



Perspectives Challenge B2

I can understand I am part of my environment.

Entrepreneurial Culture



Network Thinking

Companies face challenges on many levels. Students will formulate various goals, investigate correlations and complete a field analysis. Furthermore, they will assess the outcome of events and develop different scenarios.

Student Manual



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Youth Start Entrepreneurial Challenges Programme

based on the TRIO Model for Entrepreneurship Education – www.youthstart.eu

Core Entrepreneurial Education				Entrepreneurial Culture						Entrepreneurial Civic Education	
	Idea Challenge		Hero Challenge		Empathy Challenge		Storytelling Challenge		Buddy Challenge		My Community Challenge
	My Personal Challenge		Lemonade Stand Challenge		Perspectives Challenge		Trash Value Challenge		Open Door Challenge		Volunteer Challenge
	Real Market Challenge		Start Your Project Challenge		Extreme Challenge		Be A YES Challenge		Expert Challenge		Debate Challenge

The TRIO Model is a holistic definition of entrepreneurship that encompasses three areas:

Core Entrepreneurial Education comprises basic qualifications for entrepreneurial thinking and acting: developing and implementing original and innovative ideas in a creative and structured manner.

Entrepreneurial Culture refers to personal development: self-initiative, self-confidence, teamwork, empowering oneself and others.

Entrepreneurial Civic Education aims at enhancing social competences and empowering students in their role as citizens: assuming responsibility for oneself, others and the environment.

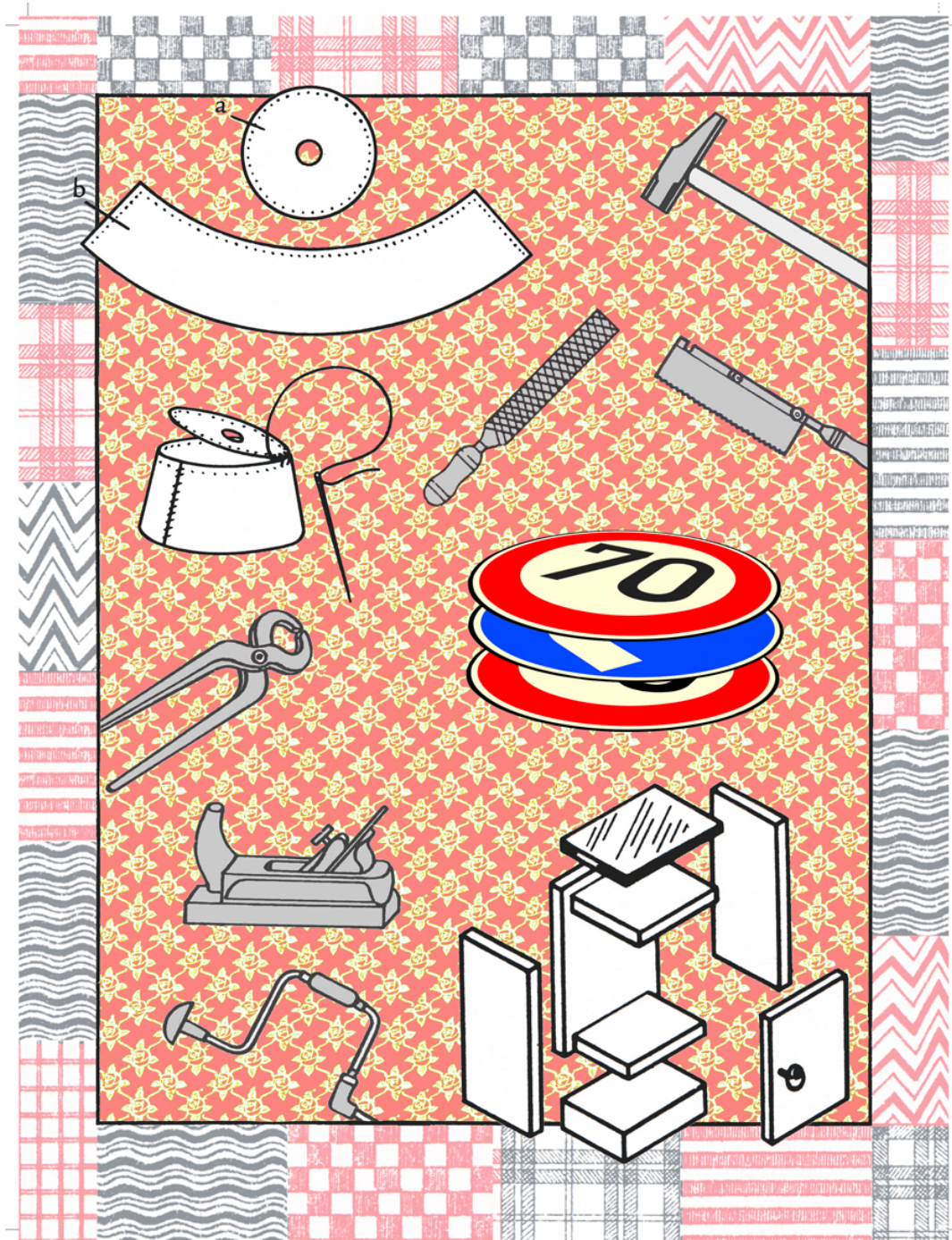
Each challenge belongs to a **challenge family** that has its own icon with a colour code that corresponds to one of the three TRIO areas. A challenge family comprises several challenges on different competence levels. The letter codes given in the teaching materials correspond to the following levels:

