

# Diversity: Minority Entrepreneurship and the Economy

**Topic(s):**

Minority entrepreneurship, economics, census

**Grade Level:**

9-12

**Approx. Time Required:**

45 minutes

**Learning Objectives:**

Students will be able to:

- Build English vocabulary and develop language concerning the census.
- Analyze the economic impact of changes in minority entrepreneurship, using U.S. census data.
- Explain the impact of shifts in the number of minority business owners on the U.S. economy over time.
- Analyze and evaluate research data to draw conclusions or to solve a problem.

## Introduction

The 2020 Census Statistics in Schools (SIS) program is designed to educate students about the decennial census and to teach them educational concepts and skills, such as data literacy, through use of census data in the classroom. Responding to the census helps your community get its fair share of funding. Census data guides how more than \$675 billion in federal funding is distributed to states and communities each year. These funds support vital community programs that help children, such as schools, hospitals, housing, and food assistance. By educating students about the 2020 Census, you can help encourage a complete count.

The 2020 Census SIS program can be used with educational standards across the United States. You can use the topics and learning objectives above to determine which subject and unit plan or theme this activity will best fit into.

## About the 2020 Census

In addition to the information that is built into instructions for this activity, the following points provide an easy, grade-appropriate way to explain the decennial census to your students.

- The decennial census is a count of every person living in the United States that occurs every 10 years.
- It is important that every person be counted so that the government can properly distribute \$675 billion to communities.
- The population of every state as counted in the census also determines how many representatives each state is given in the U.S. House of Representatives.
- You can do your part by making sure an adult in your home counts you—and every person living in your home—in the 2020 Census.





## About the Modifications

- This activity is a modified version of the 2020 SIS activity **Diversity: Minority Entrepreneurship and the Economy** for high school classrooms. It has been modified to accommodate high school English language learners (ELLs).
- Sections have been added to this teaching guide that call out modifications made specifically for ELLs.

## Materials Required

- **Printed ELL student worksheets**
- Press release: *Number of Minority-Owned Employer Firms Increased in 2015* (<https://www.census.gov/newsroom/press-releases/2017/minority-owned-employer-firms.html>)
- A projector or interactive whiteboard to display the following data:
  - *Most Firms Show Gains in 2015* graph (<https://www.census.gov/content/dam/Census/library/visualizations/2017/comm/entrepreneurs.pdf>)

## Worksheet Description

This worksheet will foster a discussion on diversity of race, ethnicity, sex, and veteran status through the lens of entrepreneurship. Students will examine minority-owned business growth over the past decade and how it has affected our nation.

## Before the Activity—5 Minutes

Assign the press release, “Number of Minority-Owned Employer Firms Increased In 2015,” as required reading the night before this activity. If this is not assigned for homework, give students 5-6 minutes to read the press release in class.

**For ELLs: Depending on their level of English proficiency, read the text aloud with the group and clarify information as needed. The text is very dense with data and numerical information, so it may be helpful to have students highlight a few pieces of data that they found interesting. They can then be asked to share the data with the class during the discussion of the press release.**

**For ELLs: Before the lesson, when you hand out student worksheets and activity items to all students, hand out the **Word Bank and Vocabulary** to English language learners as well. Introduce key vocabulary to your students. Use your discretion in choosing which concepts are already understood and which require previewing. Direct students to the word bank and vocabulary to follow along and view images. Ask students to make connections between cognates in their first language and English.**





## Key Vocabulary for ELLs:

- **Census:** A process of counting all the people in a country, city, or town and collecting information about them
- **Population:** The number of people who live in a certain place
- **Data:** Information collected
- **Entrepreneur:** A person who starts a business and is willing to risk loss to make money
- **Minority:** Members of nondominant groups; the group that is the smaller part of a larger group
- **Firm:** A business, especially one involving a partnership of two or more people

**For ELLs:** During discussions, encourage students to use the word bank in their worksheet to find words to support them in their oral answers. Provide sentence starters on the board for students, as needed, to help them answer questions.

