



TELE

Teaching Entrepreneurship – Learning Entrepreneurship

**RESEARCH OF
ENTREPRENEURSHIP TEACHING
AND LEARNING IN LATVIA**



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1. Entrepreneurship workshops/courses in Latvia

1.1. Vocational schools (Mālpils Vocational secondary school)

Business knowledge and skills are acquired in the second term of the third school year and the first term of the fourth school year.

Training is organized in accordance with:

1. the economic sector with the aim: To develop an understanding of the business content and the role of business forms, business organization, business principles, the resources required for business and corporate finance principles and tasks:
 - To develop the ability to navigate the company's marketing and management issues.
 - To make and develop the ability to analyse, evaluate the company's performance.
 - To work out a business plan for the improvement of future activities.
2. the business sector with the aim: To develop market analysing and researching skills, make and develop the ability to analyse, and to evaluate the company's performance and tasks:
 - To acquire practical skills in developing a business plan for a new catering service enterprise.
 - Establish the company's marketing activity plan.
 - To be able to present their ideas and defend their views.

1.2. General Education schools (Mālpils Municipality Secondary school)

Pupils of grades 1 to 9 learn the basics of entrepreneurship in their lessons of Social Studies and Home Economics where they talk about their economic and social needs. They learn to understand the role of a consumer, as well as rules and obligations of a consumer. Apart from that, pupils find out about types of entrepreneurship by visiting local enterprises.

We also cooperate with higher education institutions and their graduates and invite them to our school's Career Days. Our students also participate in Job Shadowing days.

Besides that, pupils of grades 10 and 11 also study Economy and they can take the exam in the subject when graduating Secondary School.

2. Best practices

2.1. Formal Education Institutions

Malpils Vocational Secondary School:

An interest education program of the Youth Initiative Centre has been created since autumn 2014 with Malpils County Council financial support to encourage learners' creativity and ability to contribute to the development of the Youth Initiative study companies and to support the development of their personal skills. This is an additional option for 1st to 4th year students:

- To develop an understanding of the role of non-formal education and to support young people to acquire the necessary skills to start business in practical activities and business simulation game form;
- To promote young people's interest in entrepreneurship and to develop creative talents.

These interest education classes will enable students to develop professional and social skills for a better competitiveness in the working environment, e.g.:

- Ability to make out market opportunities;
- Ability to calculate the necessary resources;
- Ability to evaluate information and make a decision;
- Future modelling of alternative solutions.

All the students of Malpils Vocation Secondary School have to acquire a subject „Entrepreneurship in the Field”, for instance, students of catering services have 128 lessons on the subject. More specifically, the course consists of 48 theoretical lessons, 58 lessons of practical studies, and 24 lessons of independent studies.

The subject is acquired in interdisciplinary level, creating cross-cultural links among knowledge and skills obtained from professional and general subjects, students` personal experience, the development of personal skills, and the development of the industry. As a result, business plans are created. For example, “Catering Business Concept”, which is based on a good business idea; clear goals and achievable results; market research; planning of the development and implementation process, and achievable results in evaluation stages.

2.2. Non-formal courses/activities:

Mālpils Vocational Secondary School:

Outside the lessons students of Malpils Vocational Secondary School develop their creative thinking, introduce innovations and provide services. For instance, during the interest education group “Entrepreneurship” they generate new creative ideas, develop projects for EU structural funds, including projects of the Ministry of Education and Science, the Ministry of Environmental Protection and Regional Development, and Malpils County Council.

Within the activities of Pupils` Study Companies, students provide services and develop management skills by organizing out of classroom events and implementing their creative ideas (advertise the events, decorate rooms, invite artists, prepare activities and competitions, make and serve cocktails, arrange rooms before and after events).

For instance, teachers and students organize “Open Workshops” where we offer the pupils of grades 7 – 9 of the nearest educational institutions to spend their time creatively and get the view of the professions that can be learnt in Malpils Vocational Secondary School. In 2014 this opportunity was used by the students from 7 schools.