A1 – primary level; A2 – secondary level I; B1 and B2 – secondary level II; C1 – transition from secondary level II to tertiary level. Each level builds on the preceding level.



Worksheet 1

garbage upcycling design





“We offer a second chance for people and things.”

Gabriele Gottwald-Nathaniel

Journey back into life

Recovering from a (drug) addiction is a long and difficult journey. Gabriele Gottwald-Nathaniel, Director of Administration at the Anton Proksch Institute, Europe’s largest addiction treatment clinic, and director of the socio-economic and socially integrative initiative “*gabarage upcycling design*” seeks to support people on this journey and offer them new prospects.

gabarage upcycling design was founded in 2002. The initiative enables recovered addicts to work with select designers to create products made exclusively from waste and residual material. Production and distribution are also carried out by *gabarage* staff.

In their socio-economic initiative, Gabriele Gottwald-Nathaniel and her team successfully combine upcycling design with the social (re)integration of people with addiction problems.

The people assisted by *gabarage* wish to begin a new life in self-determination – i.e. a life not determined by their addictions. Over the course of one year, they are trained in various skills pertaining to the design industry, such as carpentry, sewing, administration and sales. The objective is to reintegrate recovered addicts in the regular job market. *gabarage* now has two workshops and has helped many people re-enter the regular job market. 60 % of the people trained by *gabarage* can find employment in the regular job market and 30 % are still employed after three years. Considering the extremely difficult situation, the *gabarage* team has every reason to be proud of these figures.

The initiative covers its costs with funding provided by the Anton Proksch Institute and the drug and addiction policy coordination centre Sucht- und Drogenkoordination Wien GmbH, as well as internal revenues (which will hopefully continue to rise in the future). Staff costs for transitory employees ¹ are covered proportionally by Arbeitsmarktservice Wien, the public employment service of the city of Vienna.

“Our work helps extend product life cycles and prevent waste.”

Gabriele Gottwald-Nathaniel

Don’t dump it, wear it!

gabarage gives things a second chance. Its sustainable products are created from material that is no longer needed or has been thrown away. The aim of upcycling is to rehabilitate such material or find a new use for it. Many of the newly created objects are artistic in nature or offer a new interpretation of the items at hand.

¹ Transitory employees: Employees who for a certain period of time are employed and assisted by initiatives of the public employment services (and other supporting institutions) with the aim of integrating them in the job market.

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*gabara*ge uses upcycling to show that residual material does not necessarily have to end up in waste disposal sites or at incineration plants and that rehabilitating such material often does not require any major energy input. The *gabara*ge initiative thus successfully unites design, sustainability and social responsibility.

