

The Benefits of Entrepreneurship Education for the Reentry Student

“Together we must challenge individuals, communities, cities, counties, regions, states, and the nation to be accountable for the outcomes of the justice systems at every level of government.”

~James Bell

Over 735 per 100,000 people are incarcerated each year in the U.S. Most who go to prison or jail will eventually be released to reenter society. Many of these people return to impoverished communities that are not equipped to provide the resources and services they and their families need to transition smoothly into society.

One of the most important needs for those reentering is securing a job, but legal and practical barriers routinely prevent them from accessing employment to earn a living wage and move out of or avoid poverty. As the number of people going to prison has risen in our country, so has the number of people leaving prison. Facing insurmountable challenges, the unfortunate likelihood is that many will end up back in prison.

- Over 65% are re-incarcerated within three years of release.
- Approximately 1.5 million children currently have a parent in prison.
- Over 10 million children have had a parent incarcerated at some point in their lives.

This cycle of incarceration inflicts enormous financial, social and emotional costs on victims, families and communities. Every dollar that must be spent on corrections is a dollar that is no longer available for education and social and health services.

The good news is that many are beginning to realize our mistake, as a society. Entrepreneurship has emerged as a viable alternative to traditional employment opportunities for disadvantaged and marginalized individuals all over the world, including those reentering society from prison or jail.

Because entrepreneurial thinking is infused with the philosophy of empowerment, exposure to entrepreneurial training can also reshape the perspective of those reentering society in positive ways, improving their performance as employees and to proactively engage with their families and communities whether they go on to become entrepreneurs or not.

If people returning home from prison pursued entrepreneurship, it would undoubtedly make a significant impact. If between one and seven percent of people leaving state or federal prison next year started their own businesses (i.e., the percentage of welfare-to-work participants who start businesses in addition to or instead of securing traditional employment), 6,500 to 45,000 new businesses would be created in the United States.

Research shows that adversity plays a major role in spurring enterprise-building. Thus, the poor, the under-educated, minorities and immigrants are often at the forefront of entrepreneurial activity around the world. Studies of the informal (i.e., licit but unregulated) economy found that small enterprises have a “strong and natural presence,” pointing to higher entrepreneurial tendencies among those facing barriers to the traditional labor market.



At the initial stage, self-employment can provide additional income to supplement a low-paying job. For those who lack the educational or language skills required for a professional position, starting a business is preferable to minimum wage employment. Self-employment further offers the opportunity to use talents and find fulfillment in ways rarely possible in traditional employment.

A microenterprise is a business with five or fewer employees requiring \$35,000 or less in start-up capital. More than 22 million microenterprises operate in the U.S. today and show survival rates of approximately 78% with gains in net worth and employment generation. 55% show income gains over time, while 25% generate income gains large enough to move out of poverty. Research clearly indicates that microenterprises present a viable exit route from poverty.

Program-administered surveys reveal that 24% entered the microenterprise program in poverty, and among survey participants, there was a 36% net reduction in poverty. A five-year study found that low-income entrepreneurs (those with household incomes less than 150% of the poverty line) reduced their reliance on government assistance on average by 61%.

Providing funding to all disadvantaged people interested in self-employment would produce the following results:

- An estimated \$16.5 billion in income to the new business owners.
- Approximately \$10.3 billion in income for employees.
- \$3.3 billion in increased net worth for new business owners.
- \$416 million in total welfare savings.

The benefits of collaboration between the fields of entrepreneurship and reentry are:

Cultivation: Fosters individual and community empowerment through self-employment.

Collaboration: Builds relationships among and leverage the expertise, resources and structure of microenterprise programs, reentry programs, correctional agencies and other partners.

Education: Creates synergy between the microenterprise and criminal justice fields by debunking myths and developing a common vocabulary.

Innovates: Inspires creative thinking about modifying existing services and structures to address reentry challenges as well as support a spectrum of successful outcomes.

Initiates, Evaluates, Disseminates and Advocates: Enables institutionalized infrastructure to support and sustain national initiative on entrepreneurship and reentry over extended periods of time.

Reentry Ventures' Career Ready Practices (CRP)

Career Ready Practices are behaviors that anyone entering the workplace must be proficient in to be viewed as a strong candidate for employment. We recognize that many entrepreneurs shift



back and forth in the workforce from entrepreneur to employee, and have developed curriculum that aims to teach entrepreneurship and develop employee skills as well.

