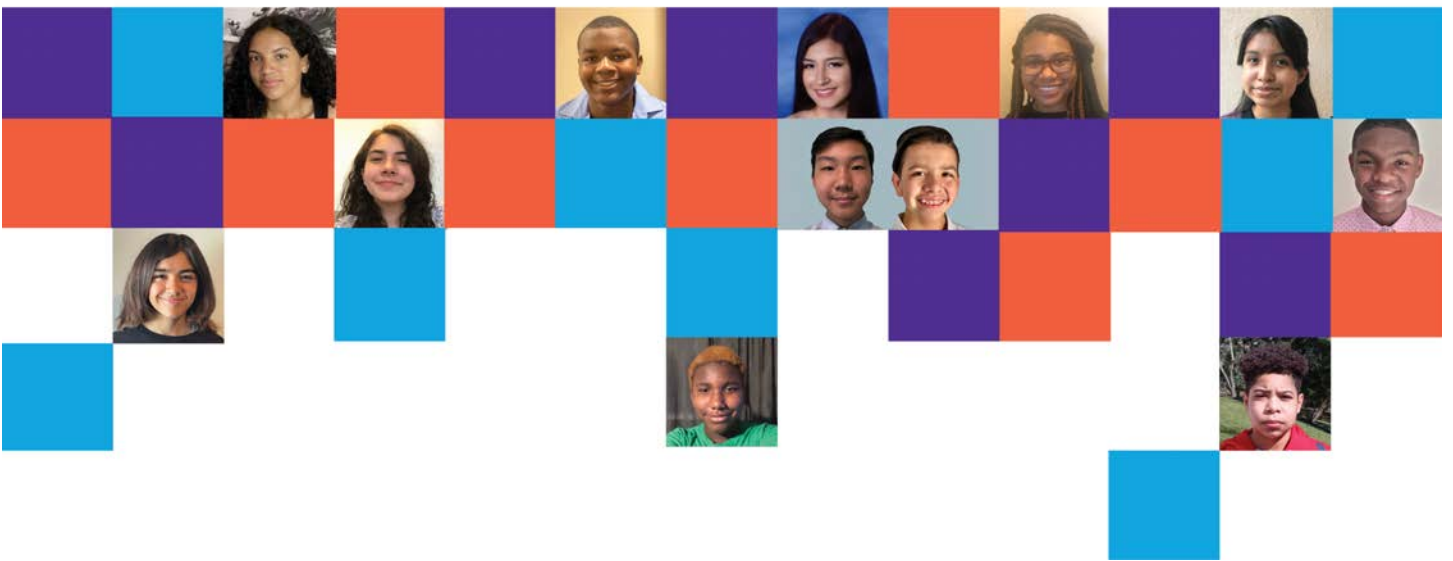




# ENTREPRENEURSHIP EDUCATION IN 2022: POWERING INCLUSIVE GROWTH



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## INTRODUCTION

*NFTE's latest trends report offers insights on the state of entrepreneurship education, the attitudes of emerging entrepreneurs, and the reasons why developing the entrepreneurial mindset is essential to the success of everyone in the workforce today.*

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What does entrepreneurship education look like today? How does it impact workforce development or influence the future of entrepreneurship and innovation in a post-pandemic world? The answer to both questions is rooted in an understanding of the entrepreneurial mindset – something that has been a focus for the Network for Teaching Entrepreneurship (NFTE) since our organization was founded 35 years ago.

NFTE develops uniquely experiential entrepreneurship education programs and brings these programs to teens and adults in under-resourced communities across the U.S. and around the world.<sup>1</sup> Our work-based learning model has been proven to activate the entrepreneurial mindset and we've become keen observers of trends in entrepreneurship and education. In this report, NFTE outlines the top five trends we'll be watching in 2022, connecting those trends to insights we've gleaned from our field work with emerging entrepreneurs and our analysis of a unique dataset: years of results from a diverse population taking NFTE's Entrepreneurial Mindset Index (EMI) assessment.

Nearly one thousand working adults and tens of thousands of teens have taken the EMI since the tool was developed six years ago by NFTE, working in collaboration with the Educational Testing Service. This report highlights just a few of our findings from the last three years, reflecting responses from current and former NFTE students as well as peer groups who've not done any NFTE programs – plus a wide range of adults, including educators, school administrators, early- and mid-career professionals, business leaders, and successful entrepreneurs.

While the NFTE EMI is primarily a formative assessment – a tool to help identify strengths and pinpoint areas where there may be opportunity for further development – it also gives visibility into specific dimensions of the entrepreneurial mindset and helps us see how entrepreneurial thinking evolves.

NFTE pioneered the idea of the entrepreneurial mindset as a set of skills and attitudes that can be learned, practiced, and refined through experience. This is the foundation of our work with youth and adult learners. Our programs are designed to activate and cultivate the entrepreneurial mindset, which not only enhances college and career readiness but also uniquely prepares learners for the future of work. At NFTE, we believe that developing the entrepreneurial mindset lays a foundation for success throughout life – and we've seen firsthand that effective entrepreneurship education can reduce educational and workplace inequities.

What does NFTE see in 2022 and beyond? What lies ahead for entrepreneurship, entrepreneurship education, and workforce development as the world emerges from pandemic and recession?

Five trends in particular stand out for us:

- Growing interest in entrepreneurship
- Increased demand for entrepreneurship education
- More emphasis on entrepreneurial mindset in workforce development
- Market disruptions opening the way for growth
- Diverse entrepreneurs closing the opportunity gap

In short, a new wave of entrepreneurship and innovation is brewing and we're hopeful that the generation of diverse entrepreneurs now emerging is poised to realize tangible gains.



**Dr. J.D. LaRock**  
President and CEO, NFTE

# THE LANDSCAPE OF ENTREPRENEURSHIP AND WORKFORCE DEVELOPMENT

## TREND #1

### Growing Interest in Entrepreneurship

Entrepreneurship is growing in the U.S. and globally. This was evident before the pandemic, but the turmoil of the past two years has only accelerated shifting attitudes about work and financial self-determination. After a brief pause during the initial wave of COVID-19, entrepreneurial activity in the U.S. began heating up again even as the unemployment rate reached a high of 14.8% in the spring of 2020. By early 2021, the U.S. and other countries around the world had reported a record wave of new business startups and just a few months later a “Great Resignation” was making headlines.

Polls conducted by Indeed and Monster during the summer of 2021 showed that the vast majority of Americans were rethinking their work lives.<sup>2</sup> In fact, in November 2021, the “quits rate” hit an all-time high<sup>3</sup> and the U.S. entered a period of dramatically increased mobility in the labor market. The unemployment rate dropped to 3.9% in December<sup>4</sup> and the Federal Reserve projected a return to the pre-pandemic level of 3.5% unemployment sooner than had been forecast previously.<sup>5</sup>

Now, in early 2022, we’re trying to understand the dynamics of the Great Resignation and the causes of the severe labor shortages that mark this economic recovery – but entrepreneurship is still on the rise. In fact, interest in making the shift from employee

to entrepreneur has been growing steadily since the word “startup” entered the common lexicon back in the 1980s.

While the term was coined decades earlier, it made the leap from business lingo to popular culture during the 1990s and early 2000s, as a small cohort of famous founders took on nearly mythic status and the mystique of Silicon Valley grew.<sup>6</sup> Clearly, the world loves a good startup story. Through the first few decades of the 21st century – and despite more than a few economic ups and downs – millions continued to tune in to long-running hit TV shows like *Shark Tank*, *The Apprentice*, and *Dragons’ Den*, hooked on the drama of the business pitch and that elusive promise of the next big idea.<sup>7</sup>

Today, the appeal of ownership is stronger than ever, particularly among Millennials<sup>8</sup> and Gen Z.<sup>9</sup> Just a few years ago, some pundits were questioning whether these younger age cohorts would be less entrepreneurial than older generations,<sup>10,11</sup> but we’ve seen that’s not the case. In fact, it would seem that the recession hasn’t dimmed the appeal of entrepreneurship at all. In fact, experiencing financial insecurity<sup>12</sup> may fuel a stronger desire to take control of your own financial future.

The past two years of pandemic-induced recession throw that in high relief. The U.S. and many other countries around the world saw an improbable wave of entrepreneurship in the depths of 2020 and 2021. Although economic downturns typically put a damper on new business startups, just the opposite occurred in this pandemic era. There was an unexpectedly strong surge of entrepreneurial activity. In April 2020, the U.S. unemployment rate spiked – and just a few months later, in July 2020, the country set a new high-water mark for startups. Despite high unemployment and deepening recession,<sup>13</sup> Americans filed a record number of new business applications. In early 2021, when the U.S. Department

of Commerce and U.S. Census Bureau released the statistics on new business applications during the last two quarters of 2020, LinkedIn declared “an entrepreneurial renaissance is here.”<sup>14</sup>

Contrary to the expectations of economists and historians – if perhaps no surprise to entrepreneurship educators – this burst of startup activity showed that layoffs, reduced hours, and job insecurity are indeed a catalyst for many would-be entrepreneurs. While new business applications are something of a forward-looking indicator (as actual business formation may lag), there’s no doubt that entrepreneurial aspirations are on the rise. And not just in the U.S., but globally.<sup>15</sup> France, Germany, Britain, India,<sup>16</sup> Japan, and other countries have also experienced a rise in startups despite generally challenging conditions for small business.<sup>17</sup>

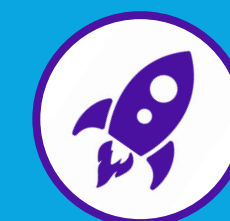
Researchers also perceive a generational shift in attitudes about entrepreneurship. The Ernst & Young LLP (EY US) Gen Z Segmentation Study identified an intriguing difference in the way a values-driven Gen Z may regard work.<sup>18</sup> 45% of Gen Z aged respondents report being very likely or extremely likely to start their own business one day, a figure that has grown 44% just since the start of the pandemic. Gen Z may view the workplace quite differently, too, knowing they face a very different economic and employment outlook than their parents and grandparents did.<sup>19</sup> Boomers who grew up in a time of rising expectations embraced the security of large companies but Zoomers seem to be flipping the script, trusting more in themselves and seeing unprecedented technological advances opening new paths to entrepreneurship.

So even if the cloud of pandemic has yet to lift and some uncertainty lingers in 2022, the resiliency of entrepreneurs and innovators remains a bright spot. Odds are, we’ll see a new wave of entrepreneurship and innovation driving growth in the years ahead.



