

The Organizational Entrepreneur

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SUBJECT(S): Entrepreneurship

GRADE LEVEL(S): 9, 10, 11, 12

≡ OVERVIEW:

In this lesson, students will review what they have learned so far about traditional entrepreneurship and learn what it means to be an organizational entrepreneur. They will discuss an example of organizational entrepreneurship by reading the Knowledge@Wharton article: “We Don’t Eat Scones’: Magic Johnson Proves He Has the Acumen for More than Hoops.” From the article students will learn how Magic Johnson was an organizational entrepreneur for Starbucks by modifying the famous coffee shop for customers in urban areas. After defining and discussing what an organizational entrepreneur is, students will then get the chance to be organizational entrepreneurs. They will identify companies that they purchase products from and then select a few of these companies to modify or create new products or services for them.

≡ NBEA STANDARD(S):

- Entrepreneurship, I. Entrepreneurs and Entrepreneurial Opportunities

≡ WHARTON GLOBAL YOUTH PROGRAM ARTICLE:

- “Alibaba’s Jack Ma: [Lessons in Corporate Governance](#)”

Common Core Standard(s): Comprehension and Collaboration

Objectives/Purposes: In this lesson students will learn the role of an organizational entrepreneur within a company.

Knowledge@Wharton Article: [“‘We Don’t Eat Scones’: Magic Johnson Proves He Has the Acumen for More than Hoops”](#)

Other Resources/Materials: Whiteboard

Activity:

1. (5-10 mins) Start the lesson by giving students a formative assessment to test what they know about being an entrepreneur, who some famous entrepreneurs are, and what an organization is. Questions on the assessment should include:

- What is a traditional entrepreneur?
- What is a company?
- Who are some famous traditional entrepreneurs and what companies or businesses did they start?

This assessment is to refresh students’ knowledge about what a traditional entrepreneur is, as well as to help set the foundation for the lesson on organizational entrepreneurship. Go over the answers and mention any famous entrepreneurs that students excluded.

2. (15 mins) Have students read the article: [“‘We Don’t Eat Scones’: Magic Johnson Proves He Has the Acumen for More than Hoops.”](#) Then, in groups, have them discuss the following questions:

- **What kind of businesses did Johnson want to start?**
 - A: High quality movie theaters and restaurants in inner city neighborhoods.
- **What businesses does Johnson own and operate in 85 cities across 21 states?**
 - A: Gyms, Starbucks chains, Burger King chains and movie theaters.
- **What differences did Johnson make in the Starbucks stores that he owned?**
 - A: He had the shops play R&B music instead of Jazz, he created extra space in them for community and church meetings, allowed local residents to post news and events on bulletin boards located in the shops, and he served desserts like pound cake and sweet potato pie instead of scones.
- **Why did Johnson make these changes?**
 - A: To benefit the needs and desires of his customers.

3. (5 mins) Using the example of Michael Johnson's partnership with companies like Starbucks and Burger King, explain what an organizational entrepreneur is (a person who brings entrepreneurial skills to larger organizations to strengthen the organization in different ways, like creating new products and services). Make sure students fully understand the concept of an organization and a company as well.

4. (10 mins) For the next activity, students are going to take on the role of an organizational entrepreneur. To determine what companies the students purchase products from, have each student share an item that they have on them, such as a cell phone, Ipod, MP3 Player, shoe, clothing item or school supply, and identify what company makes that product. Encourage them to pick a product that they like and find interesting. You can also allow students to choose a store that they have recently visited, such as Starbucks or Target. Make a list of all these companies on the board. Once all the students have had a chance to share, form them into groups and let them choose one of the companies listed on the board as the company they want to be organizational entrepreneurs for. Once students have chosen the company that they will represent, tell them to either modify an existing product or service that the company sells or produces, or create a new one to help in expanding their growth.

5. (10 mins) Have each group pitch their idea to the class. Have the class participate in the presentations by making them take on the role of the board of directors within a company. Thus, it is the classmates' job to question whether it makes sense for that company to develop that product or service. After each presentation is complete, have that group wait outside for just a minute and have the class, as the board, deliberate on whether they want to accept the idea for their company or not. The class should do a 'yay' or 'nay' vote for each one. At the end, share the results of all the groups.

Tying it All Together: For this lesson, it is important that students understand the definitions of an organization and a company. They should also understand the various reasons why companies invest in entrepreneurship, and the unique ways in which they do this.

Practice Outside of the Classroom: The next time you are in your favorite store or are buying your favorite product, imagine how your experience in the store could be better or the product could be improved.

What Worked and What I Would Do Differently: The activity is a little long so if you are restricted to 45 minutes, you should either cut parts of the activity out such as the beginning activity or reduce the time allotted for each activity. The board of directors simulation is a great way to keep students engaged during presentations and also help them to understand the considerations of decision makers when taking a decision to invest in a new idea. You will want

to make sure that the questions students ask are substantive and not combative. You will also definitely want to hold back in telling students about the results of their presentations (whether they have been approved or not) until the end. For the voting, I had each student vote individually, but if you have a large class, a show of hands will do.

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