Shoulder bags are created from truck tarpaulin, old filing cabinets are transformed into wardrobes or loungers. Old rubbish bins serve as chairs, waste material is used to build lamps and is thus given a new, brilliant life. The objects are unique or sold in small limited editions. What makes them special is their individuality as well as the history of the material from which they were crafted.

*gabara*ge creates both material and immaterial value. In addition to their practical value, *gabara*ge designer pieces also have added social value. The initiative develops the creative skills of recovering addicts, boosts their self-esteem and also helps them overcome the stigma of addiction.

Prospective buyers can shop and browse designer products at the *gabara*ge showroom on Schleifmühlgasse in the 4th district of Vienna.

With *ideen.reich*, its own premium brand, *gabara*ge has entered new sectors, such as clothing, interior design, accessories and jewellery.

A responsible company

Apart from private citizens, *gabara*ge also appeals to companies interested in corporate social responsibility (CSR) measures. In line with sustainable corporate policies, *gabara*ge takes over waste products from companies, upcycles them and uses them to create designer pieces. This makes it possible for companies to reuse old material.

“The work and especially the ideas of gabara*ge *fit in well with our corporate culture: they are sustainable, take into account ecological, social and cultural factors and focus on people.”

Siemens and the Academy of Fine Arts Vienna, for instance, are already employing *gabara*ge's services and are using bags made from old industrial tarpaulin or old banners.

Peter Baumgartner, Siemens

***“Whenever I meet former gabara*ge *trainees who tell me that they have now been working for a few years and that they are grateful for their time with gabara*ge, I know that I am doing the right thing and I would not want to have any other job.”**

Gabriele Gottwald-Nathaniel

Further information: www.gabara.at

Source: Lindner, Johannes/Fröhlich, Gerald: Sustainability meets Entrepreneurship, Vienna 2009 (updated 2015); illustration: Helmut Pokornig





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➔ Task 1: Analyse the sustainable business model

Watch the “IFTE_Entrepreneurial Design” video, then analyse the business model of *gabara*. Form small groups and describe the “sustainable business model” on flip charts, using the structure shown below.

 Value Proposal	Value Chain Structure 
 Profitability Model	Social and Ecological Sensitivity 

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Task 2: Formulate goals

Formulate social, ecological and economic goals for *gaborage*. For each area, define one overarching goal (main goal) and derive detailed subgoals (partial goals).

Social goals	Ecological goals	Economic goals
Overarching goal (main goal):	Overarching goal (main goal):	Overarching goal (main goal):
Subgoals:	Subgoals:	Subgoals:

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Task 3: Conduct a field analysis (players – parties affected)

- In a field analysis, define the most important stakeholders for *gabarage*. Note them on Post-its and order them hierarchically. Remember that there are also stakeholders who are not part of the market (e.g. the government, the environment, the public).
- Form small groups and formulate expectations and goals for the individual stakeholders.
- Write down these expectations and goals on your worksheet.

Stakeholders	Goals

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Task 4: Assess the outcome of events

Our world is a world of networks and this creates certain challenges, which we must face.

Analyse the outcome of the following events and how they are likely to affect *gabara*. Mark whether an outcome is positive, neutral or negative (☺, ☹, ☹) for *gabara* (several answers may be correct). Explain your decisions.

Event	☺	☹	☹	Effects on <i>gabara</i>
The government reduces subsidies for job market integration initiatives.				
Real wages decrease because of a difficult overall economic situation.				
Tax benefits are introduced for donations to charitable institutions, associations and socio-economic initiatives.				
Unemployment in the production sector increases drastically.				
Upcycling becomes popular and the market sees a surge of suppliers.				
Public awareness for environmental issues increases.				
The euro rises 15 % against the US dollar.				
A general 2 % V.A.T. increase is announced.				

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Task 5: Develop a scenario for *gabarage*

A scenario is an instrument to explore the future. When developing a scenario, you postulate a possible future and try to identify potential events in order to be able to plan strategically in the present and to devise potential solutions.