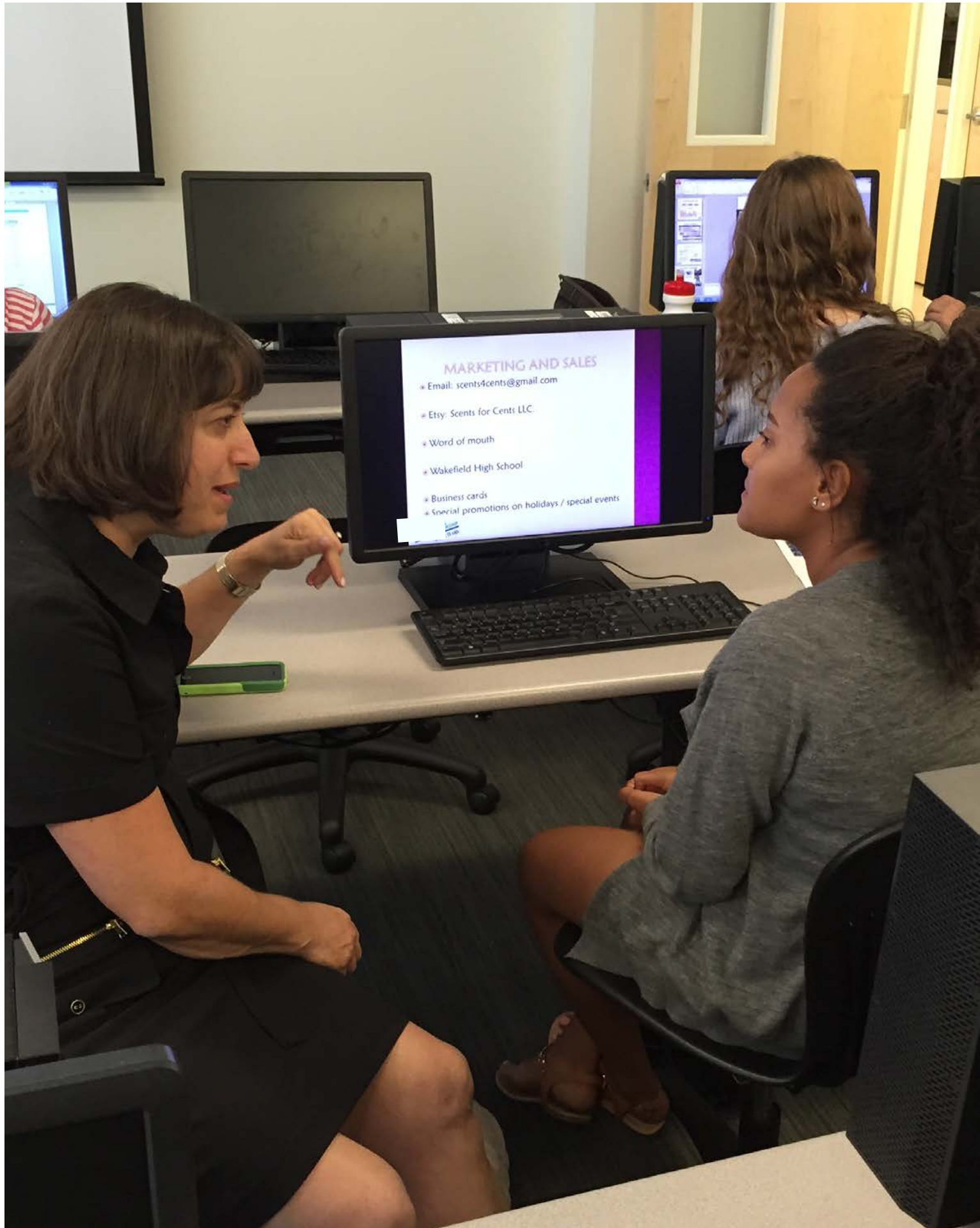
The pandemic upended the labor market. Unemployment, at a historic low when COVID hit, spiked to 14.8% in 2020 then fell to 3.9% by the end of 2021, revealing a labor demand/supply mismatch that could put drag on economic recovery.

Source: U.S. Bureau of Labor Statistics



45% of Gen Z reports being very likely or extremely likely to start their own business one day.

Source: 2020 Gen Z Segmentation Study from EY US



# TREND #2

## Increased Demand for Entrepreneurship Education

Entrepreneurship has been a bright spot in the education sector.<sup>20</sup> Although remote learning scenarios remain challenging, putting stress on families, schools, and teachers, student interest in entrepreneurship is growing.<sup>21</sup> That's led to increased demand for entrepreneurship curricula and programs in the K-12 space and in higher ed.

K-12 entrepreneurship education and “learn to earn” programs were already growing at a fast clip prior to the pandemic<sup>22</sup> as educators sought ways to prepare young people for a rapidly changing future of work.<sup>23</sup> That trend has continued through the upheavals and uncertainty of the pandemic. As NFTE has seen firsthand, youth entrepreneurship education offers many compelling benefits, but chief among them is that tapping a student's own interests and abilities is a proven way to keep students engaged in learning even when the future seems uncertain. For the same reason, education policymakers are looking to entrepreneurial experiences as a way to lure disengaged youth back to school after COVID.<sup>24</sup>

Post-secondary institutions have seen increasing interest in entrepreneurship programs that can help students find economic opportunities – at a time when colleges face declining enrollment overall. Colleges are experiencing the steepest two-year decline in enrollment in years, with undergraduate enrollments down 7.8% in the first two years of the pandemic according to the National Student Clearinghouse Research Center.<sup>25</sup>

Nonetheless, entrepreneurship courses have grown in popularity. Growth in online entrepreneurship education offerings has been particularly strong, expanding dramatically in 2020 then continuing to rise another 25% in 2021. Enrollment in traditional on-campus bachelors and masters programs in entrepreneurship also expanded, up 7.3% over the past two years.<sup>26</sup> As the Association to Advance Collegiate Schools of Business put it, “in the heart of the pandemic, student interest in entrepreneurship spiked.”

Another factor driving demand for post-secondary entrepreneurship education – particularly programs that emphasize experiential, work-based learning and practical skills-building – is the pricing problem in higher ed. Despite the evidence that people with college degrees realize higher lifetime earnings, an increasingly vocal segment is questioning whether higher ed is “worth” the cost.<sup>27</sup> Not only are more large employers dropping degree requirements<sup>28</sup> but a number of respected academics studying college access and labor market outcomes have concluded that college is “not always worth it” and advised families to be more discerning consumers.<sup>29</sup>



Student demand for entrepreneurship education rose 66% during the first two years of pandemic.

Source: Association to Advance Collegiate Schools of Business



The number of college students majoring in entrepreneurship rose 7.3% even as college enrollments fell 7.8% overall and traditionally popular majors lost ground.

Source: National Student Clearinghouse Research Center

# TREND #3

## A New Emphasis on Entrepreneurial Thinking

NFTE is in the business of building entrepreneurial mindset, but we're not alone in seeing mindset growth as an increasingly essential part of workforce development. The workplace is changing rapidly. Many employers see that their workforce needs to evolve, too – and fast.<sup>30</sup>

The current world of work is complex, to say the least. The pandemic led to unprecedented job losses, yet now the economic recovery is hampered by severe labor shortages as the workforce continues to evolve. The growing need for employee reskilling and upskilling puts additional pressures on business. In 2019, the World Economic Forum estimated that well over half of all workers<sup>31</sup> would need reskilling and upskilling to respond to changing work requirements by 2022. That skills gap may be even more challenging for young adults entering the workforce in the post-pandemic era.<sup>32</sup>

A global survey conducted by McKinsey in 2020 found that 90% of executives and managers either already saw skills gaps in their organizations or expected those gaps to develop soon.<sup>33</sup> A follow-up survey just a few months later underscored the urgency of the skills gap and "pointed to a shift in the most important types of skills to develop," suggesting that social and emotional skills were most critical to reskilling and upskilling.<sup>34</sup> A 2021 study by Gartner framed the acceleration of this skills gap in stark terms, estimating that 33% of the skills listed in a typical job description in 2017 were basically obsolete by 2021. Moreover, job descriptions written in 2021 required a lot more skills.<sup>35</sup> Between the old skills that are no longer necessary and the expanded list of new skills now expected, what employers are looking for today is vastly different than it was just four years ago.<sup>36</sup>

What's interesting is the degree to which the most sought-after traits employers say they want in new hires overlap with traits that are core to the entrepreneurial mindset. Many of these traits are

described as noncognitive or "soft" skills. Things like critical thinking, communication, adaptability, and flexibility.

NFTE defines the entrepreneurial mindset as a set of characteristics, behaviors, and skills that help people identify and make the most of opportunities, overcome and learn from setbacks, and succeed in a variety of settings. These are skills and traits that drive action, and they are essential in today's economy, where needs and opportunities are evolving faster and more fluidly than ever before. In NFTE's model of the entrepreneurial mindset there are eight core domains:



**Critical Thinking and Problem Solving:** the process of applying higher-level, process-oriented thinking skills, and of transitioning that reasoning to decision-making.



**Flexibility and Adaptability:** the ability and willingness to change actions and plans to overcome present and future challenges.



**Communication and Collaboration:** the ability to clearly express ideas to an intended audience, including persuading others to work towards a common goal.



**Comfort with Risk:** the capacity to move forward with a decision despite inevitable uncertainty and challenges – to take calculated risks.



**Initiative and Self Reliance:** the power to take ownership without input or guidance and to work through obstacles independently.



**Future Orientation:** an optimistic disposition, with the ability to plan for and achieve long-term goals; for students, this includes the ability to focus on obtaining the specific skills and knowledge required to pursue educational and career goals.



**Opportunity Recognition:** the practice of seeing and experiencing problems as opportunities to create solutions.



**Creativity and Innovation:** the ability to think of ideas and create solutions to problems without clearly defined structures.

These domains align quite closely<sup>37</sup> to the list of skills and traits employers say they need most in

the current and future workforce. In an analysis of the skills most highly valued by employers shared at the World Economic Forum's 2020 Sustainable Development Impact Summit,<sup>38</sup> LinkedIn noted that interpersonal "soft" skills are among the most prized. These include: communication, problem-solving, analytical skills, customer service skills, and leadership. A McKinsey analysis of the skills most needed in the future world of work<sup>39</sup> highlighted a similar list of soft skills: cognitive skills including critical thinking, planning, communication, and mental flexibility; interpersonal skills such as teamwork and relationship building; leadership skills including entrepreneurship, goals achievement, self-awareness and self-management; and digital skills.

