

# The Needs of Microentrepreneurs and Preparing Future Entrepreneurs:

The Microbusiness Retail Incubator as a Mechanism for  
Community Development

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# Community Culture of Entrepreneurship

- Environment to help prepare future entrepreneurs
- Assistance needed from outside the firm in microentrepreneur community for success



## Research Background

Entrepreneurship  
Development



Microenterprise  
Development

### Outcomes

- Economic Multiplier Effect
- Job Creation
- Empowerment
- Hope
- Civic Participation

## Microenterprise

Def: "Enterprises with 5 employees or less and require \$35,000 or less in startup capital"

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Inner city, International  
Context

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### Key Studies:

- Bosworth, 2006 (Rural)
- Korsching & Allen, 2004 (Rural)
- Servon, 1997
- Servon & Doshna, 2000

Entrepreneurship Development

Entrepreneurship Education

Student-Run Enterprises  
(SREs)  
University-Hosted Incubators

## Entrepreneurship Education

Potential Entrepreneur Needs:

- Community engagement
- Learn what the business world is like
- Develop skills to start a business

### Outcomes

- Experiential, Applied Learning
- Community Engagement
- Empowerment

Key Studies:

- Daly, 2001
- Lendner & Dowling, 2007
- McCrea, 2010
- Mian, 1996
- Warner & Daugherty, 2004
- Wood, 2003

Human Capital: the skills, capabilities, experience, knowledge of individuals in a community (Phillips & Pittman, 2009)

Entrepreneurs  
Students  
Academics  
Public, private donors

#### Key Studies:

- Becker, 1969 (Human K)
- Desplaces, Wergeles, & McGuigan, 2009
- Pena, 2002
- Unger, Rauch, Frese, & Rosenbusch, 2011
- Woods & Gibbons, 2010



## Economic Gardening Through Service-Learning

“A course-based, credit-bearing educational experience in which students

(a) participate in an organized service activity that meets identified community needs and

(b) reflect on the service activity in such a way as to gain further understanding of course content, a broader appreciation of the discipline, and an enhanced sense of civic responsibility”

--Bringle and Hatcher (1999)

## Service-Learning

Methods: Systematic literature review & personal interviews

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“The common thread of SREs is that no two are alike”

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- Case analysis
- Publications limited
- First 5 years of startup