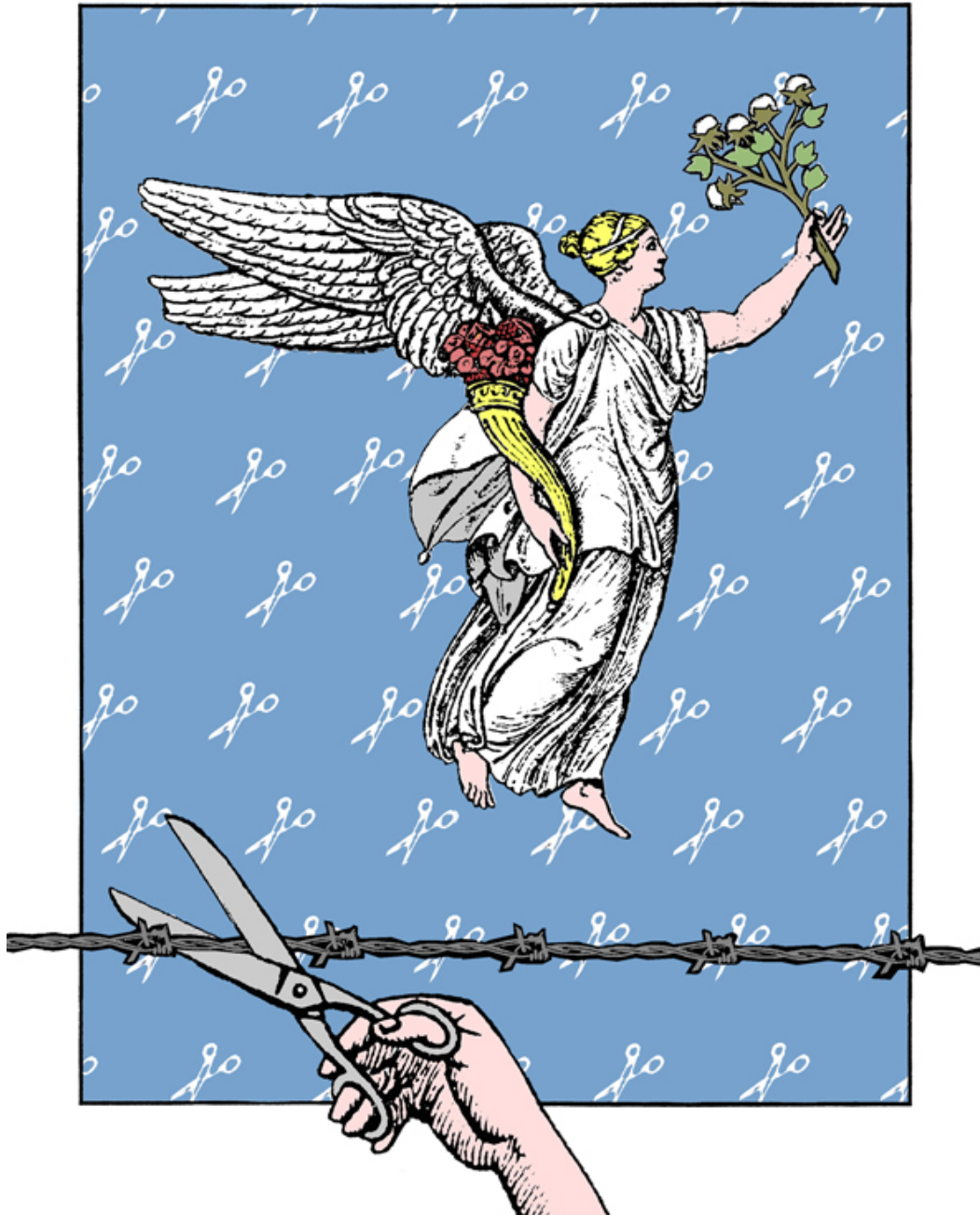
Every scenario is based on the present. Scenarios can be optimistic, pessimistic or realistic. You can also develop a scenario for your private life (e.g. *My life 20 years from now*).

- a) Form small groups. Half of the groups will develop an optimistic scenario, the other half a pessimistic scenario for *gabarage*.
- b) Briefly present your individual scenarios and together map out an optimistic and a pessimistic scenario on flip charts.
- c) Based on these extreme scenarios, discuss a realistic scenario.