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Mālpils Municipality Secondary school

In school year 2014/2015 the school has started cooperation with The Academy of Business and Management of Latvia in order to offer the pupils of grades 10 and 11 to acquire a program “Be a Leader!” (“Esi Līderis!”) and therefore

- build their understanding of the entrepreneurship and the conditions of its successful development,;
- develop pupils` entrepreneurship skills and create motivation to live a fulfilling life by developing talents and acquiring the skills and abilities necessary for successful career;
- lead the pupils to determined choice of profession and career.

During the two years of the program, pupils learn subjects like: Business Etiquette, Marketing, Business, Records Management, Accounting, Legislation, Management, Communication, Goal Setting and Achievement.

The program highlights practical activities, understanding of close to real life situations and strategies for making effective decisions.

During the course of Business Etiquette students acquire knowledge about the significance of appearance in the business world; about everyday communication – greeting, introducing to oneself, telephone conversations, business e-mailing, as well as get experience in presenting skills and behaviour during meetings. During the lessons pupils participate in practical activities like setting the table, following the rules of behaviour and using cutlery appropriately. In order to obtain the skills necessary for labour market pupils write their CVs, have job interview role-plays and act out telephone conversations that enable to understand different behaviour models.

In the Records Management section pupils learnt how to work with documents: design of the documents, technical performance, text design and language of the documents; and how to edit and do other operations with the documents. During the second year pupils learn the rest of the subjects.

The certificate obtained after the successful completion of the program is an important document for each graduate. In order for this certificate to become a significant support in young person`s career, the project “Be a Leader!” in cooperation with the best higher education institutions in Latvia offer a great opportunity for the pupils to use the knowledge and skills they have acquired during these two years and get a discount for study fees and receive credit points.

In order to complete the course successfully a teacher –coordinator should organize pupils` participation in the program; involve them in the projects and other activities.

2.3. Pilot workshop, new ideas, methods

Cooperation with the association “Junior Achievement – Young Enterprise Latvia” (JA-YE Latvia) has been started. Students of our schools participate in almost all activities offered by the JA –YE. With great enthusiasm Pupils` Study Companies have been created which develop independent, critical and creative thinking; ability to improvise, cooperate, adapt and enjoy the results. It will help the students to develop their creative thinking in future, prepare for lifelong learning, compete in the labour market and find their place in the fast-changing world.

Within the framework of the contract with the JA –YE, teachers and students can participate in the following activities:

1. For teachers:
 - The Teachers` Club and participation in the 36 hours course in entrepreneurship.
2. For students:
 - The Simulation game “TITAN” – encourages entrepreneurship and allows everyone to experience a role of a leader.
 - The contest of social environment advertisements – stimulates the development of creative thinking and helps to acquire practical skills in advertisement creation.
 - Shadowing – students choose a profession they are interested in and visit a place of work of a particular person and observe his or her everyday life for 4-6 hours.
 - “Start – UP” and “The Leader” programs – students who show strong leadership skills can participate in the educational program for developing leadership knowledge and skills.
 - The Volunteer Club – students can participate in the organization of different campaigns
 - Pupils` Study Companies – students can create their own companies and obtain the necessary knowledge and skills for running a company.
 - After the evaluation of students` participation in the activities it is possible to receive the JA – Ye certificate.
3. For younger pupils:
 - Contest “My Dictionary” – 1st - 4th grade pupils create their own dictionaries that explain economic terms;
 - Contest “Business Fairy Tale” – 5th – 9th grade pupils write a fairy tale with happy ending which should also be financially courageous.
 - Pupils` Study Companies – pupils create their own companies and develop practical skills.

Within the framework of JA-YE Malpils Vocational Secondary School cooperates with Malpils Boarding School, where orphaned children, children left without parental care, children from poor families and other children aged 5- 19 study. There are four pupils` study companies registered in Malpils Boarding School:

- Form 4 - “Festive Adornment”(“Svētku Rota”);
- Form 5 – “Happy Day”
- Form 6 – “Pearls” (“Pērlītes”)
- Form 7 - “Beauty 7”

During the lessons of Home Economics, in interest groups and in their free time pupils fulfil the functions of real enterprises and operate in a real environment. They use study materials for production of goods they later sell at Christmas and Easter Fairs gaining profit for their study companies. During the Friendship Week they make nice gifts for

3. Target groups analysis

Mālpils Vocational Secondary School

Malpils Vocational Secondary School offers education for students:

- who have successfully completed compulsory basic education, (duration of studies is 4 years) i.e. from 16 years;
- or have completed secondary education (duration of studies is 1,5 years) i.e. from 18-29 years.