**Research Purpose:**

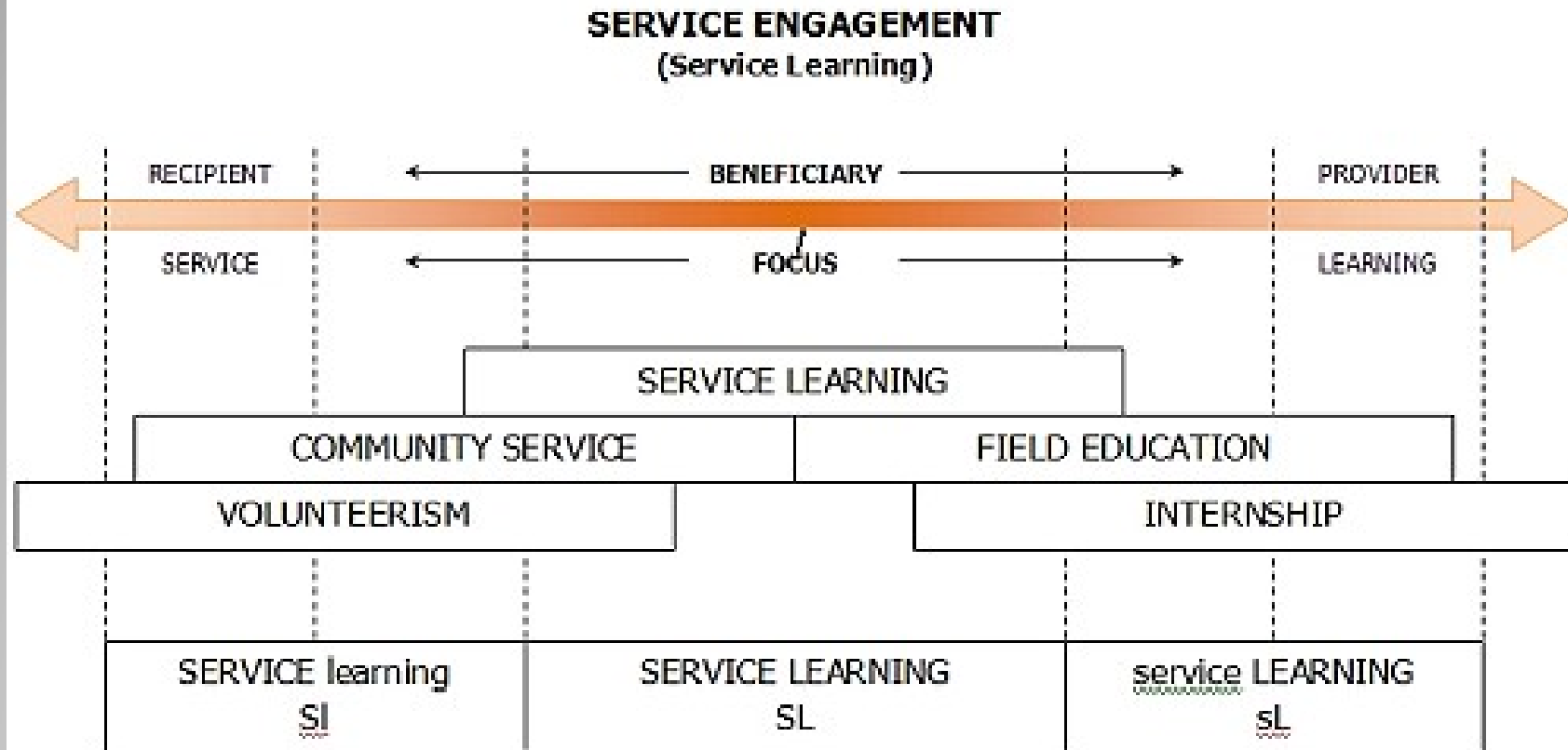
**Compare SREs → Service-Learning**

- Psychological ownership
- Student learning, satisfaction
- Higher quality work
- Future careers
- Service to others
- Greater community outreach
- Positive recognition to university
- Cultural awareness
- Leadership
- Empathy
- Compassion
- Pro-action
- Communications
- Critical thinking
- Community engagement

