

The Canadian Homeschooler

Entrepreneurship for Kids: What Kids Learn From Running Their Own Business

Encouraging your child to start a small business is not one a great way to get them to earn money of their own for things they want, but also gives them so many opportunities for learning. They can do anything, from selling crafts to babysitting, to cutting people's lawns – the sky is the limit.



[Little Girl Selling Lemonade](#) by photographer mg7 on BigStockPhoto.com

Here are 7 things that kids learn from being an entrepreneur:

RESEARCH SKILLS

The first task for entrepreneurship is research to figure out what kind of business to do.

- What product or service is needed in your community?
- How / Where can you sell or promote it?
- Do you need any special tools or skills to do this business?
- Will you need help from an adult?
- What are people willing to pay?

This can be done through sites like Pinterest for ideas, talking to people who might use your product or service to get their feedback, trial and error, etc.

Research is important because it helps kids learn how to realistically evaluate options, as well as discover their own interests. Coming up with a business idea is all about creativity.

ECONOMICS

Running a business is all about economics and bookkeeping. If they are making products, going to the supply stores and pricing out how much it would cost to make each of those intended products, figuring out a profit margin, how to pay any helpers, and how to handle the income in relation to expenses all tie into the mathematics of how a business works. If they are offering a service, they need to think about the cost of the time they spend combined with the cost of the tools they need to use in order to figure out the value of their work. Will people pay that?

This can also lead to needing to keep track of income and expenses, and the use of either spreadsheets or an accounting program – computer-based skills which are invaluable.

The other part that should be added here is that it often will require the handling of money, and learning how to do give change and receipts (if needed).

CRITICAL THINKING

When getting started, it's a great opportunity to discuss a series of very challenging business plan questions that are intended to make your child dig deep and think carefully. It is a chance to reflect on strengths and weaknesses, figure out how to overcome or outsource difficult areas, and also to problem solve potential challenges.

SOCIAL SKILLS

Whether your child is a social butterfly or an extreme introvert, running a business will involve some interactions with others. For example, if you are selling crafts, you might need to go to a Christmas vendor bazaar to peddle your wares. If you are selling a service, you will need to connect with people face to face to let them know about it. Running a business teaches kids the importance of customer service and how to positively and politely interact with people.

LEARNING ABOUT FAILURE

This is also a great opportunity to discuss failure and why it's not really all that bad of a thing. Not every business attempted will be successful and that's ok. The goal is to be able to look at an experience and learn from mistakes.

- Why didn't this work?
- What can I take from this business and use in a future one?
- How can I be better next time?

LANGUAGE

Detailed note-taking, keeping track of customer information, communicating via email or text, looking up sales for resources needed, promotional posts on social media, creating marketing materials... there are plenty of opportunities to include reading and writing while creating and running your own business.

FINANCIAL RESPONSIBILITY

One of the most important skills I feel this offers is the understanding that you can't just get whatever you want without effort. You have to save for things. Having a business shows them the value of money and makes their purchases much more meaningful than if they were just given the item they want. Helping drive home the need for financial responsibility is so important. This can help them understand how the idea of living off credit is dangerous, and that having the money to spend the money is the only way to go.

On top of all of this, running a business is a fun way to spend time together. It helps your child get some real-life business experience that might help them decide on career goals in the future.

Running a business and trying out life as an entrepreneur is a wonderful opportunity for our children to learn while they are still in a safe and supportive place.

This post is part of a 10 day series all about learning through every experience. Join me as we look at different ways kids learn outside of a textbook and workbook – just by experiencing life.

<https://thecanadianhomeschooler.com/entrepreneurship-for-kids-what-kids-learn-from-running-their-own-business/>