

Starting your own business

Students practice being entrepreneurs by thinking of businesses they could start based on their own ideas, talents, or passions.

Learning goals

Big idea

People often use their ideas, talents, and passions to start their own businesses.

Essential questions

- What are my ideas, talents, and passions?
- What kind of business could I start using my ideas, talents, and passions?

Objectives

- Reflect on how your own ideas, talents, and passions can lead to business ideas
- Practice using a mind map on starting your own business

What students will do

- Reflect on personal ideas, talents, and skills that could be turned into a business idea.
- Complete a mind map on starting a business.
- Reflect on the pros and cons of starting the business in their mind map.

NOTE

Please remember to consider your students' accommodations and special needs to ensure that all students are able to participate in a meaningful way.

KEY INFORMATION

Building block:

 Financial knowledge and decision-making skills

Grade level: Elementary school (4–5), Middle school (6–8)

Age range: 9–11, 11–14

Topic: Earn (Becoming an entrepreneur, Making money)

School subject: English or language arts, Social studies or history

Teaching strategy: Personalized instruction

Bloom's Taxonomy level: Analyze, Create

Activity duration: 75–90 minutes

National Standards for Personal Financial Education, 2021

Earning Income: 4-1, 4-4, 4-5, 8-2, 8-9

These standards are cumulative, and topics are not repeated in each grade level. This activity may include information students need to understand before exploring this topic in more detail.

Preparing for this activity

- While it's not necessary, for grades 4-5 completing the "Comparing careers and income" activity first may make this one more meaningful.
- Print copies of all student materials for each student, or prepare for students to access them electronically.

What you'll need

THIS TEACHER GUIDE

- Starting your own business (guide)
cfpb_building_block_activities_starting-your-own-business_guide.pdf

STUDENT MATERIALS

- Starting your own business (worksheet)
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Exploring key financial concepts

When you think about what kind of career you want to have when you grow up, it's a good idea to explore your options. Many adults work for a company and have a boss. Other adults are entrepreneurs. Being an entrepreneur means you start your own business and earn money from the product or service your company provides. When you have your own business, you're responsible for making it successful so that you can make enough money to pay yourself and any people who may work for you.

Often, adults take business classes or get a business degree before they become entrepreneurs. Sometimes people start a business based on an idea, talent, or passion they have. Adults who start their own business usually do best when they have confidence and leadership skills that help them solve problems, work with people, and do excellent work.

It's helpful to know that a career and a job are different. A job is a specific arrangement where you do tasks for an employer. A career is a profession that may span your lifetime and includes your education, training, professional memberships, volunteering, and full history of paid work. For example, someone may have a career as a writer and different jobs writing books, news stories, or web pages during their career. For some people, their career is being an entrepreneur.

TIP

Because best practices on how to become an entrepreneur change, students should be encouraged to always look for the most up-to-date information.

Teaching this activity

Whole-class introduction

- Ask students to raise their hands if they've ever heard of a company called Disney.
 - Tell students that a man named Walt Disney started that company.
- Ask students to raise their hands if they've ever heard of a company called Build-A-Bear Workshop.
 - Tell students that a woman named Maxine Clark started that company.
- Explain to students that Walt Disney and Maxine Clark are both entrepreneurs who used their ideas, talents, and passions to start their companies.
 - Walt Disney started his company by making short films with his brother.
 - Maxine Clark created Build-A-Bear Workshop after shopping with her friends' children and coming up with the idea for a business where kids could create their own stuffed animals.
- Read the "Exploring key financial concepts" section to the class.
- Tell students they'll identify their own ideas, talents, and passions and think about what kind of business they could start.
- Be sure students understand key vocabulary:
 - **Business:** The activity of making, buying, or selling goods or providing services in exchange for money.
 - **Entrepreneur:** Someone who organizes, manages, and assumes the risks of a business or enterprise.
- If students aren't already familiar with the term "brainstorming," introduce them to the concept.
 - Explain that brainstorming is often a group discussion or free association that has the intent of generating ideas or coming up with solutions to problems.
- Ask students to brainstorm personality traits, skills, or characteristics that entrepreneurs likely have and explain why they think that those things are related to being entrepreneurial.
 - Examples may include confidence (you have to believe you can do it), hard-working (starting your own business requires a lot of work), creative (you have to come up with original ideas).

TIP

Visit CFPB's financial education glossary at consumerfinance.gov/financial-education-glossary/.

- Be sure to tell students that just because entrepreneurs may have some of these personality traits, that doesn't mean people who don't start their own businesses lack these characteristics. For example, having a job working for someone else can also require a person to be creative and work hard.

Individual and group work

- Ask students to reflect on their own ideas, talents, or passions to think of a business they could start.
- Distribute the "Starting your own business" worksheet to each student.
- Explain that they'll begin by coming up with three business ideas based on three different brainstorming approaches:
 - An idea they have or a problem they'd like to solve
 - A talent or skill they have that others can benefit from
 - A passion that could be put to good use
- Once students record their ideas, talents, and passions on the worksheet, they should choose one to flesh out into a fuller business idea.
- Ask students to write their idea in the center square.
- Then, students will develop their business idea by providing brief answers to each question in the outer squares.
- Students will complete their business idea by reflecting on the pros and cons of starting this type of business.
- Students will complete the reflection questions.
- Divide students into pairs.
- Have the partners share what they brainstormed and recorded.
 - Ask students to use their mind map as a resource to tell their partner about their entrepreneurial ideas.

Wrap-up

- Bring the group back together.
- Ask for volunteers to share their ideas and answers to the reflection questions.

Suggested next steps

Consider searching for other CFPB activities that address the topic of earning, including exploring entrepreneurship or making money. Suggested activities include "Matching interests and talents to careers" (grades 4–5) or "Turning hobbies into earnings" (grades 6–8).

Measuring student learning

Students' answers on their worksheets and during discussion can give you a sense of their understanding. **Keep in mind that students' answers may vary, as there may not be only one right answer.** The important thing is for students to have reasonable justification for their answers.