## Student-Run Enterprise Outcomes from the Literature



## *FURCO Diagram, by Andrew Furco*



# Service-Learning: Balancing Learning and Service Outcomes

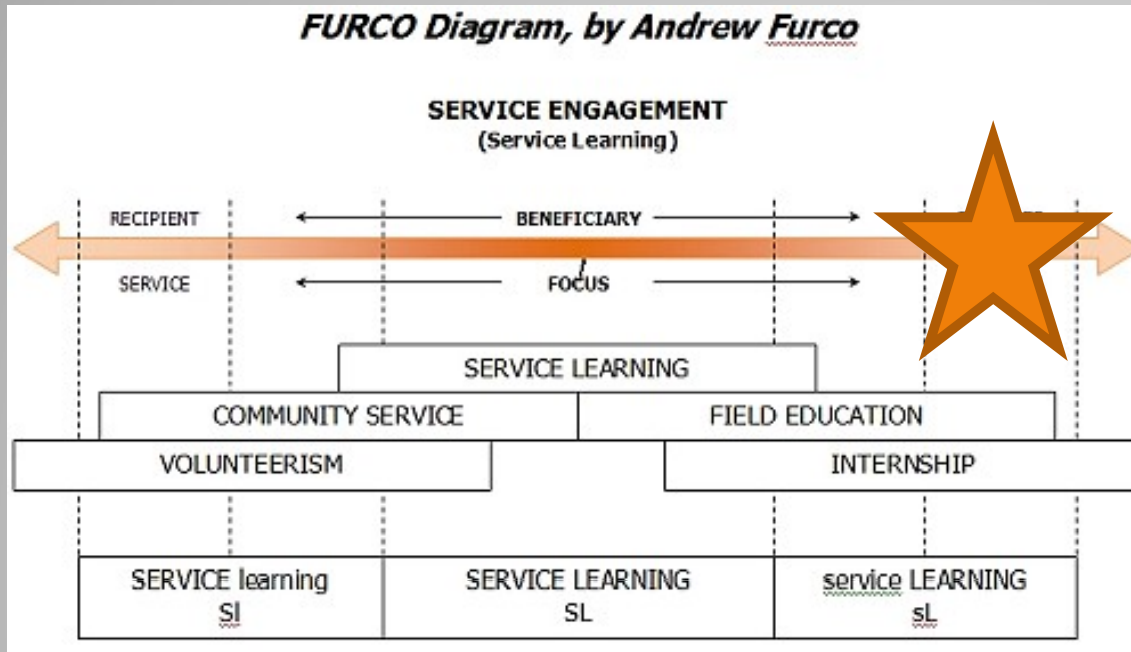
## Student-Led

- Students started
- Collective agencies

Independent

↓  
Board of Advisors

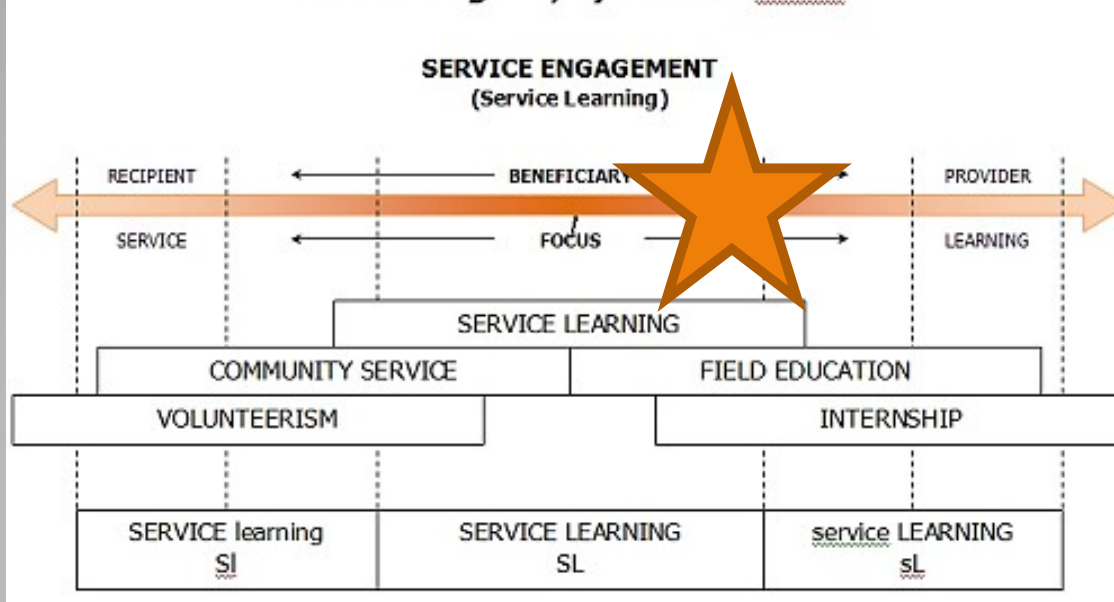
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Dean of Students



- Little/no financial support
- Student customers
- No academic affiliation

Purpose: Earn students money/experience

*FURCO Diagram, by Andrew Furco*



## Instructor-Led

- Content analysis = Success
- Instructor runs interference
- Structures instructor-designed
  - Deliverables, learning outcomes pre-determined

