The Needs of Microentrepreneurs and Preparing Future Entrepreneurs:

The Microbusiness Retail Incubator as a Mechanism for Community Development

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Community Development & Applied Economics

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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

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Microenterprise

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

Inner city, International Context

Outcomes

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

Key Studies:

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

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Outcomes
• Experiential, Applied Learning
• Community Engagement
• Empowerment

Entrepreneurship Education
Potential Entrepreneur Needs:
• Community engagement
• Learn what the business world is like
• Develop skills to start a business

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)

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

Entrepreneurs
Students
Academics
Public, private donors

Economic Gardening Through Service-Learning

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“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)
Methods: Systematic literature review & personal interviews

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

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

Research Purpose: Compare SREs - Service-Learning

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- 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

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Service-Learning: Balancing Learning and Service Outcomes

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Student-Led

- Students started
- Collective agencies

Independent
- Board of Advisors
- Dean of Students

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

Purpose: Earn students money/experience

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

Students service-deliverers
- Limited Stakes

Purpose: Apply course knowledge to real-life
Hybrid

- Cooperative learning
- Public/private partnerships

Purpose: Reciprocal Learning

Students consultants/service deliverers
Autonomy

Participatory research

Instructors knowledge resource
JIT learning

Succession planning
Continued exposure

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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

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

Further Research

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RFP; Student-written business plan; Donations

PAC established; Marketing/PR coursework

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

Manager-Dependent; Coursework piecemeal

Student-Run! Store Manager = Graduate Student Assistantship Assistance from staff

More responsibility in coursework

* Applied service delivery

Growing Vermont: Evolution

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• 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

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## Challenges

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<th>Communication</th>
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<td>- Identity crisis</td>
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<td>- Campus awareness</td>
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<td>- Operational systems</td>
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<th>Departmental Buy-in</th>
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<td>- Students not concerned</td>
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<td>- Admin: “why do you want to run a retail store?”</td>
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## Growth Opportunities

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<th>Establish Advisory Board</th>
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<td>Repeated reflective experiences; coursework put to use</td>
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<th>Education campaign</th>
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## Lessons Learned

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Conclusions

- 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