This suggests corporate workforce development will be increasingly focused on the same types of skills that NFTE programs focus on building in teens and young adults – the skillset NFTE calls the entrepreneurial mindset.

K-12 educators largely agree on the need for more emphasis on college and career readiness – and the majority of the American public shares that view. A 2018 Gallup survey found that just 3% of Americans believed students graduating high school were well prepared for college, and only 5% believed students graduating high school were well prepared to join the workforce.<sup>40</sup> There was little confidence that high school graduates were well prepared for college or career, but there was overwhelming consensus that work-based learning, internships, and entrepreneurship education could help. This is certainly what the experiences of NFTE students and alumni demonstrate: entrepreneurial mindset growth correlates to post-secondary success.

What NFTE has seen over the past 35 years is that students who have opportunities to explore career options and educational experiences designed to develop business and entrepreneurship skills are uniquely prepared to succeed in school, in business, and in life. NFTE alumni data collected over the past decade consistently shows higher rates of college enrollment and higher earnings when compared to peers from low-income communities – and when compared to the U.S. population in general.<sup>41</sup> Something particularly interesting was reported by NFTE alumni in the summer of 2021, in the midst of the Great Resignation: 75% of NFTE alumni reported high or very high levels of job satisfaction, demonstrating greater job satisfaction than the U.S. workforce overall. Job satisfaction in the general population remains well below 60%.



33% of the skills that were in demand for new hires in 2017 were obsolete by 2021.

Source: Gartner



Nine out of ten executives and managers say workforce skills gaps are already, or soon will be, a risk to the success of their organizations.

Source: McKinsey



Small business startups are the lifeblood of the U.S. economy, creating the majority of net new jobs and driving U.S. innovation and competitiveness.

Source: U.S. Small Business Administration



"We want to help young learners not only get jobs but have successful careers. 'Soft' skills such as communication, problem solving, and creativity are crucial and they're becoming even more important as automation replaces certain occupations. Soft skills may be future employees' unique advantage."

– Katie Booth  
Director and Head of Corporate Social Responsibility North America, SAP

# TREND #4

## Market Disruptions Opening the Way for Growth

We live in an era of rapid innovation and disruption. In a relatively short span of years, we've seen technological advances restructure the workplace; social influencers change the way consumer products are marketed; and cloud computing democratize software development to the point where lean startups could suddenly challenge big businesses in surprisingly effective ways.<sup>42</sup>

"Necessity is the mother of invention." "In the midst of every crisis lies great opportunity." They're clichés for a reason. We know intuitively that need can drive innovation – and we've already seen so many examples of market disruptions that provide opportunities to try new ideas. So perhaps we shouldn't have been surprised by the number of new business startups emerging in the midst of the pandemic.

NFTE alum Darius Davie is an example of an entrepreneurial thinker finding opportunity in challenges. He was working in a salon and building a following for his lifestyle blog when the pandemic hit. The salon closed and Davie pivoted. He started Groom Guy, a wellness brand that reimagines personal care and salon services. Davie wanted to challenge the salon model and redefine it through various activations such as hospitality partnerships.

He launched a concept studio in a boutique hotel that combines salon and gallery, featuring a curated collection of art and tapping the tradition of the barbershop as a space for community engagement and activism.

Although we may have hit pause for a moment during the worst of Covid-19, disruption is the defining feature of the 21st century innovation economy – and there's no reason to think that will change. Businesses will continue to leverage big data, the internet of things will continue to expand, algorithms will continue to increase in efficiency, and applications for machine learning will continue to grow, as will uses for artificial intelligence. Going forward, rapid technological advances will continue to create new opportunities – and, thanks in large part to the pandemic-induced upheavals of the past two years, so will dramatically changing attitudes about work<sup>43</sup> and life.<sup>44</sup>

While the "startup frenzy" of 2020 and 2021 may have begun with workers who were laid off starting their own businesses out of necessity,<sup>45</sup> after this period of pandemic turmoil there's a very real chance the wave of disruption and innovation will continue, fueled by people who hung onto their jobs yet felt the precarity of their careers as well as by people whose pandemic experience gave them new priorities or prompted a re-evaluation of work and life.

All this to say, opportunity will not be in short supply in the coming years.



"Lost my job and started a business, a wellness brand with activations like hospitality partnerships. I recently launched a concept studio, a men's salon/art gallery where we are reimagining community, putting a modern twist on an honored tradition of civic engagement and activism."

– Darius "Sunny" Davie,  
Founder & CEO, Groom Guy;  
NFTE alum



"Entrepreneurs are the backbone of our economy. They make up the majority of job creation in the U.S. In times like this, when there's been a lot of disruption, this is when small entrepreneurial companies really thrive."

– Sam Johnson,  
EY Americas Vice Chair



# TREND #5

## Diverse Entrepreneurs Closing the Opportunity Gap

More than any other trend we're watching, this one gives us hope about what is to come in a post-pandemic world: entrepreneurship is becoming increasingly diverse. There are ups and downs in specific years but the overall trend of the past few decades has been an increase in the number of diverse entrepreneurs<sup>46</sup> in the U.S., reflecting broader demographic trends in the American population.<sup>47</sup>

To be sure, the magnitude of the work yet to be done is daunting. Building a more just and inclusive society means tackling educational disparities, increasing racial and gender diversity in leadership roles, providing more equitable access to opportunity, and closing the wealth gap, to name just a few of the challenges. But progress is being made and there are signs of tangible gains.

A new generation of diverse entrepreneurs and business leaders is emerging – and leading global companies, including major players in the finance sector, are stepping up to promote more equitable access to opportunity.

Citi,<sup>48</sup> EY US,<sup>49</sup> Mastercard,<sup>50</sup> SAP,<sup>51</sup> and other leading organizations are committing significant resources to help close the racial wealth gap and to support the growth of women- and minority-owned small businesses. There are also a host of exciting initiatives underway to encourage more investment in entrepreneurs and leaders of color. Even venture capitalists are diversifying their firms and their portfolios<sup>52</sup> in an effort to support startup founders from traditionally under-represented backgrounds.

These types of initiatives, as well as encouraging data emerging on the strong and sustained performance of minority-led startups<sup>53</sup> over the past two years, are hopeful signs.

Clearly, there are still huge hurdles to overcome. BIPOC entrepreneurs have consistently faced barriers in access to economic opportunities in general – and access to capital specifically. Systemic inequities have created a vast racial wealth gap. Entrepreneurship is never easy, but aspiring entrepreneurs from under-served and under-represented communities face additional, persistent obstacles. However, there are allies from business and industry prepared to help drive more equitable access to opportunity.



“Without financial inclusion there is no opportunity for an entrepreneur to find a way out of poverty – we must create

those opportunities for everyone in all communities and ensure the path leads to inclusive growth”

– Shamina Singh,  
President,  
Mastercard Center for Inclusive Growth



“The populations that are the most underserved, whose needs are least well met, that’s where we should most be focusing our attention... not just

because we’ll find new markets, but also by definition, we’re driving new impact.”

– Ron J. Williams,  
Head of Program Strategy,  
Citi Ventures D10X



“One of the greatest equalizers of wealth disparity is business ownership. We must maintain strong support of minority entrepreneurs to make lasting change.”

– Nit Reeder,  
EY Entrepreneurs Access Network



“Female entrepreneurs, minority entrepreneurs, and entrepreneurs from emerging markets . . . these groups get a disproportionately small

share of overall startup funding and support, but the data shows that they produce strong returns. It’s good business sense to support these entrepreneurs.”

– Ram Jambunathan,  
SVP and Managing Director,  
SAP.iO Fund

# Entrepreneurship as a Driver of Educational and Economic Equity

Together, the five trends we've observed – more interest in entrepreneurship, more educational experiences focused on entrepreneurship, new emphasis on the entrepreneurial mindset in workforce development, new opportunities coming from market disruptions, and more participation by diverse entrepreneurs – suggest that we are poised for a period of vibrant growth in the post-pandemic era.

This new wave of entrepreneurship can also be an important driver of educational and economic equity.

NFTE was founded by an entrepreneur-turned-educator who mobilized a nationwide network of teachers and youth advocates that shared his belief in the power of ownership and its potential to be transformational for young people. NFTE set out to build a generation of diverse entrepreneurs and focused its work on communities that had been historically marginalized, communities that were at risk of being left behind entirely in the innovation economy.



Our mission is perhaps more important than ever today. The pandemic has forced businesses to speed digital transformation. The pace of change in the workplace has accelerated and disruptive technologies now take hold even more rapidly. Moreover, the righteous voices of the racial justice movement have only been amplified as we've seen how communities of color were disproportionately impacted by the hardships of the past two years. It's clear that a truly inclusive post-pandemic economic recovery will require closing the wealth gap – and the opportunity gap.

Educators see firsthand how entrepreneurship learning experiences prepare students to thrive in the world beyond high school. Young people who do programs such as NFTE not only develop valuable business skills but also refine their presentation skills and increase their self-confidence. The simple act of learning how to create a business helps young people see themselves as capable and set their sights higher. As Angela Miceli, who taught NFTE classes at Holy Trinity High School in Chicago, says, "Project-based

entrepreneurship education is a game changer, particularly for the most under-served students. But it's important to help all young people develop their entrepreneurial mindset. With technological advances disrupting every industry, today's students will not have jobs if they cannot be creative and innovative."

Workforce development specialists also recognize the importance of cultivating the particular skillset NFTE calls the entrepreneurial mindset. Employers today not only welcome but urgently require skills such as critical thinking and problem solving, flexibility and adaptability, communication and collaboration, initiative and self reliance, creativity and innovation, ability to recognize opportunity, and ability to plan for and achieve long-term goals. Success in the 21st century may well depend on your ability to develop your entrepreneurial mindset.

Thirty-five years ago NFTE was pioneering the idea that ownership was essential to breaking the systemic cycle of poverty, offering youth from underserved communities a path to succeed through entrepreneurship. Today, NFTE's effort has grown into a larger movement. Allies of entrepreneurship have sprung up in the education sector, in the public policy sector, and most strikingly, across business and industry – where leading global companies are making meaningful investments in entrepreneurship education, offering new supports for minority- and women-owned small businesses, and improving access to capital for diverse entrepreneurs.

In short, we have witnessed a sea of change in attitudes about financial empowerment for diverse entrepreneurs and there is overwhelming evidence that entrepreneurship experiences change life trajectories.

Research on entrepreneurship education compiled by the Aspen Institute more than a decade ago established that young people who complete entrepreneurship programs such as NFTE are more likely to engage in learning, achieve their educational and career goals, see increased lifetime earnings, and feel greater job satisfaction. Long-term outcomes for NFTE alumni continue to prove those findings.