1. Discuss the information covered in the press release, such as:
  - The number of minority-owned employer firms increased from 2014 to 2015 by almost 5%.
  - Nearly 23% of minority-owned employer firms are located in California.
  - About one-quarter of all women-owned employer firms were minority-owned in 2015.
    - Approximately 54.4% of the women-owned minority employer firms were Asian-owned.
  - Veteran-owned firms decreased about 1.7% from 2014 to 2015.
  - About 78% of all firms had fewer than 10 employees.

### For ELLs: Use the following sentence starters:

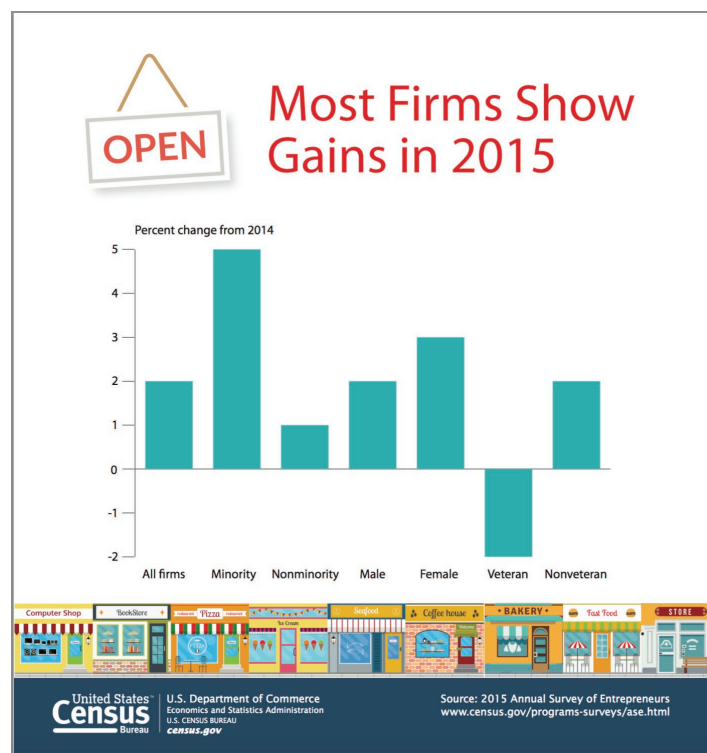
- **"I noticed \_\_\_\_\_."**
  - **"An interesting fact was \_\_\_\_\_."**
  - **"Something I learned was \_\_\_\_\_."**
2. Ask students where this information comes from (the U.S. Census Bureau) and what they know about the Census Bureau and the censuses it conducts. Ensure that students understand the following key points:
    - The Census Bureau conducts three censuses—the decennial census, the Economic Census and the Census of Governments—and over 100 surveys of households and businesses to better understand the country's people and economy.
    - The decennial census is a count of every person living in the United States every 10 years.



- Data from the decennial census affects the distribution of \$675 billion to communities, based on their population.
- The population of every state also determines how many representatives each state is given in the U.S. House of Representatives.

## During the Activity—30 Minutes

1. Explain that today the class will be analyzing real census data relating to entrepreneurship between 2014 and 2016. Note two things about this data for students:
  - The data used in today’s class comes from the Annual Survey of Entrepreneurs (ASE), which is just one of the surveys conducted by the Census Bureau. This is different from the decennial census but still collects data about people across the United States. **Note:** The ASE does not specifically measure entrepreneurship.
  - This survey only covers employer firms. There are still many minority-owned nonemployers that are not included in this data.
2. Start by displaying the “[Most Firms Show Gains in 2015](https://www.census.gov/content/dam/Census/library/visualizations/2017/comm/entrepreneurs.pdf)” (https://www.census.gov/content/dam/Census/library/visualizations/2017/comm/entrepreneurs.pdf) graph on the board for all students to see. Note the changes for different population segments, as discussed earlier in relation to the press release.





3. Using data from **Activity Item: Number of Minority-Owned Employer Firms, 2015-2016**, students will complete the data table in Question #1 on their student worksheet. Students will collect the same data points from the graph in class. Then they'll choose three data points of their own from the activity item as well. Students can select specific races, ethnicities, or a combination of race, ethnicity, sex, or veteran status.

