to Entrepreneurship course: Introduction, Why Study Entrepreneurship?, Characteristics of Successful Entrepreneurs, Opportunity Recognition, Assessing Risk, Forms of Business Ownership, Basic Financial Concepts, and Business Plan Development Basics. Students are encouraged to talk with business owners on several occasions throughout the course of the semester to become familiar with the actualities of life as a business owner.

The use of computers – for e-mail, Internet searching, and business applications – was central to the Business Plan Development Course. The goal of the course was the creation and presentation of a well-developed business plan. Specific topics covered in this course were: Introduction, Browsing the Internet, Review of Business Plans, Mission
Statement, Description of Business Products and/or Services, Market Analysis Overview, Target Market Analysis, Analyzing the Competition, Choosing a Location, Floor Plan Development, Promotion Plan, Pricing Structure, Financial Statements, and Preparing for Oral Presentations.

The final course was devoted to Operating Your Business. Once again, a great deal of interaction was encouraged between class members, and between students and members of the local entrepreneurial community through guest speakers and class trips. Topics addressed were: Introduction, Functions of Management, Time Management, Recruiting Process, Selection Process, Orientation & Training, Performance Appraisal, Inventory Management, Working Capital Management, Analyzing Financial Statements, Tracking Sales & Marketing Trends, and Computer-Based Technology for Small Businesses.

After completing the courses, two students opened businesses and two are awaiting notification of loan approval. One student opened “Dance Daze,” a recreation business for teenagers that is open Thursday, Friday, and Saturday evenings. It has video games, a snack bar, small dance area, a television area, and a study area. It is operated by a woman with teenage children. The other business is a disc jockey service designed to provide lights, music, and special effects for parties. The young man who started the business works a full-time job and offers this service on nights and weekends. The two businesses that are awaiting loan approval are a diner and a franchised auto tool business.

With the grant coming to an end, the entrepreneurship courses will become part of the business department curriculum. Eastern Oklahoma State College expended all of the $90,000 it was awarded by the Kauffman Foundation.
Chattanooga State Technical Community College

Chattanooga State’s program, under the direction of Setina Pouengue, provided entrepreneurship training for two populations within Chattanooga’s public housing projects: the TRACE (Training Residents and Creating Entrepreneurs) program for women interested in starting their own businesses, and the Minority Construction Training Program for residents (primarily men) who are interested in the construction industry.

The TRACE program, which was developed for residents of two public housing developments in the state, was offered as an approved training program under Tennessee’s welfare program, “Families First.” Six introductory workshops, entitled HER (Highlighting Entrepreneurial Resources) Orientation, were held to interest people in TRACE. Each session lasted approximately 90 minutes and included a motivational video highlighting the rise of one local resident from poverty, and a presentation by a local entrepreneur. Recruiting was also done through churches, local residents’ associations, door-to-door visits, information booths at various health and education fairs, and through television and print advertising. The full program consisted of sixteen modules: building self-esteem, characteristics of an entrepreneur, opportunity recognition, risk assessment, local small businesses, introduction to the business plan, the management process, the marketing plan, legal issues, financial management, insurance, social and ethical issues, business vocabulary, research and resources, and writing the business plan. In addition, some customized training was created for several existing businesses operated by public housing residents.
Some of the businesses that were opened or expanded as a result of the TRACE program included: Poppa Daddy World Fashion and Novelties, a retail operation run by a former public housing resident; Homegirls Catering, LLC, a business that was changed from a partnership to a limited liability company as a result of the training; Jones Enterprises, a cleaning and janitorial service company for commercial businesses, new construction, and residential customers; and Golden Years, a full service salon for public housing residents.

The Minority Construction Training Program, which was not part of the original proposal, was started as the result of the Chattanooga Housing Authority's decision to contract with qualified public housing residents for construction-related services. The TRACE program was modified for the purpose of preparing residents to form a construction company that could contract with the housing authority. The program consisted of three courses: Construction Business Management (which leads to licensure as a residential contractor), Structural Design (hands-on experience), and Business Planning (which was part of the original TRACE program). Approximately 22 students enrolled in all three programs, and 43 additional people enrolled in the Construction Business Management class. Business plans developed by the students were reviewed by the staff and volunteer professionals, and those with viable plans were able to submit them to the Chattanooga Housing Authority for consideration. All other students were allowed to continue their apprenticeships and work with the company that will be formed.