Worksheet 2

Goddess of Luck





Clothes that are clean in every respect – *Goddess of Luck*

Starting situation

In order to minimise costs, many big corporations – including well-known brands – have themselves stopped producing and have outsourced their production to companies in so-called low-wage countries. Export production zones, where articles are produced under favourable tax conditions and at the lowest possible cost, have for instance been established in Indonesia, China, Vietnam, Thailand, Bangladesh, Mexico or the Philippines. This arrangement has obvious advantages for the companies producing in these countries and was, by many, also expected to benefit development in the low-wage countries' respective economies and enable them to gain a foothold in the global market.

Critics, however, point to the loss of jobs in the corporations' home countries, as well as the working conditions in so-called *sweatshops*. These conditions mainly affect women, who make up 80 to 90 % of the more than 20 million employees in the global textile industry. Their human and labour rights are systematically violated. With production targets that cannot be met within normal working hours, many labourers work 14 hours a day or more. If production targets are indeed regularly met, they are increased even further. There is no adequate compensation for overtime. Many workshops resemble prisons, with high walls, barbed wire and security staff. Basic precautions to guarantee the safety of workers are often neglected. Wages are extremely low and completely insufficient to support a family. The "better" production plants grant the luxury of one week of vacation per year. Any formation of labour unions is strongly discouraged, partly by means of intimidation.

One of the many campaigns striving to overcome these grievances and create public awareness for the issue is the Clean Clothes Campaign, which focuses on the textile and garment industries.

The campaign's strategy is outlined clearly: once consumers become more critical and aware of the consequences of their shopping choices, they can exert greater pressure on brands and corporations. Word is spreading and demand for clothing produced under fair conditions is growing. This is why many companies are now voluntarily imposing codes of conduct and are committing to improving social conditions and protecting minimum social standards. And they request that their subcontractors do the same. Meanwhile, the Clean Clothes Campaign demands independent compliance monitoring for these codes, with a focus on labourers' interests.

***Goddess of Luck* is ecologically fair**

The fashion label *Goddess of Luck* ("Göttin des Glücks", GDG) was founded in Vienna in 2005. It fully commits to the above-mentioned principles and creates feel-good fashion under the slogan "Thanks, I'm Fine". The label was founded by an international collective of four designers. "Humour, creativity and variety are what makes our team so innovative," says co-founder Lisa Muhr, who still holds a management position at *Goddess of Luck*.



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The fashion label *Goddess of Luck* unites fair trade with ecologically sustainable cotton farming. This combination of principles, which the designers call “ecologically fair”, is implemented in a complete fashion line (from underwear to outer garments for men and women).

“A feel-good collection exploiting people and harming the environment, that’s simply impossible,” explains designer Lisa Muhr. This is why, one year after founding the label, the team decided to abandon conventional producers and to implement ecological and fair principles throughout the production chain.



From cotton farming to spinning and sewing

From the cotton field to the finished garment, the label *Goddess of Luck* guarantees a fully transparent production chain. Production begins in the state of Madhya Pradesh in Central India, where small-scale farmers use organic agriculture to grow the valuable natural fibre on their cotton fields. Their sustainable methods protect both the fertility of the soil and the health of the farm labourers. Fields are small and farmers employ intercropping, which means they cultivate cotton, staple foods and other agricultural products on the same site. Field work is carried out by hand or with draft animals. Many farms have been transformed into fertile oases with these organic farming methods. The farmers are supported by Mahima Purespun, a local textile company which buys their crops and offers them training programmes. Minimum prices for their FAIRTRADE certified cotton are guaranteed and farmers also receive an additional social benefit premium and can jointly decide how to use it. “The price guarantee means that farmers can cover their production costs even if market prices are low. If market prices rise above the guaranteed minimum level, farmers are paid the higher price and also receive the social benefit premium. Organic quality brings even higher prices, so the additional effort pays off. The FAIRTRADE certified and organic cotton is ginned and spun by Mahima Purespun. This is how raw cotton is turned into yarn.”