The school offers the following secondary vocational programs:

Heat, gas and water technology; Catering service; Interior design; Manufacturing of wood products.

Mālpils Municipality Secondary School

There are about 50 pupils in secondary education group. The school has also been influenced by the recent economic recession in Latvia, and the school has acknowledged the families in which one or both parents have gone to work abroad leaving the children with their grandparents. Most of the children are usually involved in planning their family budget and know what the income and expenses are for each of the family members. Parents have taught the basics of effective budget planning that allow to plan and spend the earnings reasonably.

We believe that in order for the young people not get involved in financial troubles and become victims of loans in future, as well as be able to plan their finances, along with the basic education we have to work on educating the children in the field of finances as well.

During the lessons of Economics, Maths and Social Studies pupils learn these principles more in theory; because not being involved in real everyday situations they do not have their personal opinion or attitude towards the particular situations, and thus do not have the understanding of possible solutions.

For already several years the school cooperates with local banks Swedbank and SEB bank and invite professionals to our school to talk to our pupils about ways to earn money, counting income, money savings, and useful information to younger students about ways to make payments, bank cards, pocket money. Secondary School students are already interested in money savings and study loans. The invited professionals explain the information, answers pupils' questions and help to solve different situations. In the coming years our school is interested in creating study companies in which secondary school students might get involved. Therefore, it may lead to their future business ideas, and help to understand the necessary theoretical knowledge and practical skills for starting business.

4. Existing political strategies and concepts, policies and institutions in the field of entrepreneurship and fostering business initiatives

The Instruments of Government to Support Entrepreneurship and the Creation of New Businesses

4.1. Fundraising and Trading/ Counselling

Fundraising is an opportunity for the entrepreneurs to receive support from the government and EU Structural Funds. Investment and Development Agency of Latvia (LIAA) provides support for business incubators and attraction of business partners, as well as EU Structural Funds administration.

The Investment and Development Agency of Latvia (LIAA) is established in 1993 and is a direct administration institution subordinated to the Minister of Economics of the Republic of Latvia. LIAA provides broad and diverse information on establishing entrepreneurship, possibilities to participate in investment projects; as well as provides assistance to foreign trade promotion and consults on receiving support from government support programmes administered by LIAA.

LIAA organizes idea competition “The Idea Cup” (Ideju Kauss). This is the first competition in Latvia that encourages developing new innovative ideas and which is encouraged both by the government and the private sector. The competition “The Idea Cup” is organized under the project “Innovative Business Incentive Program”, which is co-financed by the European Regional Development Funds (ERAF) and the European Union. Each year several hundred participants take part in this competition and three best ideas receive prize money.

As one of the implemented activities by LIAA, an Entrepreneur’s Guidebook (electronic material) is offered in order to encourage people to start business and develop their ideas. The objective of the guidebook is to provide information on developing business ideas and business plans, fundraising and an actual establishment of a company. Starting one’s own business is a challenge in any person’s life. However, the opportunities are unlimited because entrepreneurship is a special way of thinking and living, which asks for untraditional thinking and looking for new solutions over and over again.

4.2. Business Incubators

There is an opportunity for newly established companies to receive support from the government and the European Union if they operate under the umbrella of the Business incubators. This project “The Development of Business Incubators in Latvia” provided by LIAA is co-financed by European Regional Development Funds. The aim of the project is to promote the formation and development of new, viable and competitive companies in the regions of Latvia, providing them with the business-friendly environment and advisory services.

A business incubator is a combination of infrastructure and staff, which is created to encourage the development of new and small companies, supporting them with the necessary infrastructure, everyday consultations and services concerning basic entrepreneurship development issues in the early stages of establishment.

The most essential aim of the business incubator is to create new successful companies, which will be financially and economically independent when leaving the

incubator. The operators of the business incubators are usually professional, specialized business consulting companies with a wide range of partners and experience in business consultation services.

These services are available for the enterprises for not more than four years. When the enterprise joins the incubator it cannot be older than two years from the moment of registration in the Register of Enterprises of the Republic of Latvia. The enterprises that are in the incubators are supported through the services provided by the operators of the Business Incubators and their partners. According to the age of the enterprise and its time in the incubator discounts are applied for the services from 10-85%.

