About Virtual Enterprise
Virtual Enterprises International (VEI) is an in-school entrepreneurship program and global business simulation. Based on observations of an instructional model in Austria of “practice firms,” virtual enterprises were launched in seven New York City public high schools in 1994. Since that time, the Virtual Enterprise Program has grown to over 500 secondary and postsecondary institutions in the U.S.

In VE, the teacher is a facilitator of the business enterprise. Students run a company and are assigned to work in different departments, typically Administration, Accounting/Finance, Sales, Marketing, Human Resources and IT. The company and employees (students) of the company comprise the virtual economy. The Virtual Enterprise must find customers and provide services that other companies need in order to stay in business.

The VEI approach emphasizes learning in four key areas:
1. Ownership: Students take responsibility for their own learning
2. Experiential: Students’ learning is authentic and realistic
3. Cooperative: Students learn with and from others and understand the dynamics of working as part of a team.
4. Reflective: Students experience the consequences of their decisions and apply that learning to future challenges

At the beginning of the school year, students select their enterprise. The facilitator/teacher puts students into groups to evaluate options. As she observes the students’ interactions, she identifies those with strong leadership skills and then picks the company leaders. The students then either choose to continue an existing enterprise or form a new enterprise. The entire class then adopts one enterprise, typically with about 15 to 20 students. There is a rule that a school can only keep the same enterprise for a maximum of five years, so at some point a new enterprise must be formed.

Most of the interaction for the enterprise between schools is done through email, since other classes may not be offered at the same time. There is a national directory, so students know exactly when other classes are in session. In order to speak by phone with other enterprises, sometimes students will come into the worksite during their free period, so they know when the other kids are in session.

To pay for goods and services, students transfer virtual funds through a web-based banking system that links all U.S. firms with other virtual firms worldwide. As employees, students also get a virtual paycheck.

Virtual Enterprise at G. W. Hewlett High School
Barbara Mattes, the VE facilitator at G. W. Hewlett High School on Long Island, New York, has been a business educator for over 30 years. She says that “the one thing I couldn’t bring to the high school ...
was teaching business management and entrepreneurship. She said, “We have tried, but fell short.” Ms. Mattes learned about another high school on Long Island that was offering virtual enterprise, and she determined that it was exactly what she was looking for. The Virtual Enterprise initiative pulled together all the pieces of business into a real-world simulation.

G. W. Hewlett High School now offers two VE classes. Each class is a double period class that runs for 80 minutes total. The classroom has a telephone, fax machine and cubicles, so it has a very authentic office setting. There are 23 VE firms in Long Island, about 100 in New York (VE was originated in New York City), and about 400 nationwide.

Most of the VE students are 11th and 12th graders, and there is a pre-requisite that the student have taken at least a full year business course such as information technology, accounting, business law or marketing. Ms. Mattes says that the VE students “have to perform” and that one year, a classroom team actually fired a student. The student and teacher had to meet with the guidance counselor and the parent and the student withdrew from the class.

Students from the Virtual Enterprise participate in regional competitions each year, with six students representing their company by presenting their business plan to judges from the business world. At this competitive event, other students participate by setting up and running a booth. This mini-trade show (regional) is a warm-up practice for a larger national trade show and allows them to make contacts and market their firm. Other students stay at the school to run the VE. At the international trade show, all team members participate as salespeople for the company. They also meet representatives from other VEs and shop for goods and services.

**Partnering with Business Volunteers**

Ms. Mattes has organized a business advisory board committee that has been in place for about 23 years. She says that at any individual meeting, just a handful of members will participate, but the database of volunteers is very large and they will be recruited to work at various events throughout the course of the year. She runs three advisory board meetings each year, held in the morning, and then asks volunteers to stay and interact with VE students.

For example, when VE students are preparing for a regional business plan competition, business volunteers will come in, hear the students make their presentation, ask for clarifications and give advice.

Business volunteers come to visit class, explaining their company financial statements to students, and providing advice on financial matters.

Volunteers help with an interview day for students in spring and fall, conducting practice interviews with all sophomores in the school. This “mock interview” process helps them enhance their computer application skills, develop a resume, and try out interview skills.

As part of a designated “Career Day” program, business volunteers talk about the process of moving into a career field, turns in the road, obstacles, and what would you do differently. Two speakers share their insights during a 40-minute period. This activity is meant to help 10th graders begin to look towards their future career aspirations. The presenters give them insight into the process of picking their career just as they are looking toward junior year.

**Senior Internship**
One of G. W. Hewlett High School’s graduation requirements is that each senior complete a 25-hour internship or project. The majority of the school’s 250 seniors complete an internship for this purpose.

VE students conduct their senior projects in a 25-hour business-related internship. Many local businesspeople volunteer to host an intern in order to help students complete this requirement. During the first quarter of the year, students work with their English teachers to create a resume, with the VE teachers reviewing and advising. VE students also learn a bit about proposal writing, then at the end of the 2nd quarter, students have to write a proposal and work on finding a business mentor for the project. The business mentor signs off to verify the 25 hours were fulfilled and an evaluation form completed. Upon completion of the project, the VE students make a presentation on what they accomplished during the project at a Senior Year Project fair in the high school.

Contact

Barbara Mattes
Chair of the Business Department at G. W. Hewlett High School
Hewlett-Woodmere Public Schools
bmattes@hewlett-woodmere.net

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