The program was also awarded a contract by the Federal Highway Administration and the Tennessee Department of Transportation to implement a pilot program that will provide pre-employment training in highway construction.
With the grant coming to an end, all elements of the TRACE and Minority Construction Training Program will continue to be offered. In addition, entrepreneurs who are not interested in the formalized training programs will be counseled individually. Students that have completed the TRACE program will continue to meet with program staff to assist with the start-up phases of their businesses. Topics to be addressed include business location; taxes, accounting, and record keeping; employment concerns; product line development; and vendor and supplier issues. Students who want to participate in internships to learn more about the entrepreneurial ventures that interest them will be matched with a suitable business.

Chattanooga spent the entire $89,670 received from the Kauffman Foundation for its entrepreneurship training programs.

St. Augustine College

This program, which was conducted in partnership with the Economic Development Unit of the Uptown Center Hull House, was designed to create culturally sensitive entrepreneurship training for the Vietnamese and Latino communities in Chicago. Three program components were incorporated: structured workshops, individual counseling, and support groups. The curriculum was geared both toward those people who wanted to start a business and those who were in growing businesses. The underlying theme guiding the development of the program was: How is business conducted in the United States and how can I take advantage of that for my business? Although the content for the two populations varied, both programs utilized common pedagogical approaches:
(1) Interaction – focusing on discussion among staff, mentors, and participants

(2) Defining Words – developing key concept word definitions both in English and the participants’ native language

(3) Action Orientation – adopting a “learn by doing” approach to assignments

(4) Cultural Sensitivity – being attuned to the perspectives and needs of participants and using case studies that are relevant to that population

Separate workshops were offered for three groups: the Vietnamese entrepreneurs, the Latino entrepreneurs who wanted instruction in English, and the Latino entrepreneurs who wanted instruction in Spanish.

The Vietnamese program was called “Success in Self-Employment.” Ten students were enrolled in the seven-month program, which met once a month at the Vietnamese Association of Illinois on Chicago’s north side. Each monthly workshop, which was held on a Saturday, lasted for five hours. The first workshop covered confidence building, self-esteem and motivation, and understanding business. The second workshop used a case study to help students develop a better focus for their own business. Workshops three and four introduced the approach for evaluating a market opportunity by discussing the needs of the marketplace and introducing the concepts of market segments. The fifth workshop focused on the theme of how business is conducted in the United States and included an explanation of franchising and legal structures. The sixth workshop, which introduced the concept of business planning to help students compete in the marketplace, described the SWOT (strengths, weaknesses, opportunities, threats) analysis. The final formal workshop emphasized financial aspects, including costs, sales projections, breakeven analysis, and pricing strategies.
“Entrepreneurial Success,” the Latino program for English-speaking participants, attracted 13 students. The six-session course was held once a month on Monday evenings. The first session focused on group expectations and norms, elements of goal setting, three case studies, and planning. The second session was devoted to marketing, including niche marketing and market segments. At the third session students used case studies and exercises to discuss pricing strategies, expenses, wages, breakeven analysis, and product mix. Session four introduced students to the different legal forms of businesses and the types of insurance available. Session five presented “SMART” guidelines for drafting goal statements, which emphasized that goals should be specific, measurable, action-oriented, realistic, and timely. It also addressed approaches to time management. Finally, in session six, the topics of how to find and use sources of information, do library research, and stay on track were all discussed.

Two sessions of the Spanish language program were offered – one on Tuesday evenings and one on Saturday mornings. Fifteen people enrolled in the two eight-session courses, both of which used the same curriculum. At the first session, students were introduced to the goals of the program, and participated in an open discussion of what is a business and what are the characteristics of a successful business. The second workshop used a case study to explore issues of opportunity recognition, market knowledge, and pricing. The third session addressed niche marketing, the buying decision, and selecting a location. The fourth session addressed distribution channels, the functions of intermediaries between producer and consumer, and approaches to pricing. During the fifth workshop, participants were introduced to the concept of target marketing, and its effect on prices, promotion, and distribution. They also revisited the issue of choosing a
location, and the thought process that should precede that decision. At the sixth workshop, the key concepts of the program were reviewed, and students were introduced to the business plan. The seventh workshop, which was intended for those people who were not yet in business, discussed ways of entering business, a business start-up check list, and legal and financial issues. The eighth session, which was for students ready to create a business plan, focused on how to develop an effective one.