Question #1: Complete the following table using data from **Activity Item: Number of Minority-Owned Employer Firms, 2015-2016**, including adding three of your own categories and filling in the data.

*Answers for assigned data points are shown in the answer key below. Answers to student choice data points will vary, depending on the data point chosen.*

4. Once students have collected their data, have them complete the last column for percentage change between 2015 and 2016. Then have students answer Questions #2 through #4.

Question #2: Based on the graph and the data collected in class, how did minority business ownership shift in our country from 2014 to 2016?

**For ELLs: Use the following sentence starters:**

- **"Minority business ownership has \_\_\_\_\_."**
- **"\_\_\_\_\_ has increased by \_\_\_\_\_%."**

*Answers will vary but should include that minority entrepreneurship increased over 10% in just two years, or about 5% year over year since 2014. Female entrepreneurship has risen steadily, while veteran entrepreneurship decreased by over 6.5% in that same time period.*

Question #3: What factors do you think are influencing the changes we see in the shifts in all minority-owned employer firms?

**For ELLs: Use the following sentence starters:**

- **"These changes are happening because \_\_\_\_\_."**
- **"I believe \_\_\_\_\_ has changed because \_\_\_\_\_."**
- **"Because \_\_\_\_\_, I believe \_\_\_\_\_."**

*Answers will vary, but students might suggest things like changes in the economy or people striving to achieve the American dream and to create more opportunities that they might not have had elsewhere. Teachers may share that economic changes, such as increased lending for small business loans or a 0% federal funds rate, made it easier to borrow money. Similarly, increased immigration since the mid-1960s might have been a factor in increased minority entrepreneurship.*



Question #4: How did the total number of minority-owned employer firms grow or decline compared with non-minority-owned employer firms from 2014 to 2016?

**For ELLs: Use the sentence starter, “Minority business ownership has \_\_\_\_\_, while non-minority-owned firms \_\_\_\_\_.”**

*Answers will vary but should include that minority-owned employer firms grew at a much faster rate than non-minority-owned employer firms.*

5. Finally, have students create their own visual representation of the data. This could include charts, graphs, infographics, or drawings to show the changes in minority-owned employer firms between 2015 and 2016. Students can use any data points from **Activity Item: Number of Minority-Owned Employer Firms, 2015-2016** but must include the following components:

- 2 comparisons of data
- 1 comparison over time
- 1 data point with a combination of race, ethnicity, sex, or veteran status
  - Examples: Hispanic, veteran-owned firms or Black, female-owned firms

Note that this last question can be used as a homework assignment if students do not have enough time in class to finish.

## After the Activity—10 Minutes

Close with a class discussion about theories on why shifts occurred in minority business ownership. Ask questions such as what students learned about the economic power of minority-owned businesses or why it’s important to track this type of data. If there is time, invite students to share the visuals they made during the activity and to say how that information might affect them or their future.

**For ELLs, ask the following questions:**

- **What did you learn about the economic power of minority-owned employer businesses?**
- **Why is it important to track these types of data?**
- **What information does your graph show?**

## Home Extension

Teachers, please read the instructions for the students’ homework assignment out loud to the class:

*Take your student worksheet home and share it with an adult in your home. Ask them if they’ve ever considered starting a business and which category it would fall under if they did. Ask who is taking the census for your household and make sure they count everyone in your home.*



