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what works

Nifty Success
**Teaching inner-city kids business skills to
build their confidence and aspirations.**

By Leslie Berger

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Stanford Social Innovation Review
518 Memorial Way, Stanford, CA 94305-5015
Ph:650-725-5399. Fax: 650-723-0516
Email: info@ssireview.com, www.ssireview.com



PROGRAM DEVELOPMENT

Nifty Success

Teaching inner-city kids business skills to build their confidence and aspirations *by Leslie Berger*



Students present their business plans in competitions, and are rewarded with up to \$2,000 to start their own companies.

It's been more than four years since Jan Baker took a course sponsored by the National Foundation for Teaching Entrepreneurship (NFTE) at her high school in the Bronx, but the knowledge and contacts she picked up there arguably carried her into adulthood.

The tie-dye T-shirt business that began as a class project called Big Pimpin' grew into Jhanjae Style Image Consulting, a hairdressing, personal shopping, and dressmaking service that netted Baker, the youngest child of Jamaican immigrants, more than \$20,000 over three years. Those earnings helped pay her tuition at Marymount Manhattan College, as well as her off-campus living expenses.

Whenever she was tempted to quit school, emotionally drained by her studies, her work, and her commute, it was a NFTE mentor who persuaded Baker to stay. Even now, as a self-supporting 21-year-old with a bachelor's degree in marketing and moxie to spare, she credits the principles learned through Nifty, as it's called, with her success so far.

"I've been able to apply my Nifty lessons to my life – time management, budgeting my money," Baker said recently as she juggled tasks in the alumni division of the foundation's Wall Street headquarters, where she now works full time. "I realized I couldn't go out to eat every night, I had to cook. It

made me a more disciplined person, definitely."

NFTE's origins are near legendary in the world of youth development. The foundation began in 1987 when financial analyst-turned-remedial high school instructor Steve Mariotti decided his true calling was teaching teens the basics of business. Diagnosed with dyslexia in high school and deeply humiliated by a mugging when he was a young businessman in New York, Mariotti identified with his underprivileged, often learning-disabled students despite his own middle-class upbringing and MBA from the University of Michigan. As a teacher at Jane Addams High School for Academics and Careers in the Bronx, he'd found that the building blocks of business were a great way to teach math and communication skills, especially to kids uncomfortable with academics.

A refugee from the Ford Motor Company and its corporate caste system, Mariotti also understood the appeal of being one's own boss. He still believes that owning a small business is the poor man's ticket to upward mobility. "Starting a business is a very political act," he said. "The Civil Rights movement would be much farther along if we'd focused on leveraging and increasing the building of small businesses." Today, Mariotti's pioneer class on entrepreneurship at Jane Addams is the template for courses managed through eight regional NFTE offices in the United States; Argentina, Belgium, and China are among the 10 countries in the organization's growing international network.

After 17 years, NFTE has an \$8 million annual budget and a well-honed method estimated to reach 20,000 students this year. Whether alone or with a partner, it targets schools and afterschool programs in low-income, urban neighborhoods. Next, it recruits teachers already working at those sites and provides them with rigorous, though unpaid, training in three- to five-day conferences. (A recent keynote speaker was Dr. Mel Levine, the guru of recognizing and educating kids with learning disorders.) The foundation then provides textbooks, lesson plans, ongoing advice, guest speakers, and up to \$50 for each student to spend on wholesale items to be somehow used in a business of their own – the culminating project of the course.

Seventeen-year-old Khadijah Rogers, for example, bought the raw materials for rhinestone bracelets she makes, an enterprise she plans to continue even after she enters Loyola



University in New Orleans this fall. “I was collegebound already, but Nifty pushed me further. During my college search Nifty wrote recommendations on my behalf, and colleges really looked at that,” said Rogers, who graduated in June from Harlem’s Frederick Douglass Academy.