The second component of the program, which complemented the formal workshops, was individual counseling. In the weeks between group workshops, participants met regularly with their assigned business mentor, in addition to telephone follow-ups and updates. During these individual sessions, student and mentor discussed any questions or concerns and determined a plan for action. A total of 193 meetings with 37 participants took place during the two years. A monthly clinic was held with all mentors and staff members to review mentor reports, discuss problems, and assist the mentor in handling the specific business issues facing each participant.

The third component, the formation of support groups and promotion of networking, occurred on a largely informal basis. Following each group workshop, instructors and facilitators were available for individual questions and comments, and networking and sharing often ensued during these times. At the discretion of the clients, mentor support continued beyond the final program workshop. Ten people continued to meet with their mentors after the courses ended. Plans are being made, depending on the availability of additional funds, to organize, promote, and staff culturally specific alumni groups that would meet three times a year to offer learning, problem-solving, and networking opportunities.
The staff members reported that one of the biggest challenges they faced was recruitment in the immigrant communities. They felt that the resistance, and perhaps fear, immigrants felt about enrolling in these programs was a significant obstacle. Embarrassment, financial difficulty, a fear of "government," self-consciousness, a fear of the unknown, a lack of confidence regarding mainstream relationships, and immigrant status all played a role. The staff used the problems encountered in recruiting for the first program, for Vietnamese entrepreneurs, to improve their approach for the two Latino groups. They successfully used more personal, time-consuming tactics, but felt that this intensive process would be impractical to replicate.

Several examples were provided of students who had opened or expanded a business as a result of taking the course. One Mexican immigrant purchased a grocery store from a couple that was retiring, and within six months, the store was providing 85% of needed family income, with good prospects for future growth. Another recent immigrant, who had been interested in the restaurant business prior to enrolling, opened a van service to transport individuals non-stop to several Mexican cities at prices competitive with commercial bus lines. The demand for the service was so great that the owner was able to raise prices. One women who enrolled in the program was able to expand a part-time jewelry business, which she had run on the side while working at a minimum wage job, to a full-time jewelry and clothing business. She is in the process of expanding. Other participants, who entered the program after they had already started businesses, were able to increase their operations. Two loans were packaged and accepted, one for a Latino used car dealership for $6,000 and one for a Vietnamese auto
mechanic for over $250,000. Other businesses improved their selling efforts, expanded their product line, improved their financial status, and became better business managers.

For the future, the staff are hoping to take the culturally-sensitive programs they developed, and try to adapt the model for the Bosnian and Ethiopian communities in Chicago. As more information is gathered, they hope to be able to export culturally-specific entrepreneurship training to other colleges.

St. Augustine College expended the entire $84,376 grant from the Kauffman Foundation.

Westchester Community College

Under the direction of Marilyn Wald, Westchester Community College developed a three-month, 100-hour entrepreneurship program for “displaced homemakers” entitled Entrepreneur*Wise. Their targeted population is low-income women who have gone through a divorce or separation, whose spouse has died or is disabled or unemployed, and are financially responsible for their families. Of the 92 students who enrolled in one of the five sessions offered between October 1997 and December 1999, 71 of them (78%) finished the program, 24 opened businesses, and 7 are in the planning stages for opening a business.

The participants displayed an interesting range of backgrounds. Almost 45% of them were minorities, more than half were over 45 years of age, 82% of them were working at the time they enrolled in training, and 61% of them had incomes under $23,000. However, almost 80% of the students had more than a high school education. This relatively high average level of education may have been the result of a relatively rigorous screening process that emphasized the need for appropriate motivation to work,
available transportation and family care plans, a solid idea for a business, and realistic expectations of the time and resources needed to start a business.