The yarn is then shipped to Mauritius, more precisely to RT Knits, a textile factory that produces and colours fabrics. RT Knits has designed its new production plant according to ecological principles and for instance uses wind and solar power. In adherence to FAIRTRADE criteria, both Mahima Purespun and RT Knits have committed to protecting minimum social standards. These standards are for instance derived from key conventions crafted by the International Labour Organization (ILO) and include: no exploitation of children, no forced labour, regular working hours, freedom of association and organisation, collective bargaining rights, etc. Adherence to these standards must be documented by the companies and is monitored by the international certification organisation FLO Certification.

Craft Aid, which has been a direct trade partner of *Goddess of Luck* since 2005 and is a cooperation partner of the Austrian fair trade import organisation EZA Fair Trade, is in charge of tailoring, sewing, printing and packaging. All these steps are also carried out on Mauritius. Craft Aid is a socially responsible company with 240 employees. Like EZA, it is a member of the World Fair Trade Organisation (www.wfto.org) and implements fair trade criteria throughout its processes and structures.

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Also Craft Aid submits documentation of its working processes to FLO Certification. But the social responsibility of the company far exceeds the adherence to minimum social standards: Craft Aid's corporate policy includes offering fair working conditions and a safe working environment, higher wages for its employees – about 40 % above legal minimum wages – profit sharing and many additional voluntary social commitments, such as the integration of people with impairments (about 40 % of its total workforce).



Finally, the garments are shipped to Europe and then transported to cooperation partner EZA, based near Salzburg. EZA Fair Trade is a permanent cooperation and product partner of *Goddess of Luck* (GDG). GDG designs the fashion lines and orders them from EZA, which in turn commissions Craft Aid to produce the garments. The products are sold all over Europe, through two major distribution channels: GDG sells the clothes in its own stores and in fashion boutiques, while EZA sells them in *Weltläden* stores.

Weltläden stores specialise in fair trade products. They offer the greatest range of fair trade products in the market and also inform customers about where products come from and under which conditions they are produced. Furthermore, they participate in campaigns for more fairness in world trade. GDG products are now available in more than 80 *Weltläden* stores throughout Austria. To reach even more customers, the label also operates its own online shop.

Of course, *Goddess of Luck* also greatly values fairness and trust in dealing with its more than 20 employees, as can be expected from a company selling ecologically fair fashion. Employee appraisal, feedback discussions, flexible organisation of working time (within the fixed opening hours of the stores), consideration for (changing and evolving) needs and preferences in job profiles, annual planning in consultation with the employees concerned, flat hierarchies, equal treatment of men and women and a respectful atmosphere are integral aspects of the company's daily business practice.

Further information/videos at: www.goettindesgluecks.at.

Sources: Lindner, Johannes/Fröhlich, Gerald: Sustainability meets Entrepreneurship, Vienna 2009 (updated 2015); *Goddess of Luck* website; photos: © Patricia Weißkirchner, GDG, Birgit Pichler; illustration: Helmut Pokornig

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Task 1: Formulate goals

Formulate social, ecological and economic goals for Goddess *of Luck*. For each area, define one overarching goal (main goal) and derive at least three detailed subgoals (partial goals).

Social goals	Ecological goals	Economic goals
Overarching goal (main goal):	Overarching goal (main goal):	Overarching goal (main goal):
Subgoals:	Subgoals:	Subgoals:

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Task 2: Conduct a field analysis (players – parties affected)

- In a field analysis, define the most important stakeholders for *Goddess of Luck* and order them hierarchically. Make separate lists for the areas of “design and distribution” and “production”.
- Formulate expectations and goals for the individual stakeholders and collect them on your worksheet.

Stakeholders	Goals

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Task 3: Assess the outcome of events

Our world is a world of networks and this creates certain challenges, which we must face.

Analyse the outcome of the following events and how they are likely to affect *Goddess of Luck*. Mark whether an outcome is positive, neutral or negative (☺, ☹, ☹) for *Goddess of Luck* (several answers may be correct). Explain your decisions.