**Number of Minority-Owned Employer Firms, 2015-2016—ANSWER KEY**

| Category                   | 2014      | 2015             | 2016             | % Change 2015-2016 |
|----------------------------|-----------|------------------|------------------|--------------------|
| All firms                  | 5,437,782 | <b>5,531,169</b> | <b>5,601,758</b> | <b>1.3%</b>        |
| Minority                   | 949,318   | <b>996,248</b>   | <b>1,054,575</b> | <b>5.9%</b>        |
| Non-Minority               | 4,141,816 | <b>4,172,714</b> | <b>4,197,617</b> | <b>0.6%</b>        |
| Male                       | 3,334,147 | <b>3,387,196</b> | <b>3,434,782</b> | <b>1.4%</b>        |
| Female                     | 1,057,254 | <b>1,088,466</b> | <b>1,118,863</b> | <b>2.8%</b>        |
| Veteran                    | 405,235   | <b>398,453</b>   | <b>379,620</b>   | <b>- 4.7%</b>      |
| Nonveteran                 | 4,598,025 | <b>4,689,002</b> | <b>4,799,335</b> | <b>2.4%</b>        |
| Student's choice:<br>_____ |           |                  |                  |                    |
| Student's choice:<br>_____ |           |                  |                  |                    |
| Student's choice:<br>_____ |           |                  |                  |                    |

Source: U.S. Census Bureau, *Minority-Owned Firms, 2015-2016*



### Activity Item: Number of Minority-Owned Employer Firms, 2015-2016

| Meaning of Gender code | Meaning of Ethnicity code | Meaning of Race code                       | Meaning of Veteran code | Year | Number of firms with paid employees | Year | Number of firms with paid employees |
|------------------------|---------------------------|--------------------------------------------|-------------------------|------|-------------------------------------|------|-------------------------------------|
| All firms              | All firms                 | All firms                                  | All firms               | 2015 | 5,531,169                           | 2016 | 5,601,758                           |
| All firms              | All firms                 | All firms                                  | Veteran-owned           | 2015 | 398,453                             | 2016 | 379,620                             |
| All firms              | All firms                 | All firms                                  | Nonveteran-owned        | 2015 | 4,689,002                           | 2016 | 4,799,335                           |
| All firms              | All firms                 | White                                      | All firms               | 2015 | 4,483,080                           | 2016 | 4,534,290                           |
| All firms              | All firms                 | White                                      | Veteran-owned           | 2015 | 374,541                             | 2016 | 355,875                             |
| All firms              | All firms                 | Black or African American                  | All firms               | 2015 | 113,643                             | 2016 | 121,466                             |
| All firms              | All firms                 | Black or African American                  | Veteran-owned           | 2015 | 13,170                              | 2016 | 12,861                              |
| All firms              | All firms                 | American Indian and Alaska Native          | All firms               | 2015 | 27,585                              | 2016 | 29,089                              |
| All firms              | All firms                 | American Indian and Alaska Native          | Veteran-owned           | 2015 | 4,099                               | 2016 | 3,751                               |
| All firms              | All firms                 | Asian                                      | All firms               | 2015 | 530,406                             | 2016 | 555,262                             |
| All firms              | All firms                 | Asian                                      | Veteran-owned           | 2015 | 7,264                               | 2016 | 7,567                               |
| All firms              | All firms                 | Native Hawaiian and Other Pacific Islander | All firms               | 2015 | 4,658                               | 2016 | 5,157                               |
| All firms              | All firms                 | Native Hawaiian and Other Pacific Islander | Veteran-owned           | 2015 | 471                                 | 2016 | 604                                 |
| All firms              | All firms                 | Some other race                            | All firms               | 2015 | 91,770                              | 2016 | 94,210                              |
| All firms              | All firms                 | Some other race                            | Veteran-owned           | 2015 | 3,364                               | 2016 | 3,142                               |
| All firms              | All firms                 | Minority                                   | All firms               | 2015 | 996,248                             | 2016 | 1,054,575                           |
| All firms              | All firms                 | Minority                                   | Veteran-owned           | 2015 | 40,207                              | 2016 | 38,820                              |
| All firms              | All firms                 | Non-minority                               | All firms               | 2015 | 4,172,714                           | 2016 | 4,197,617                           |
| All firms              | All firms                 | Non-minority                               | Veteran-owned           | 2015 | 357,546                             | 2016 | 339,698                             |
| All firms              | Hispanic                  | All firms                                  | All firms               | 2015 | 312,738                             | 2016 | 337,533                             |
| All firms              | Hispanic                  | All firms                                  | Veteran-owned           | 2015 | 15,912                              | 2016 | 15,046                              |
| All firms              | Hispanic                  | White                                      | All firms               | 2015 | 233,637                             | 2016 | 255,134                             |
| All firms              | Hispanic                  | Black or African American                  | All firms               | 2015 | 5,305                               | 2016 | 5,985                               |
| All firms              | Hispanic                  | American Indian and Alaska Native          | All firms               | 2015 | 2,661                               | 2016 | 3,768                               |
| All firms              | Hispanic                  | Asian                                      | All firms               | 2015 | 3,161                               | 2016 | 3,144                               |
| All firms              | Hispanic                  | Native Hawaiian and Other Pacific Islander | All firms               | 2015 | 572                                 | 2016 | 901                                 |
| All firms              | Hispanic                  | Some other race                            | All firms               | 2015 | 74,180                              | 2016 | 76,148                              |