Students present their business plans in competitions, and NFTE rewards winners with corporate internships, college scholarships, and up to \$2,000 in seed money to develop their businesses. The foundation also runs summer BizCamps and an online version of its course, BizTech, designed with the Microsoft Corporation (one of its major underwriters, having given NFTE \$2 million since 1997). But it’s the foundation’s down-to-earth curriculum that remains a cornerstone of its success, according to teachers, students, and experts. “It’s hands-on, interactive, fun,” said Andrew B. Hahn, a Brandeis University professor who studied the program a decade ago.

In a series of lessons called the “Nifty Fifty,” the course covers everything from the different types of businesses (service, manufacturing, wholesale, retail) to intellectual property and the differences between public and private companies. It encourages students to focus on something they’re good at and enjoy doing – braiding hair, designing clothes, playing or recording music – and recognize it as a potential moneymaker. Class activities include a game that illustrates the benefits of international trade, another game involving business negotiation skills, and using ordinary items like a turkey sandwich to break down the cost of goods and labor when selling a product.

NFTE is big on field trips, too. In New York, the most popular one involves a buying expedition to the wholesale district in Midtown Manhattan. (In cities without a wholesale district, this “trip” often involves shopping online for wholesale goods.) The kids then resell the items, or assemble them into their own products such as jewelry, and see how much profit they can turn. “One girl made \$400,” recalled Jim Mills, who teaches the course at Jane Addams. “She bought belts, rings, watches, special socks – all kinds of unusual things.”

Another typical field trip involves a walk around the neighborhood to meet local businesspeople. In the Washington Heights section of Manhattan last spring, students met a street vendor who cooks a popular red bean soup for her largely Dominican clientele. The woman takes in between

\$300 and \$500 a day, enough to allow her to winter in the Caribbean, said Winslow Jones, who teaches NFTE in an afterschool program run by the nonprofit community group Alianza Dominicana Inc.

“It was good for learning that the small-business person can make a lot of money also,” Jones said.

Anecdotal praise for the program has been borne out in two academic studies. Hahn’s 1993 assessment, for the Heller Graduate School of Social Policy and Management at Brandeis, found that 33 percent of NFTE graduates surveyed were still running their own business six months after completing the program, most of them making enough money to pay themselves a monthly salary. It also showed that 70 percent of older NFTE graduates had gone on to post-secondary education, a higher percentage than the national average for graduating high school seniors.

And a current, longitudinal study being conducted by the Harvard University Graduate School of Education is showing similarly encouraging results. During the study’s first phase, the 2001-2002 school year, researchers found that both the level of interest in college and occupational aspirations increased dramatically in NFTE students, surpassing the comparison group. (College interest grew 32 percent, and occupational aspirations rose 44 percent among the NFTE

students.) During the 2002-2003 school year, healthy increases were also documented in the areas of business activities, leadership and initiative, and “locus of control,” the belief that one’s own actions account for success rather than outside forces. This past academic year, the researchers began collecting follow-up information.

“When combining these findings, we see an emergent profile of NFTE students expanding their future occupational aspirations, taking initiative within their present circumstances, and taking on leadership roles in their lives,” the authors wrote in a September 2003 status report. “Although these findings need to be replicated through subsequent waves of study with larger samples of students before we can confidently stand behind them, the emerging picture is highly encouraging.”

Stephanie Bell-Rose, president of the Goldman Sachs Foundation, one of NFTE’s major underwriters, cited the

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recent research as evidence that the foundation's programs "not only teach students the basics of running a business, but also enhance their interest in academic subjects, promote the development of broadly applicable leadership skills, and encourage a 'success' orientation and outlook."

Despite these accomplishments, Mariotti is constantly

headhunting new managers, adding new partnerships, and updating NFTE's materials (BizTech 2.0 is being launched this fall). He's now trying to raise \$600,000 for a new, state-of-the-art management information system so NFTE can finally start tracking its alumni in an organized way. Mariotti hopes to pick the brains of alums for suggestions about how to refine NFTE's programs and make them even more effective.