Moreover, NFTE alumni demonstrate that they're not just more likely to succeed themselves – they're also more likely to build generational wealth for their families, create jobs, and spur economic growth within their communities.



"Today's economy demands that students graduate from high school, earn some type of degree or credential, and develop knowledge and skills they can use in a job."

– Jean Eddy,  
President and CEO,  
American Student Assistance



"The barriers that entrepreneurs from underrepresented communities face are systemic and require robust intervention. Providing access to supportive mentors builds social capital and bolsters opportunities in ways that financial resources alone cannot match. This is imperative. Fostering inclusive entrepreneurship is vital not only to our nation's post-pandemic recovery but also to our generation's contribution toward a more just society."

– Dr. J.D. LaRock,  
President and CEO,  
Network for Teaching Entrepreneurship



Closing the racial wealth gap is one of the biggest challenges to creating a fair and equitable society, and it's critical to achieving an inclusive economic recovery.

Source: 2020 Citi GPS Report on The Economic Cost of Inequality in the U.S.

There are many reasons to be optimistic about the future of entrepreneurship education and entrepreneurship in general. One development in particular makes us deeply hopeful: more allies of entrepreneurship have come to see that equitable access to opportunity and inclusive economic growth are essential to a healthy society – and that economic growth for the good of all is inextricably tied to resiliency, sustainability, and inclusion.

Some of the most impactful examples of initiatives to promote inclusive and sustainable economic growth have emerged from business and industry. A number of leading global companies are making unprecedented investments in economic programs

with social benefit. Entrepreneurship and innovation are at the heart of many of these initiatives.

The business case for inclusive capitalism – for fostering entrepreneurship and innovation, developing diverse leaders, spurring growth in under-served communities, and ultimately expanding markets – is simply too strong to ignore. The rise of the purpose-driven company that can “do well by doing good” has made headlines in recent years. But whether big or small, established or upstart, more and more for-profit companies have recognized that “doing good” is just good business. There is great opportunity to have social impact while delivering value to stakeholders.

Valla Vakili, Managing Director and Global Head of Venture Innovation Citi, has explored this idea of elevating humanity through business. “For entrepreneurs and founders looking to build a better world,” he wrote in an op-ed for *Entrepreneur* last year, “there has never been a better time to innovate for social value.”

With the increasingly urgent need for action on issues such as climate change, racial equity, gender parity, jobs and education – and the shifting attitudes of younger generations of consumers – a majority of executives have come to believe their companies must lead with purpose. Public sentiment aligns with that. In numerous

opinion polls, the majority of Americans say that companies should lead societal change. In this moment, society faces a number of challenges that require creative, innovative solutions. As Vakili said, “The opportunity to make a difference in these areas is unprecedented, and the chance to make a healthy profit is real.”

The opportunity to make a difference holds true far beyond business and industry. Entrepreneurs are problem-solvers at heart, especially those coming out of challenging circumstances or marginalized communities. They can play a critical role not just in creating wealth but also in breaking systemic cycles of poverty.

## Leading global companies have increased their commitments to equitable, inclusive growth and expanded programs supporting diverse entrepreneurs



Through its Action for Racial Equity initiative, Citi and the Citi Foundation have invested \$1B in strategic initiatives to help close the racial wealth gap and increase economic mobility in the United States. Launched in September 2020, Action for Racial Equity is a comprehensive approach that strives to: provide greater access to banking and credit in communities of color; increase investment in Black-owned businesses; expand affordable housing and homeownership among Black Americans; and advance anti-racist practices in its company and the financial services industry. In November 2021, Citi reported that it is on track to far exceed its original \$1.1 B commitment.

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Rooted in the belief that entrepreneurship for all is a key ingredient to achieving equity, EY's Entrepreneurs Access Network (EAN) is an immersive program designed to help Black and Latino entrepreneurs transcend barriers and achieve growth. EAN links entrepreneurs to resources, networks, and coaching; connects them to EY tools, services, events, and expanded networks via an executive learning platform; and helps address the imbalance of traditional funding. The inaugural 2021 EAN Cohort included 120 founders from locations including Atlanta, the Bay Area, Boston, Chicago, Detroit, Minneapolis, New Jersey, New Orleans, New York, Philadelphia, Texas, and Washington, DC.

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The Mastercard Center for Inclusive Growth advances equitable and sustainable economic growth and financial inclusion around the world and administers the philanthropic Mastercard Impact Fund to promote inclusive growth. The pandemic created new opportunities, but also pushed many some small businesses to the brink of failure during the rapid shift to digital platforms. In response to this disruption, the Center launched *Strive* in September 2021 to strengthen the financial resilience of small businesses, support their recovery and growth, and contribute to Mastercard's global goal of bringing 50M merchants and 20M women entrepreneurs into the digital economy.

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SAP.iO No Boundaries is the first comprehensive inclusive entrepreneurship initiative in the business software industry. SAP has committed to accelerate 200+ startups with a female and/or underrepresented founder or Chief Experience Officer by 2023. Through its accelerators, SAP helps Founders and Chief Experience Officers to expand their knowledge, make connections, validate solutions, build demand, and increase visibility. Since 2019, 50% of the startups SAP.iO has worked with have a female or underrepresented Founder or CXO.

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# DEVELOPING ENTREPRENEURIAL MINDSET: OBSERVATIONS FROM THE FIELD

Experts fear many of our young people are not prepared to seize the opportunities of the 21st century. Research by the nonprofit ACT suggests only 38% percent of students who graduate high school are ready to engage in college-level coursework and only 26% percent are career ready. What skills are employers most concerned about? Complex problem solving, critical thinking, communication, and creativity.<sup>54</sup> These attributes, which NFTE defines as central to the entrepreneurial mindset, consistently top the list of the most important skills employers are looking for in new hires – and feel are missing in recent graduates.

NFTE works to better prepare youth to maximize the opportunities of the 21st century by partnering with schools and community-based organizations

to implement an innovative learning model where students develop both hard and soft skills – and not only grow their entrepreneurial mindset but also connect to a supportive community of volunteer business coaches and mentors. Through NFTE, young people:

- Develop their entrepreneurial mindset and become immersed in an authentic experience as they become entrepreneurs themselves.
- Leverage their own talents and expertise to create a business plan in their field of interest.
- Engage with NFTE volunteers, receiving business plan coaching and career advice from successful professionals.

- Begin building their own professional networks and connecting with the extended NFTE community, finding additional opportunities to support their business, education, and career goals.

One of the key takeaways from our work over the past 35 years has been that the impact of entrepreneurship education – and entrepreneurial mindset growth – can be profound. Many of our alumni success stories are naturally business startup success stories. A significant number of those who complete a NFTE program will launch at least one, and often more than one, business. That said, many NFTE alumni decide to join an organization and innovate from within, where the entrepreneurial mindset is equally critical to success.

The bottom line is that entrepreneurial thinkers are prepared to succeed no matter what path they choose. We see NFTE alumni continue to grow their businesses after they graduate high school; enter the workforce or join the military as soon as they graduate; earn college degrees or technical certificates; build successful careers and develop

strong professional networks. Many of those who achieve educational and career goals may ultimately pivot mid-career to launch a new enterprise and a significant number of NFTE alumni go on to become serial entrepreneurs.

The vast majority of NFTE alumni grow up in under-resourced communities and face systemic barriers, yet they are, as a group, more likely achieve college and career goals than their peers from low-income communities. In fact, they report higher salaries and greater career satisfaction than the general population. This is because they've found opportunities to put their innate talents to work.

Some years ago, the authors of an Aspen Institute paper on youth entrepreneurship programs<sup>55</sup> observed that there is something fundamentally empowering about the experience of building your own business – and it goes far beyond just developing business skills. Growing your entrepreneurial mindset prepares you to take ownership of your life and your future. That's certainly the case for many of those who've completed NFTE programs over the years.



“It’s no secret I hated school when I was a teenager. I could easily have dropped out if I hadn’t discovered my passion for entrepreneurship in a NFTE class. I want other young people to find what I found: a chance to feel that entrepreneurial spark and believe in their own unstoppable potential.”

– Jennifer LaSala,  
Founder & Owner,  
Jennifer Lee’s Gourmet Bakery;  
NFTE Alumna



“I remember the day I came home to find my mom crying over a bank statement. I thought I should drop out and get a construction job to help with rent. NFTE helped me see other options and develop my idea for a basketball camp. What started as a class project became my career, the way I provide for my family.”

– Andres Cardona,  
Founder & CEO,  
Elite Basketball Academy;  
NFTE Alumnus



“NFTE makes positive change happen. I want to see NFTE lead a movement to make youth entrepreneurship education more widely available. Because to see real change, to build a more just and equitable world, we need to invest in our future dreamers and doers, innovators and leaders.”

– Jasmine Lawrence,  
Founder & CEO, EDEN Bodyworks;  
Product Manager, Everyday Robots;  
NFTE Alumna



“My story is one of triumph over tragedy but it’s also about being additive to the growth of the American economy. And that began with NFTE. My mind was immediately opened when I learned what NFTE was doing with kids like me. It was critical in helping me change my life trajectory.”

– Luke Cooper,  
Founder & CEO, Latimer Capital;  
Venture Partner, Preface Ventures;  
NFTE Alumnus

While there is no one NFTE story, there are some common threads in the varied experiences of NFTE alumni. One is recognizing your own strengths, discovering a talent for business and a passion for entrepreneurship. Another is broadening your horizons, allowing you to see that you may have many more options in life than you'd imagined. And perhaps the most important is growing your entrepreneurial mindset. The entrepreneurial mindset is a skillset that leads to success in school, in business, and in life.