### Activity Item: Number of Minority-Owned Employer Firms, 2015-2016 (Cont.)

| Meaning of Gender code | Meaning of Ethnicity code | Meaning of Race code                       | Meaning of Veteran code | Year | Number of firms with paid employees | Year | Number of firms with paid employees |
|------------------------|---------------------------|--------------------------------------------|-------------------------|------|-------------------------------------|------|-------------------------------------|
| Female-owned           | All firms                 | All firms                                  | All firms               | 2015 | 1,088,466                           | 2016 | 1,118,863                           |
| Female-owned           | All firms                 | All firms                                  | Veteran-owned           | 2015 | 13,317                              | 2016 | 13,467                              |
| Female-owned           | All firms                 | White                                      | All firms               | 2015 | 887,566                             | 2016 | 904,329                             |
| Female-owned           | All firms                 | Black or African American                  | All firms               | 2015 | 38,478                              | 2016 | 43,565                              |
| Female-owned           | All firms                 | American Indian and Alaska Native          | All firms               | 2015 | 7,865                               | 2016 | 8,957                               |
| Female-owned           | All firms                 | Asian                                      | All firms               | 2015 | 146,101                             | 2016 | 153,177                             |
| Female-owned           | All firms                 | Native Hawaiian and Other Pacific Islander | All firms               | 2015 | 1,391                               | 2016 | 1,455                               |
| Female-owned           | All firms                 | Some other race                            | All firms               | 2015 | 20,091                              | 2016 | 21,222                              |
| Female-owned           | All firms                 | Minority                                   | All firms               | 2015 | 268,629                             | 2016 | 289,326                             |
| Female-owned           | Hispanic                  | All firms                                  | All firms               | 2015 | 76,383                              | 2016 | 84,383                              |
| Male-owned             | All firms                 | All firms                                  | All firms               | 2015 | 3,387,196                           | 2016 | 3,434,782                           |
| Male-owned             | All firms                 | All firms                                  | Veteran-owned           | 2015 | 381,827                             | 2016 | 363,002                             |
| Male-owned             | All firms                 | White                                      | All firms               | 2015 | 2,943,505                           | 2016 | 2,971,833                           |
| Male-owned             | All firms                 | Black or African American                  | All firms               | 2015 | 65,613                              | 2016 | 67,976                              |
| Male-owned             | All firms                 | American Indian and Alaska Native          | All firms               | 2015 | 18,968                              | 2016 | 19,422                              |
| Male-owned             | All firms                 | Asian                                      | All firms               | 2015 | 312,171                             | 2016 | 327,942                             |
| Male-owned             | All firms                 | Native Hawaiian and Other Pacific Islander | All firms               | 2015 | 2,966                               | 2016 | 3,375                               |
| Male-owned             | All firms                 | Some other race                            | All firms               | 2015 | 63,062                              | 2016 | 63,258                              |
| Male-owned             | All firms                 | Minority                                   | All firms               | 2015 | 605,239                             | 2016 | 636,001                             |
| Male-owned             | Hispanic                  | All firms                                  | All firms               | 2015 | 202,174                             | 2016 | 214,835                             |

Source: U.S. Census Bureau Minority Owned Firms, 2015-2016