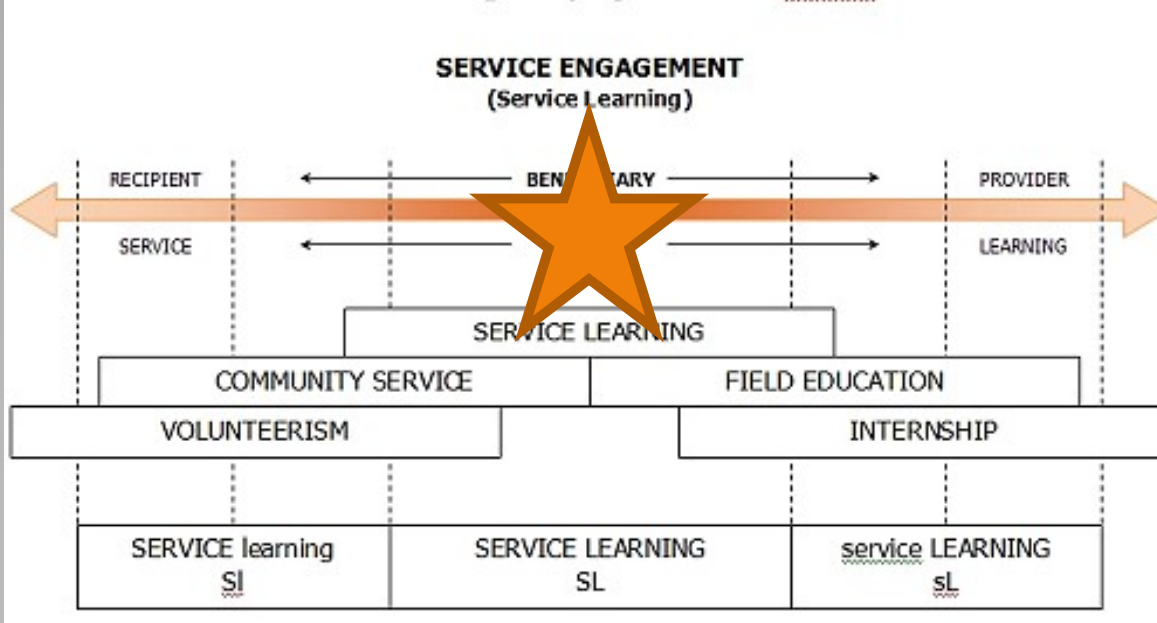
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Students service-deliverers

- Limited Stakes

Purpose: Apply course knowledge to real-life

*FURCO Diagram, by Andrew Furco*



Purpose: Reciprocal Learning

## Hybrid

- Cooperative learning
- Public/private partnerships

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Students consultants/  
service deliverers  
Autonomy

Participatory research

Instructors knowledge  
resource  
JIT learning

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Succession planning  
Continued exposure

## Best Practices

- Flexibility
- Planning, planning, planning!
- Departmental buy-in
  - Dedicate staff-time
  - Grants
- Participation of other groups
- Teach delegation

## Challenges

- Administrative concerns:
  - Lack of awareness
  - Resource acquisition
- Faculty concerns:
  - S-L/SREs take more time; implementation difficult
  - Role of instructor?
- Student concerns:
  - Fickle, lack initiative

# SRE in the Curriculum: Best Practices

- Transdisciplinary collaboration
- Evaluation systems
- SRE Effectiveness over time
- Demographic variables + SRE participation
- SRE participation + personal/career path
- Sustainable or long-term models

**Further Research**

RFP; Student-written business plan; Donations

PAC established; Marketing/PR coursework

All daily operations student-run; Operational structure; More continuity in coursework

2007-2008

2009-2010

2005-2007

2008-2009

2010-2011

Manager-Dependent; Coursework piecemeal

Student-Run!  
Store Manager = Graduate Student Assistantship  
Assistance from staff  
More responsibility in coursework

\* Applied service delivery

# Growing Vermont: Evolution

- Written reflection
  - Critical incident journals

- Staff feedback sessions

Area for Improvement: Initiative + Independence



Ambiguity



Student supervisor/student staff mentoring  
Delegation

**Reflection: Bridging Store +  
Educational Content**



## Challenges

- Communication
  - Identity crisis
    - Campus awareness
  - Operational systems
- Departmental Buy-in
  - Students not concerned
  - Admin: “why do you want to run a retail store?”

## Growth Opportunities

- Establish Advisory Board
- Repeated reflective experiences; coursework put to use
- Education campaign

## Lessons Learned

- Students want feedback!
- “Students become so engrossed that they will willingly put up with inconvenience to complete projects successfully”
  - (Desplaces, et al., 2009)
  - Campus leaders attracted to GVT
- Flexibility is key!
  - Embrace innovation to meet student needs

## Conclusions