- Entrepreneurship and mentoring programs helped NFTE alumnus **Rodney Walker** overcome a traumatic childhood, a failing foster system, and failing schools on Chicago's Southside. The process of building his own business as a NFTE student and connecting with volunteer business coaches and mentors from the community while he was in high school were key to taking control of his future. That experience allowed Walker to recognize the resilience within himself and build a life as an Ivy League scholar, educational consultant, and best-selling author.
- As a teen, NFTE alumna **Dr. Jessica Cervantes** tapped her entrepreneurial smarts to build her NFTE student business into a commercial success that would finance college and medical school. Inspired by her NFTE class – and baking lessons with her grandmother – she came up with the idea for PopsyCakes. Cervantes, who emigrated from Cuba as a child, grew her Miami-based business into a familiar South Florida brand then sold it to a large national distributor and went on to finish her studies, eventually completing her medical residency at Harvard.
- Experiencing poverty and homelessness as a child fueled her drive to launch a business, but fashion designer **Zoe Damacela** credits her success to developing the entrepreneurial mindset as a NFTE student. Before she finished high school, she'd launched a clothing line, appeared on a PBS Kids special, graced the cover of Seventeen Magazine, been interviewed by Oprah, appeared on the TED stage, been named to Crain's 20 in their 20s (though she was just 17 at the time), and received an invitation to the White House. Zoe was recruited as soon as she graduated from Northwestern University and became one of the youngest senior designers at Macy's.
- NFTE alumnus **Andres Cardona** was the captain of his high school basketball team and a good

student with prospects for college scholarships when his mother lost her job. He didn't want to drop out but felt he needed to help support his family. His NFTE business idea turned things around. He started a basketball skills camp and grew that first coaching gig into the business he has today, which serves hundreds of young people, creates jobs in his community, and generates seven-figure revenue. Along the way he finished college, collected awards from the Entrepreneur's Organization and EY US, and was recognized with the Governor's Young Entrepreneur Award in the state of Florida.

- NFTE alumna **Christina Williams** took refuge in public libraries as a teen. It was one of the ways she remained resilient during periods of poverty and homelessness in Los Angeles. When she and her mother were living in their car, Christina scribbled stories in her notebook – and developed a merchandising plan. At the end of her NFTE class, she entered a business competition and won \$7,000 in seed capital to publish the first book in her young adult fiction series "Scribble," which follows the adventures of a teenaged Caribbean-American girl who fights bullies in a secret life as a superhero. In 2018, Williams wowed the crowd as a student speaker at the EY Strategic Growth Forum. Four years later, she writes about campus politics for the Daily Bruin at UCLA and will soon graduate with a degree in journalism.
- At the age of 12, **Luke Cooper** testified in a trial that sent his father to prison. Just 12 years later, as a young lawyer, he helped his father get parole. Entrepreneurship and mentorship helped him chart a course that took him far from the drug-ridden Bridgeport housing project where he grew up. Cooper helped launch several successful startups before he founded Fixt, where he raised \$4M in venture funding. He later sold Fixt to Assurant, a \$10B Fortune 500 leader, and went on to found Latimer, an enterprise that connects Black innovators to corporate investment opportunities.
- Growing up in El Salvador, NFTE alumnus **Juan Ramos Fuentes** watched his mother sell fruit on the street to provide for her family. When he immigrated to the U.S., he didn't know English or understand American culture, but he took advantage of every opportunity he could, including NFTE. When he graduated high school he was named an EY Entrepreneur of the Year

Youth Scholar and a Gates Millennium Scholar. He later interned for UnitedHealth Group and Bazaarvoice, and eventually joined Facebook full time as a Data Engineer.

- When a stock market crash derailed the finance career of NFTE alumna **Angela Ivana**, she found herself making a surprising pivot – and drawing on the lessons she'd learned building a catering business as a NFTE student in Boston. Ivana re-invented herself and built a successful practice as a freelance makeup artist with film and stage credits, then took her startup Cosmosafe through the NYU Steinhardt Edtech Accelerator program, securing seed funding for an innovative business offering beauty professionals the resources to upskill and adapt to industry disruption.
- NFTE alumna **Jennifer LaSala** didn't think she was learning anything relevant in high school. Then she walked into a NFTE classroom and the idea of owning her own company lit a fire in her. At 17 she launched her first business and at 26 she was named Massachusetts Entrepreneur of the Year and then New England Entrepreneur of the Year by the Small Business Administration. She's built a successful gourmet bakery brand with outlets in two cities and a growing mail order business.

- After suffering hair loss from harsh chemical treatments, **Jasmine Lawrence** created her own line of natural hair care products in her family's kitchen. She launched EDEN BodyWorks as a 13-year-old NFTE student and her products were soon on the shelves of national retailers and she was fielding interviews on national television. Lawrence, who is now a NFTE Advisory Board member, continued to run her multi-million-dollar company while building a successful career in tech. She held positions at Microsoft, Facebook, and SoftBank Robotics America before becoming Product Manager for Everyday Robots, a project of X, the moonshot factory.

These are just a few examples of what we see in case after case. The work-based entrepreneurship education and mentoring experiences NFTE provides help young people recognize their own strengths, broaden their perspective, empower them to take control of their lives, inspire them to aim higher, and equip them with the skills they need to succeed. NFTE programs can even re-engage students at risk of tuning out, if not dropping out, by making learning more relevant. In short, entrepreneurship education can be the springboard that launches lifelong learners and achievers.



# MEASURING ENTREPRENEURIAL MINDSET: RESEARCH FINDINGS

The NFTE Entrepreneurial Mindset Index® (the EMI) was designed to measure mastery in eight core domains that have been identified as critical to entrepreneurs and industry broadly – and the development of entrepreneurial mindset is the heart of the NFTE experience. Students take the EMI at the start of a NFTE course (the “Pre” survey) and then again at the end of the course (the “Post” survey) so they can see how much they have grown in each mindset domain. NFTE has been collecting EMI scores for more than six years and has a robust database for analysis.

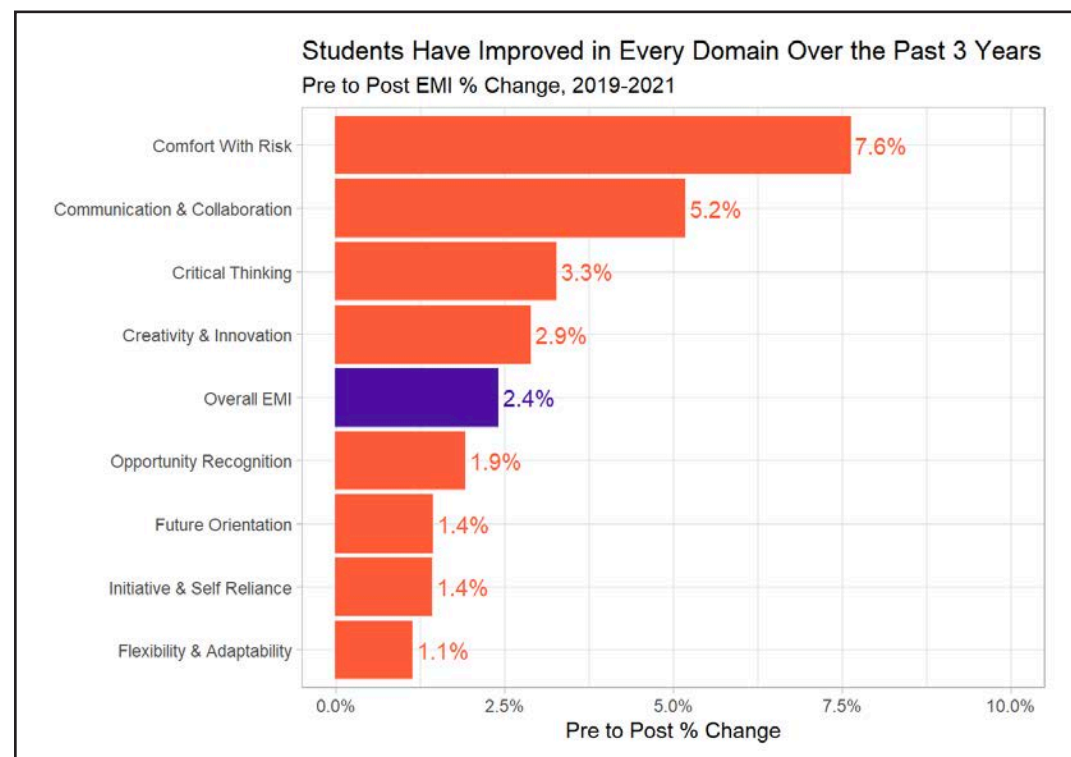
The most exciting conclusion we draw from analyzing NFTE EMI data is that entrepreneurial mindset growth correlates with college and career readiness and thus is a strong indicator of post-secondary success.

## EMI Data Trends in NFTE Students

NFTE administers the EMI to thousands of students every year and each year, consistently, observes growth in each mindset domain from Pre-to-Post. When we explore how students performed across several comparison metrics, we see that NFTE students steadily grow their entrepreneurial mindsets and their entrepreneurial self-efficacy.

Figure 1 shows the average gain from Pre to Post for the past three years, in overall scores and in each of the eight domains individually. This demonstrates that students’ mindsets consistently increased and NFTE programs had a positive influence despite the challenging circumstances of the last two years.

Figure 1



It’s also interesting to note that in these growth comparisons, there was no association between gains on the content knowledge assessments NFTE administers and EMI scores. Content knowledge is undoubtedly important for entrepreneurship, but it does not seem to overlap with developing an entrepreneurial mindset. This suggests that the entrepreneurial mindset is a malleable and distinct toolkit of skills that can be developed outside the realm of youth entrepreneurship.

When splitting the data into respondents that self-identified as female versus those who self-identified as male, some interesting and consistent trends emerge. Figure 2 below maps the Post EMI scores of female respondents (orange) versus those of male respondents (purple). In all except one domain, female students have higher Post EMI scores than the male students.