The Career Ready Practices provide a framework for the developmental experiences necessary in becoming career ready. These experiences can be practiced using many different approaches in a variety of settings, and students refine these practices throughout their full continuum of learning.

Each Career Ready Practice below includes an overarching statement along with applicable course lesson descriptions, outlining the Career Ready Practices and matching them with the corresponding lessons contained within our courses.

- **Act as a responsible and contributing citizen and employee.**

»Lesson 02 | The Ethical Entrepreneur: Good ethics requires students to recognize a duty beyond their own self-interest and accept the responsibility of treating others in a specific moral manner. Universal values such as compassion and respect for others, doing good, preventing harm, being fair, honest and obeying the law are explored along with additional professional responsibilities to others such as objectivity, confidentiality, due diligence and avoiding conflicts of interest in business dealings.

- **Apply appropriate academic and technical skills.**

»Lesson 01 | Today's Entrepreneur: Skills are abilities that are learned through education and practice. Students explore technology and how the workplace is changing and what skills today's entrepreneur needs to be most successful and consider business skills like accounting, finance, strategy, marketing, coding, selling and hiring.

- **Attend to personal health and financial well-being.**

»The promotion of good personal physical, mental and financial well-being is weaved throughout the entire curriculum, but especially seen in:

»Lesson 10 | Selling Success; Lesson 11 | Expenses, Results & Decisions; Lesson 12 | Statements, Cash Flow & Balance; and Lesson 13 | Record & Account for All

- **Communicate clearly and effectively and with reason.**

»Lesson 06 | Communication & Social Media: Students learn that effective business communication is an essential factor in the professional and personal success of entrepreneurs and consider the characteristics of effective communicators to learn how to improve their own communication skills.

- **Consider the environmental, social and economic impacts of decisions.**

»Lesson 03 | Entrepreneur's Economic Impact: Students learn that as major contributors to technological innovation and new job growth, an essential role is played in economic development through entrepreneurship. Helping to build communities through job creation, entrepreneurs make local economies stronger. Entrepreneurs also invest in their local community's projects, donate to local charities and create entrepreneurial networks to spread and support more entrepreneurial activity.

»Lesson 02 | Social Responsibility: Students explore social responsibility in business, taking the initiative to assess and take responsibility for their company's impact on social welfare, as well as the environment.



- **Demonstrate creativity and innovation.**

»Lesson 05 | Opportunity Recognition: Students learn how to look at the same situations as everyone else but see something more, such as new opportunities, new approaches and innovative methods in the way things are done through creative brainstorming.

- **Employ valid and reliable research strategies.**

»From trends to opportunities to the viability of their business ideas, students learn to gather and utilize research to start and run a business throughout the entire curriculum.

- **Utilize critical thinking to make sense of problems and persevere in solving them.**

»Lesson 05 | Opportunity Recognition: Students are taught to see problems as opportunities when paired with solutions, and are encouraged to keep ideas journals in which problems are detailed and multiple possible solutions figured through creative brainstorming.

- **Model integrity, ethical leadership and effective management.**

»Lesson 02 | The Ethical Entrepreneur: Students learn to recognize duties beyond their own self-interest and accept the responsibility of treating others in a specific moral manner. Universal values are explored, along with additional professional responsibilities to others.

»Lesson 16 | Business Management: Students learn to utilize planning, organizing, leading, controlling and building teams to accomplish company objectives in effective business management, which is comprised of functions that will help them learn to coordinate their efforts to use resources efficiently and effectively to achieve goals.

- **Plan education and career paths aligned to personal goals.**

»Throughout every step of the program, students are taught to brainstorm ideas and list solutions that will help them reach their personal goals and achieve success. Whether their goals require further research, information or education, students will learn to achieve success through many smaller combined daily milestones to accomplish their larger long-term goals.

- **Use technology to enhance productivity.**

»Our entire program, all 20 lessons and 40 entrepreneurial concepts boast special focus on leveraging today's technology to be more efficient and enhance productivity. We detail specific technology every step of the way, and teach students how to best leverage that technology to make the best use of their resources, be more efficient and quickly reach their goals.

- **Work productively in teams while using cultural global competence.**

»Lesson 03 | Think Big & Act Small: Students learn about the global economy and international trade, considering the need for cultural global competence as entrepreneurs must understand and meet the needs of consumers in every local community, even when conducting large-scale global business ventures.

»Lesson 17 | Building Teams: Students learn how to achieve success through building and working effectively in teams of talented people.

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