There are also other support programs, like “The Springboard” (“Atspēriens”), “The Leader” (“Līdere”) that are financed by private sector and implement forms of support of angels, mentors and others.

4.3. ALTUM

ALTUM is a Latvian development financial institution with a special goal to develop the Latvian economy and create added value. The main and only function of ALTUM is to provide state aid.

It is possible for young people to receive support from the government in the form of a loan with easier conditions for loan collateral and loan interest relief.

At present ALTUM implements six loan programs supported by the government, including two programs co-financed by the European Structural Funds.

ALTUM offers a wide range of services for the entrepreneurs, providing the main support to the sectors that promote the development of the economy of Latvia and creation of added value.

In order to support the initiation of the entrepreneurship, ALTUM offers a special support program for young businessmen – Start Program. The program can support citizens of Latvia (incl. unemployed) who are at least 18 years old and who want to start their own business, become self-employed or are already new entrepreneurs, whose company has been registered in the Register of Enterprises of the Republic of Latvia for not more than 3 years. According to the program, projects up to EUR 86 000 can be supported with clients participation of at least 10%. The participation of a client is not necessary if the sum of the project does not exceed EUR 7200. Participants of the Start Program can receive:

- Free advice on business plan preparation, implementation and training;
- Financial support – loan and interest rate subsidies.

There are limitations for both the participants and the supported sectors of activities.

4.4. Activities Organized by State Employment Agency

State support policy in training and consultation managed by the State Employment Agency (NVA) includes:

- accredit entrepreneurship programs for Secondary Schools;
- training and retraining for the unemployed;
- support for starting entrepreneurship.

NVA also provides measures to improve competitiveness (KPP) that focuses on the promotion of competitiveness in the labour market of unemployed, job seekers and

people at risk of unemployment. KPP include individual consultations and group training (courses, seminars, and lectures) designed in order to acquire job seeking methods, get psychological support and learn the basic skills necessary for the labour market. These activities develop both personality as well as entrepreneurship skills:

- skills necessary for the start of entrepreneurship - business basics, business plan development skills, accounting and taxes, computer skills, basics of information and communication technology.
- Presentation technology and methods; communication with clients and cooperation with partners; e-commerce and Internet marketing; conducting negotiations and art of argumentation; development of public speaking skills and tips for building self-confidence.

4.5.Youth Safeguards

Program organized by the State Employment Agency to give consultative and financial support for unemployed in order to start their own business or self-employment and be successful in the chosen sphere for not less than two years.

The program includes:

- Career advice
- Competitiveness efficiency measures
- Workshops for young people
- Non-formal education programs in professional continuing education and professional development programs in
 - The first working experience in the young subsidized jobs for unemployed young people
 - Work on the development of the skills needed for the non-governmental sector
 - Support for self-employment and business start-ups
 - Support for young people in regional mobility

The program is meant for young unemployed people aged 18-29 who are registered in the State Employment Agency and:

- have professional or higher education in entrepreneurship, business management or similar areas, or
- have professional or higher education in the sphere they plan to start the entrepreneurship, or
- have professional or higher education and have acquired informal education program (not less than 120 academic hours) in business management related fields.

4.6.Activities Organized by the Ministry of Welfare

The Ministry of Welfare subordinate to Social Integration State Agency for Persons with Disabilities in addition to social and vocational rehabilitation training program prior to the start of the acquisition by persons with disabilities offers professional suitability through working trials, with a particular focus on the individual's state of health.

4.7. Junior Achievement – Young Enterprise Latvia

One of the non - governmental programs that cooperates with schools in Latvia and participates in the process of youth education, development of entrepreneurship skills and formation of new businessmen generation is an organization of public benefit Junior Achievement – Young Enterprise Latvia (JA-YE Latvia). JA-YE Latvia is a member of Junior Achievement - Young Enterprise and Europe Junior Achievement Worldwide. Young people`s knowledge and skills in entrepreneurship have been developed with the help of practical methods – building pupils` study enterprises, creating products and getting to know the business environment in real action. Pupils` study enterprises meet each other in fairs and the best ones participate in International fairs