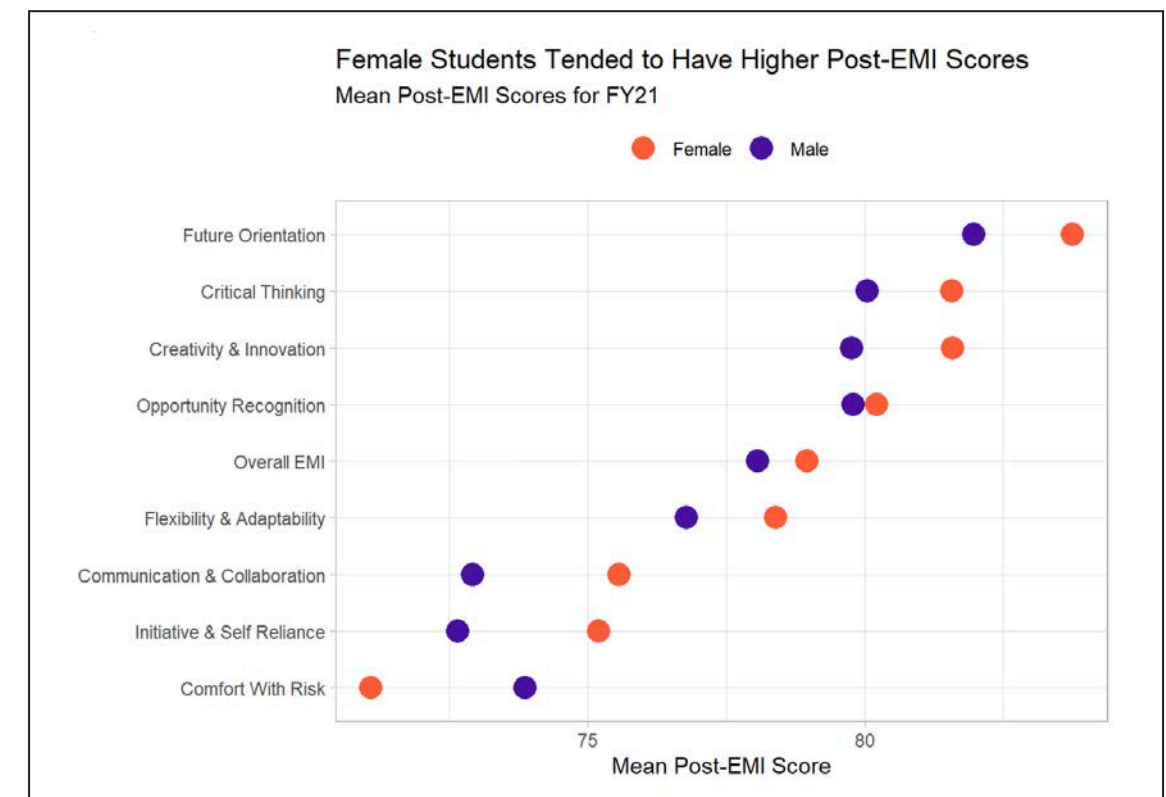
Women have historically been underrepresented in entrepreneurship, and yet EMI results have shown that across almost every domain, our female students developed a stronger and more robust entrepreneurial mindset than their male

counterparts. The one exception to this has been in the “comfort with risk” domain, where male students score higher, a finding that might partially explain why men have been more likely in the past to actually start businesses. However, this data highlights the importance of exposing young women to entrepreneurship and programs like NFTE from an early age to encourage them to follow entrepreneurial career paths.

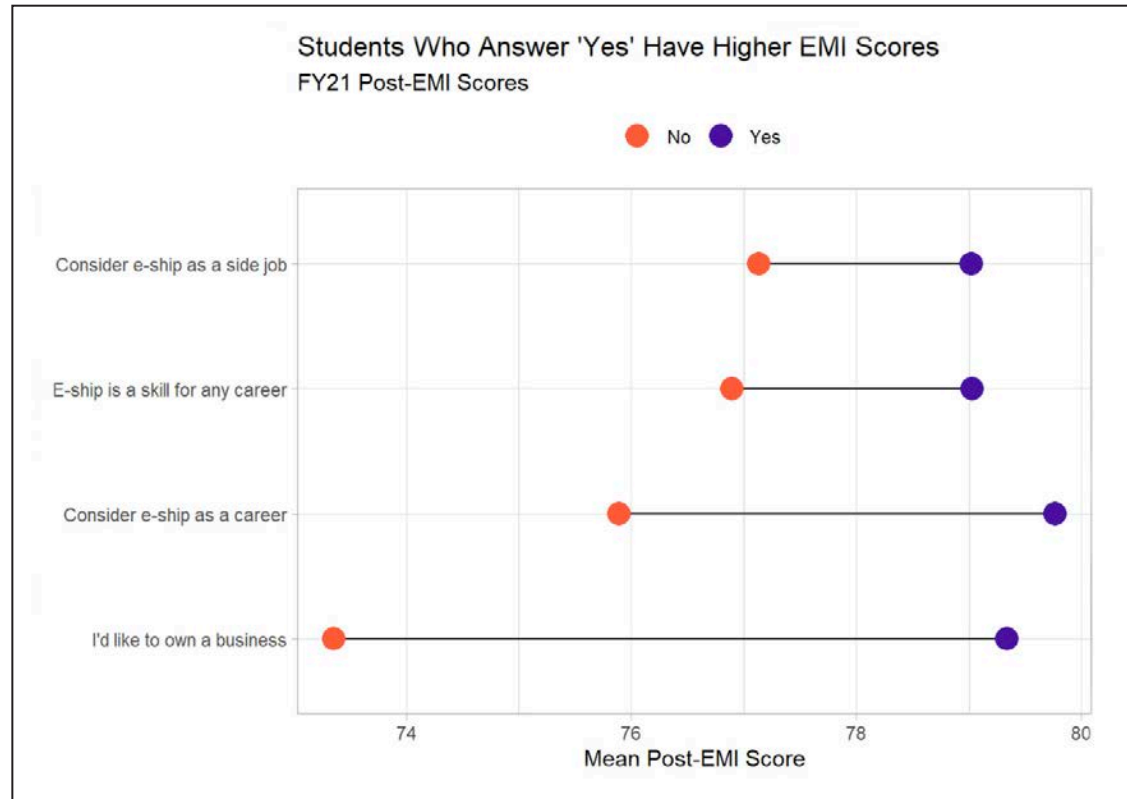
The EMI is not just an abstract concept but something that relates to real careers in entrepreneurship and businesses. NFTE’s data finds that students who score higher on the EMI are also more likely to favor the idea of being an entrepreneur and feel more confident in their ability to start a business.

Figure 3 below shows a correlation between students who express interest in becoming an entrepreneur and EMI scores. Figure 4 shows that NFTE programs help shift students’ beliefs about their ability to start a business. This data taken together demonstrates that NFTE programs help grow mindsets and steer many students toward being entrepreneurs.