Event	☺	☹	☹	Effects on <i>Goddess of Luck</i>
More and more textile labels voluntarily commit to a transparent production chain.				
A new pest destroys organic cotton crops in India.				
Europe introduces lower limits for pesticide contamination in textiles.				
Big companies such as H&M or GAP offer more products made from organic cotton.				
The euro falls 10 % against the US dollar.				
New synthetic fibres are developed that will gradually replace cotton.				

Task 4: Develop a scenario for *Goddess of Luck*

- Develop an optimistic and a pessimistic scenario for *Goddess of Luck*.
- Based on these extreme scenarios, discuss a realistic scenario.



➔ Worksheet 3

Small Group Self-Assessment

Evaluate your group on how well you completed tasks 1-5 for the *Goddess of Luck* activity. Once you have finished, discuss your results. What did your group do well? What aspects could you improve on?

Level	Content and Organisation
0 - 2	<ul style="list-style-type: none"> We were able to identify one overarching goal each for social, ecological and economic aspects but did not provide any concrete examples for subgoals. We were able to complete a field analysis by identifying a minimum of three stakeholders and may or may not have identified individual goals and expectations for each of them. When we analysed the events our outcomes as well as scenarios seemed somewhat unrealistic.
3 - 5	<ul style="list-style-type: none"> We were able to identify one overarching goal each for social, ecological and economic aspects as well as provide at least one concrete subgoal for each. We were able to complete a field analysis by identifying a minimum of four stakeholders as well as individual goals and expectations for a few of them. We were somewhat able to analyse events and accurately assess how they would affect <i>Goddess of Luck</i>. We could develop rudimentary realistic, optimistic and pessimistic scenarios for <i>Goddess of Luck</i>.
6 - 8	<ul style="list-style-type: none"> We were able to identify one overarching goal each for social, ecological and economic aspects as well as provide at least two concrete subgoals for each. We were able to complete a field analysis by identifying a minimum of five stakeholders as well as individual goals and expectations for some of them. We were able to analyse events fairly well and accurately assess how they would affect <i>Goddess of Luck</i>. We could develop detailed realistic, optimistic and pessimistic scenarios for <i>Goddess of Luck</i>.
9 - 10	<ul style="list-style-type: none"> We were able to identify one overarching goal each for social, ecological and economic aspects as well as provide at least three concrete subgoals for each. We were able to complete a field analysis by identifying a minimum of six stakeholders as well as individual goals and expectations for all of them. We were able to analyse events thoroughly and accurately assess how they would affect <i>Goddess of Luck</i>. We could develop comprehensive realistic, optimistic and pessimistic scenarios for <i>Goddess of Luck</i>.



Worksheet 4

End of Unit Self-Assessment

Assess yourselves by circling the appropriate number of smiley faces!

I can identify my strengths and weaknesses and I pursue my goals persistently.	☺	☺☺	☺☺☺
In the process I am willing to take responsibility and work to overcome potential difficulties.	☺	☺☺	☺☺☺
I can evaluate business risks using case studies and make appropriate decisions.	☺	☺☺	☺☺☺
In a discussion with others I can find arguments for my ideas in a structured way.	☺	☺☺	☺☺☺
I can plan goals.	☺	☺☺	☺☺☺
I can network with others and brainstorm ways to work together.	☺	☺☺	☺☺☺
I can formulate clear goals.	☺	☺☺	☺☺☺
I can complete a field analysis by defining stakeholders and formulating expectations and goals for them.	☺	☺☺	☺☺☺
I can argue potential outcomes of given situations.	☺	☺☺	☺☺☺
I can develop a scenario.	☺	☺☺	☺☺☺
I can identify my strengths and weaknesses and I pursue my goals persistently.	☺	☺☺	☺☺☺



➔ Worksheet 5

Self-Reflection Wrap-Up

1. Using ***Goddess of Luck*** as a successful example of a business model, what do you think you learned most from it?
2. Do you think that **all** future businesses should be designed using social, ecological, and economic goals? Why or why not? Give specific examples.
3. What did you learn most from this challenge?
4. If there is anything from this challenge that you could apply to your daily life, what would it be? List and explain how you will apply the principles.
5. After completing this challenge, is there anything that left you feeling curious or you would like to know more about? Make a list and explain specifically what you would like to know more about.