The training program encompasses four major areas: Self-Assessment (6 hours), Entrepreneurial Skills (50 hours), Personal and Business Readiness (10 hours), and Computer Skills (34 hours). The learning objectives of the course were presented in the introduction to the course. “Although the foundation for the curriculum is an introduction to entrepreneurship and specifically the writing of a business plan, the ultimate focus of the program is individualized education. Each participant has her own unique life transition and she has selected a business concept which she will develop into a new career and source of income”

Twelve chapters were included in the student manual: Defining the Entrepreneurial Woman, Entrepreneurial Thinking, Introduction to the Business Plan, Computer Technology – An Entrepreneurial Tool, Networking Communications to Real World Fact Finding, Discovering Your Market through Research – Stage 1, Discovering Your Market through Research – Stage 2, Discovering Your Market through Research – Stage 3, Creating Your Own “Sales Savvy” Techniques, Building the Foundation of the Financial Block, Transforming Your Vision into a Financial Reality, and Making Your Business Plan Work for You. A significant portion of the manual is devoted to exercises to be completed by the participants.

The director of the program cited six key challenges they encountered in implementing the program. First, there were problems in getting the students to write effective business plans. Strategies that proved effective in addressing this issue included working in small groups during class time, making presentations to their classmates and
instructors about key parts of their plans, offering one-on-one counseling, and affording an opportunity for students to articulate the emotional issues and fears in regard to placing ideas in writing and making presentations. A second challenge was getting students to accept the modules offered on personal and business readiness. The staff felt it was crucial to address issues around feelings of rejection, discouragement, and communication skills. The staff found the students to be more receptive to these topics when they were presented in business contexts, such as dealing with an irate customer or improving business interactive skills.

The third challenge was scheduling. Although the initial cycle of classes was offered on weekdays, most of the students worked, and found it more convenient to attend classes in the evenings and on the weekend. That problem was easily remedied. Next, the staff found the screening process to be very time consuming, with a lead time of six to eight weeks needed to find 15 to 20 students who were sufficiently motivated and committed to finishing the program.

Fifth, the staff had intended to include a basic mathematics component in the program, but found that the lab was not available during class times. In later cycles, they incorporated training in Excel, a spreadsheet program that performs calculations. Finally, the varying levels of expertise with computers made it difficult to create a computer training module that met the needs of most of the students. In response, they are developing a beginner computer workshop for those students with no or little computer background. Despite the differences in skill levels, the staff felt that great progress was made among all students in mastering basic computer skills, developing business plans
on the computer, using the computer for research and analysis, producing marketing materials for their businesses, and developing basic skills in database management.

As mentioned above, 24 of the 71 students who completed the program have started their own businesses. The new enterprises include child care centers, auto detailing, offering motivational seminars, bookkeeping, floral design, landscaping, party planning, teaching aerobics classes, cleaning business, and catering. One 62-year old divorced woman began designing bookmarks, and received orders for 3,500 customized bookmarks from two restaurants. She was able to hire 10 people to help her fulfill these orders. Another divorced woman with a teenage son developed a motivational training business. She is scheduled to offer these sessions at a local college, and has been interviewed by a local newspaper. A 30-year old woman with a disabled husband launched a landscaping business, which is already profitable. In addition to landscaping they offer fall and spring cleanups, architectural design, and plowing, salting, and sanding.

An informal support group was started by the graduates of the third training cycle. The group met monthly to discuss issues of concern with each other. The college was awarded an additional grant from the Kauffman Foundation, and in March will begin offering technical workshops facilitated by trained volunteers from the business community, networking and feedback opportunities through monthly group meetings, and ongoing technical advice and support through mentoring. In addition, the college has partnered with a local micro-enterprise development program, which will provide funding to continue offering the Entrepreneur*Wise program through the end of 2000.
The director is also applying for a demonstration grant from the Small Business Administration to become a Women's Business Center.

The Westchester Community College program used in its entirety the $90,000 grant it received from the Kauffman Foundation.

Conclusion

As a result of the JumpStart III program, five very different groups of people in widely dispersed geographic locations have had the opportunity to participate in entrepreneurship training: members of the Choctaw Nation in Oklahoma, public housing residents in Tennessee, Spanish and Vietnamese entrepreneurs in Chicago, and displaced homemakers in New York. Each program was tailored to meet the needs of its particular clientele. All of the programs created curricular materials and integrated the program into the college's organizational structure so that the training will continue to be offered beyond the period of the grant. Thus, the JumpStart funding has indeed been only a starting point for these, and the other 12, JumpStart partners in bringing entrepreneurship education to the community college population.
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