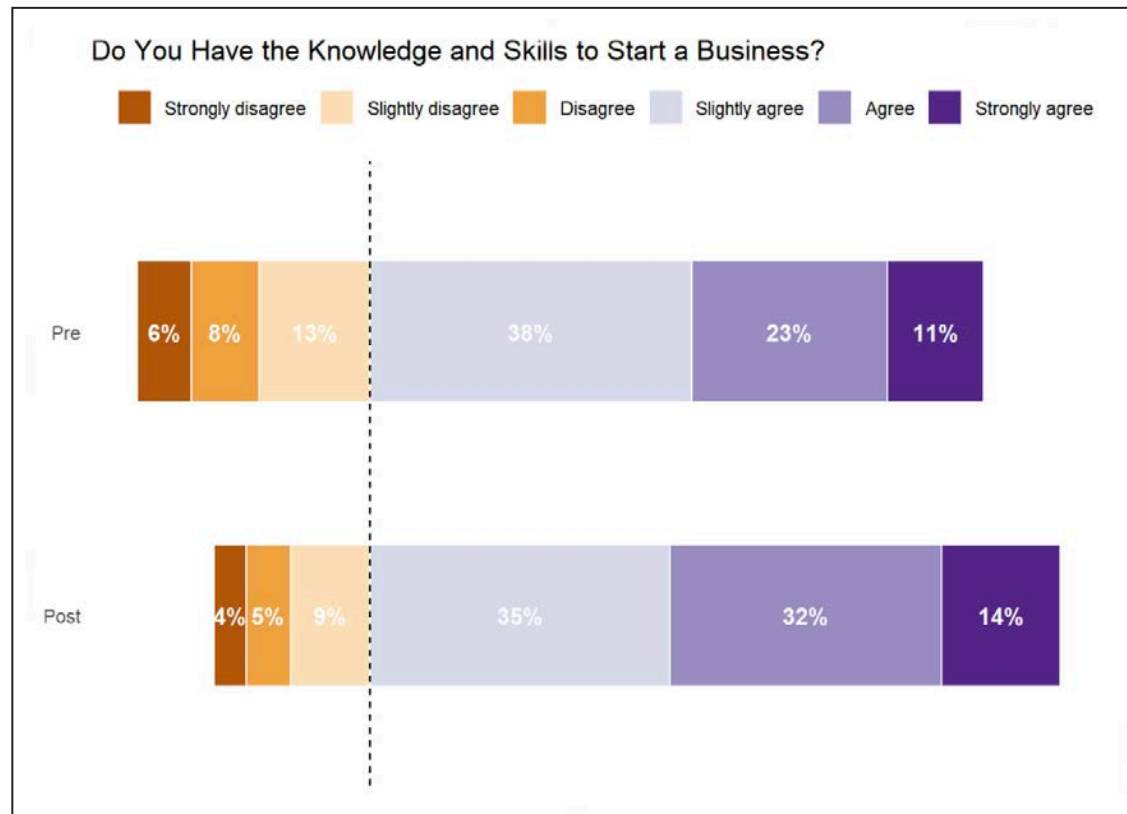
Figure 2



**Figure 3**



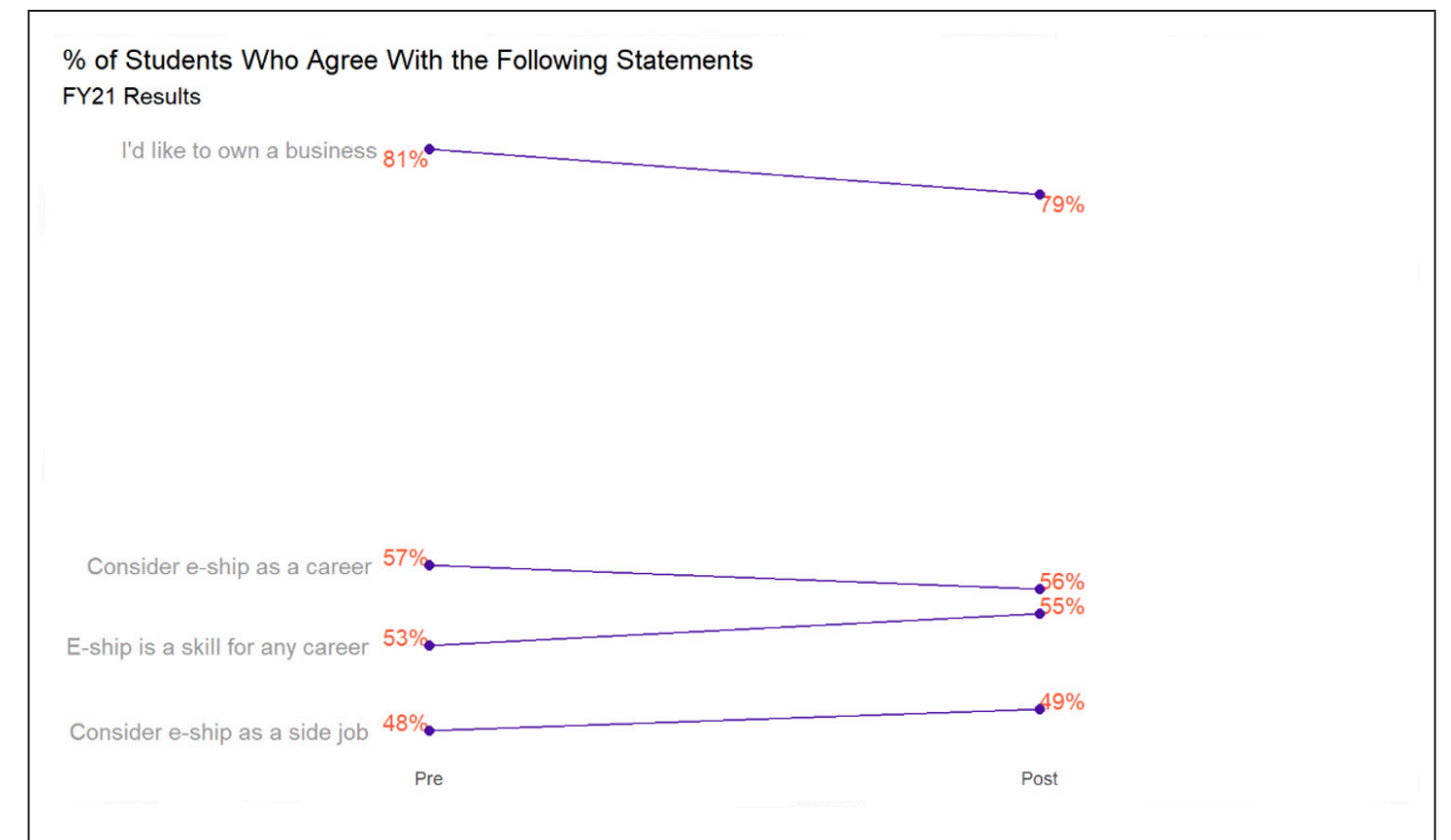
**Figure 4**



As we've seen, NFTE produces many positive benefits in students' mindsets and beliefs about entrepreneurship. However, some students leave NFTE *less* interested in being an entrepreneur than when they came in. They've come to understand that entrepreneurship is not always as glamorous as advertised. It entails hard work and can result in unstable incomes. NFTE programs give students a realistic view of entrepreneurship – *before* they take on major risks. Some find that a career in entrepreneurship is not for them. As an increasing number of Gen Z youth aspire to become entrepreneurs,<sup>56</sup> it's imperative for them to have entrepreneurship experiences such as NFTE to help them understand what it actually takes to plan, build, and launch a business.

Additionally, those who know someone who is self-employed have an average score of 79.6, while those who do not have an average score of 78.7, which tends to suggest that students are more likely to become entrepreneurs if they can see what it means to think and act like an entrepreneur.

**Figure 5**



## EMI Data Trends in Non-NFTE Populations

Over the past few years, NFTE has expanded the administration of its EMI assessment to populations outside of the NFTE classroom. The purpose behind this was to test its effectiveness as a tool for a wider audience beyond the youth served in NFTE programs, and also to allow us to identify broader trends and explore comparisons between NFTE youth and other populations.

When analyzing EMI scores based on gender, we see similar trends among NFTE students and non-NFTE respondents. Those that self-identified as female had a higher average score when compared to those who self-identified as male (79.4 versus 78.9).

While these numbers are closer than in the NFTE student comparison data, it mirrors what we saw with NFTE students: despite being underrepresented in the number of actual business startups, women outperform men on measurements of entrepreneurial thinking.

When sorting average EMI scores by profession (Table 1), we see that entrepreneurs have the highest EMI scores by a small margin. Professors and business professionals also round out the top three highest average EMI scores. While one might expect the business professionals to be included, the presence of professors in the top three suggests that EMI scores are an important key to success in a number of fields.

**Table 1, Average EMI Scores by Industry/Affiliation**

| Affiliation                           | Average EMI Score |
|---------------------------------------|-------------------|
| Entrepreneur                          | 83.4              |
| Professor                             | 83.0              |
| Business Professional                 | 82.3              |
| K-12 Educator (NFTE)                  | 81.3              |
| Other                                 | 81.2              |
| K-12 Administrator/Leader             | 80.9              |
| K-12 Educator (non-NFTE)              | 80.6              |
| Undergraduate/Graduate Student        | 79.9              |
| Higher Education Administrator/Leader | 79.1              |
| K-12 Student                          | 76.5              |

In Table 2, you can see the highest scored EMI domains and lowest scored EMI domains for the different industries of the respondents. An interesting trend to note is that every profession scored lowest on “Comfort with Risk” – with the exception of entrepreneurs. This higher tolerance for risk could explain why actual entrepreneurs start a business over others, and it may suggest the need to give workers more entrepreneurial experiences before they enter the workforce.

**Table 2, Highest and Lowest EMI Scores by Industry**

| Industry               | Highest Scores   | Lowest Scores   |
|------------------------|--|---|
| Entrepreneurs          | <ul style="list-style-type: none"> <li>• Creativity &amp; Innovation (89.1)</li> <li>• Critical Thinking &amp; Problem Solving (88.7)</li> <li>• Future Orientation (87.67)</li> </ul> | <ul style="list-style-type: none"> <li>• Initiative &amp; Self Reliance (76.9)</li> <li>• Communication &amp; Collaboration (78.1)</li> </ul> |
| Business Professionals | <ul style="list-style-type: none"> <li>• Critical Thinking &amp; Problem Solving (89.7)</li> <li>• Creativity &amp; Innovation (86.5)</li> <li>• Future Orientation (85.2)</li> </ul>  | <ul style="list-style-type: none"> <li>• Comfort with Risk (74.608)</li> <li>• Communication &amp; Collaboration (78.9)</li> </ul>            |
| Professors             | <ul style="list-style-type: none"> <li>• Critical Thinking &amp; Problem Solving (90.3)</li> <li>• Creativity &amp; Innovation (88.5)</li> <li>• Future Orientation (87.7)</li> </ul>  | <ul style="list-style-type: none"> <li>• Initiative &amp; Self Reliance (75.6)</li> <li>• Comfort With Risk (78.6)</li> </ul>                 |
| NFTE Educators         | <ul style="list-style-type: none"> <li>• Future Orientation (88.4)</li> <li>• Critical Thinking &amp; Problem Solving (87.3)</li> <li>• Creativity &amp; Innovation (85.1)</li> </ul>  | <ul style="list-style-type: none"> <li>• Communication &amp; Collaboration (72.7)</li> <li>• Comfort With Risk (75.2)</li> </ul>              |

To highlight one last data point around the EMI scores of non-NFTE students, the following chart shows the average EMI scores by the respondent’s country of origin. The data is sorted to show the fifteen countries with the top scores. Since respondents did not take the EMI assessments in a consistent environment, it is hard to draw any firm conclusions from the data, but NFTE's experience fielding inquiries from potential international partners in recent years suggests there is a deep interest in and need for entrepreneurship programs across the globe.

| Country of Origin    | Average EMI Score |
|----------------------|-------------------|
| Rwanda               | 93.1              |
| Australia            | 90.2              |
| Saudi Arabia         | 89.2              |
| Liberia              | 88.7              |
| Iraq                 | 88.6              |
| Zambia               | 88.3              |
| Nigeria              | 88.1              |
| Ethiopia             | 87.5              |
| Bermuda              | 87.2              |
| United Arab Emirates | 86.3              |
| Netherlands          | 86.0              |
| Romania              | 86.0              |
| Vietnam              | 85.4              |
| Brazil               | 85.0              |
| Ghana                | 84.9              |

**Table 3, Average EMI Scores by Country**

## EMI Data Trends in NFTE Students vs Non-NFTE Populations

Some interesting comparisons can be made between the two datasets. In Table 4, you can see the average Post EMI scores for NFTE students compared to the same scores for entrepreneurs for each of the eight domains. As expected, the average scores for the adult entrepreneurs are higher than the students due to their age and level of experience. However, it is important to note the growth that students achieve in NFTE's programs as demonstrated by this data.

For example, like the rest of the non-entrepreneur population, students tend to come into the programs scoring lowest on comfort with risk. However, this is also where they tend to show the most growth. This, in some ways, captures the essence of NFTE programs: Students come in thinking one way about themselves, but through the NFTE experience, begin to develop more positive beliefs about their entrepreneurial potential.

**Table 4, Average EMI Domain Scores of NFTE Students vs Entrepreneurs**

| Mindset Domain                      | NFTE Student Average | Entrepreneur Average |
|-------------------------------------|----------------------|----------------------|
| Communication & Collaboration       | 70.6                 | 78.1                 |
| Comfort with Risk                   | 69.7                 | 81.2                 |
| Critical Thinking & Problem Solving | 76.9                 | 88.7                 |
| Future Orientation                  | 79.9                 | 87.7                 |
| Opportunity Recognition             | 76.4                 | 86.3                 |
| Creativity & Innovation             | 77.5                 | 89.1                 |
| Flexibility & Adaptability          | 75.8                 | 79.1                 |
| Initiative & Self-Reliance          | 72.0                 | 76.9                 |

This trend can be further observed when comparing the Post EMI scores of NFTE students to those of respondents across different industries (Table 5). In addition to the observations around NFTE students seeing the most growth in the "Comfort with Risk" domain; NFTE students share the same three highest scoring domains with entrepreneurs and other business professionals (Creativity & Innovation, Critical Thinking & Problem Solving, and Future Orientation). This data suggests that the NFTE program sets students on a trajectory of thinking and acting like an entrepreneur.

**Table 5, Average EMI Domain Scores by Industry/Affiliation**

| Mindset Domain                      | Professors | Entrepreneurs | Business Professionals | NFTE Educators | NFTE Students |
|-------------------------------------|------------|---------------|------------------------|----------------|---------------|
| Communication & Collaboration       | 79.1       | 78.1          | 78.9                   | 72.7           | 70.6          |
| Comfort with Risk                   | 78.6       | 81.2          | 74.6                   | 75.2           | 69.7          |
| Critical Thinking & Problem Solving | 90.3       | 88.7          | 89.7                   | 87.3           | 76.9          |
| Future Orientation                  | 87.7       | 87.7          | 85.2                   | 88.4           | 79.9          |
| Opportunity Recognition             | 85.2       | 86.3          | 82.8                   | 82.8           | 76.4          |
| Creativity & Innovation             | 88.6       | 89.1          | 86.5                   | 85.1           | 77.5          |
| Flexibility & Adaptability          | 78.8       | 79.1          | 80.7                   | 79.4           | 75.8          |
| Initiative & Self-Reliance          | 77.5       | 76.9          | 79.9                   | 80.0           | 72.0          |

In addition to the growth seen in their mindset, NFTE students leave the NFTE program with their interest in entrepreneurship and their own entrepreneurial self-efficacy scores very similar to those of the non-NFTE respondents to the EMI – a group that naturally has high interest in entrepreneurship.

- 80% of non-NFTE respondents stated that they would like to own a business, compared to 79% of NFTE students at the end of their entrepreneurship course.
- Of the non-NFTE respondents, 47% agree or strongly agree that they have the knowledge and skills to start their own business, compared to 46% of NFTE students at the end of their entrepreneurship course (an increase from 34% at the start of the course).

These data points continue to reinforce that after participating in the NFTE program, NFTE students are on a trajectory similar to that of an entrepreneur and feel as prepared to start a business as non-NFTE respondents – a group that includes entrepreneurs, teachers, and others interested in the field.



## Key Takeaways

A few key findings emerge from this data:

- NFTE students demonstrate consistent entrepreneurial mindset growth and increased confidence in their ability to start a business. While recent studies of Gen Z attitudes indicate that the majority of young people today say they are interested in starting a business, NFTE students may be among the most prepared to do so.
- NFTE students build skills that have been identified as critical for workforce development today and for the careers of the future. NFTE programs not only increase overall college and career readiness, they prepare learners for the future of work<sup>57</sup> and help them develop some of the most sought-after skills employers look for in new hires.<sup>58</sup> NFTE students demonstrate more development in the domains of the entrepreneurial mindset than the general population and are better prepared to achieve success as entrepreneurs or as "intrapreneurs" innovating within an organization.
- NFTE programs reduce inequities in education and the workforce in two ways:
  - o NFTE programs reduce the opportunity gap for students from under-resourced communities. This is significant at a time when an estimated 38% of young people are not adequately prepared for post-secondary success.
  - o NFTE programs provide consistent educational experiences across genders. NFTE students who are young women are able to make tremendous gains in entrepreneurial mindset skills when compared to their male peers. This suggests that providing girls with early exposure to entrepreneurship can accelerate gender diversity among entrepreneurs.

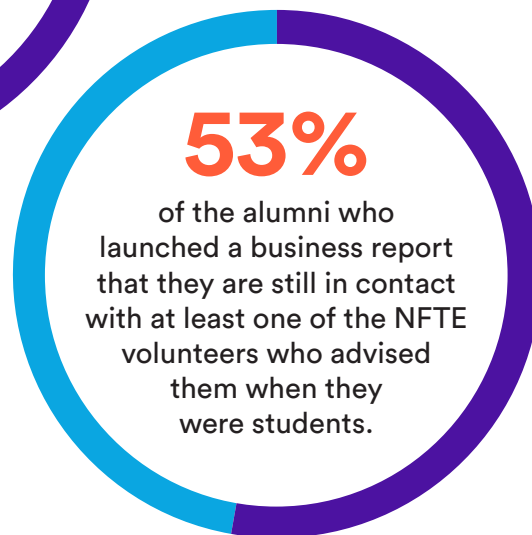
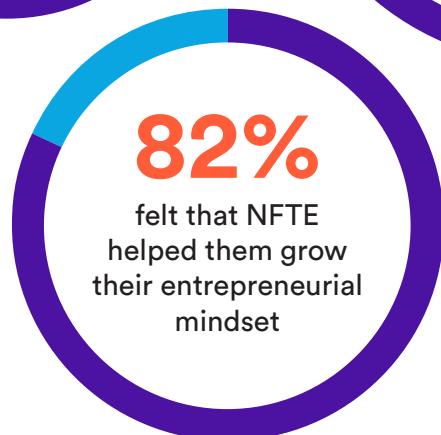
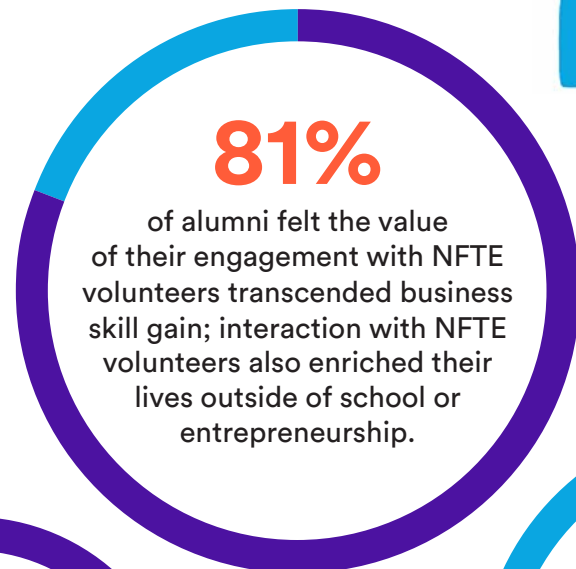
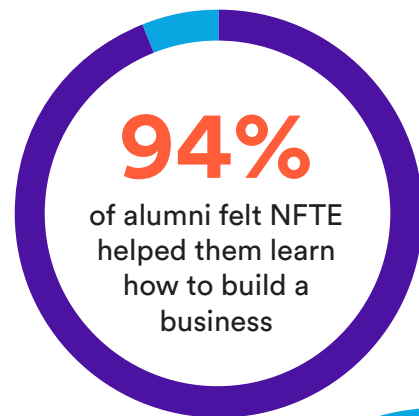
# APPLYING THE ENTREPRENEURIAL MINDSET: THE NFTE EXPERIENCE

NFTE's most recent Program Alumni Survey (December 2021) looks at the self-reported experience of a diverse sampling of young alumni, but primarily those who graduated high school within the past few years (73% of the sample completed high school between 2014 and 2020, and approximately 20% had already earned a college degree). The responses, which were generally consistent with similar alumni surveys completed in 2013 and 2016, support the conclusion that youth entrepreneurship education leads to more successful outcomes – in business and in life.

Overwhelmingly, program alumni reported high levels of satisfaction with their NFTE courses and indicated their NFTE training not only helped them grow their entrepreneurial mindset but also helped them with their emerging businesses.

## 96%

of alumni said that engagement with NFTE volunteers was a valuable aspect of their NFTE experience. A significant number stay in touch with the volunteers they met as students, in many cases benefitting from sustained mentorship.



**When asked about their favorite NFTE memories, many program alumni cited experiences they had with volunteers:**

*“Speaking with volunteers coming from Santander Bank and other firms to pitch my idea and hear feedback on the content of my presentation.”*

*“Late night visits with NFTE volunteers at AppNexus while working on our startup business. I felt so capable and like I belonged in tech.”*



Among the survey respondents who own their own businesses, nearly half (49%) reported that they were running the business they started as a NFTE student and more than half (55%) reported that their businesses were profitable in 2020, even as the pandemic created challenging conditions for small businesses.



Those who are full-time, salaried employees reported average salaries significantly higher than their peers (similar age cohorts from low-income communities) and at least 10% higher than the U.S. national median salary – even though the majority of respondents are still in the early stages of their careers and come from communities with persistent opportunity gaps.



More than 75% of alumni reported high or very high levels of career satisfaction in 2021, putting them far ahead of average and exceeding even the 20-year highs reported by the Conference Board in their 2020 and 2021 Job Satisfaction Surveys.<sup>59</sup>

# CONCLUSION

The evolving workplace, the rapidly increasing pace of innovation, newly disruptive technologies, a long-overdue social justice movement, two years of pandemic-induced lifestyle changes, and the added uncertainty of rampant inflation – a number of forces have led us to this unprecedented moment, when so many people are facing precarity or reconsidering the type of work they do. Many of us are questioning the personal and professional choices we've made and reflecting on what can be done differently or done in entirely new ways.

But the same forces that bring us to this inflection point are also catalysts creating new opportunities for businesses and workers, for current and would-be entrepreneurs alike.

A few years ago, tech entrepreneur Steve Case advanced the idea that the next big wave of technological disruption was on the horizon and argued that when this tsunami hit, it would result in deep economic and societal disruption. In a nod to the influence of futurist Alvin Toffler, he dubbed it the "Third Wave" – a period of accelerated disruption that could ultimately transform every sector of the economy and change the way we live. In this Third Wave, he surmised, "success will require a very different skill set" and "corporate recruiters need to be working overtime hiring and retaining and celebrating and protecting the innovators within their walls."

For Case, the future of innovation and entrepreneurship was even more exhilarating. He looked beyond Silicon Valley and saw potential for the "rise of the rest" – a diverse wave of innovators and entrepreneurs launching startups in communities that were historically marginalized. "The rise of the rest," he wrote, "can mean diversity of opportunity. It can mean breaking the cycle of money flowing to the same kinds of people for the same kinds of ideas. And it can mean lowering the barrier to entry across the board for entrepreneurs; no matter their background or geography."<sup>60</sup>



"I founded Cadre after working at some of the most significant financial firms in the world. What I saw only strengthened my conviction that we must crack open the way we invest and spread opportunity more evenly. Why are the greatest wealth-building opportunities reserved for those who are already the wealthiest? We, as a society, just can't afford to keep doing business this way. Not only are we perpetuating a wealth gap, we're also wasting the untapped potential of diverse entrepreneurs."

– Ryan A. Williams,  
Co-Founder and CEO, Cadre  
and NFTE Alumnus

What Case wrote in 2017 may be even more compelling now. As the dark clouds of pandemic and recession clear, there is reason to be hopeful we are indeed on the brink of "the rise of the rest" – a transformation that will distribute opportunities more widely and create greater opportunity overall. We are already seeing, as Case predicted, "more people starting more companies to solve more problems and seize more opportunities." For those of us who work with aspiring entrepreneurs, it's easy to believe, as Case did, that "the leaders behind these emerging companies will end up being the most diverse group of CEOs ever."

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Network for Teaching Entrepreneurship (NFTE) is a global nonprofit that provides high-quality entrepreneurship education to middle and high school students from under-resourced communities, as well as programs for college students and adults. NFTE will reach 50,000+ students this academic year, with programs in 25 states across the U.S. and in 18 other countries. Since our founding in 1987, we have educated thousands of adult learners – and well over a million young people, through in-school, out-of-school, college, and summer camp programs, offered both in person and online. To learn more about how we are fueling inclusive economic growth by building the next generation of diverse entrepreneurs, visit [www.nfte.com](http://www.nfte.com).

For more information, contact:

**Jane Walsh**  
*Senior Vice President, Advancement*  
Network for Teaching Entrepreneurship  
(212) 232-3333  
[JaneW@nfte.com](mailto:JaneW@nfte.com)

