

# One Hen: How One Small Loan Made a Big Difference

By Katie Smith Milway / ISBN: 978-1-55453-028-1

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## Lesson Author

Todd Zartman, Federal Reserve Bank of Philadelphia

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## Standards and Benchmarks (see page 16)

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## Lesson Description

In this lesson, students learn the definition of entrepreneurship and are introduced to the characteristics of entrepreneurs. Students are asked to apply these characteristics to themselves and people in their own communities by completing a story pyramid and then writing a short story that demonstrates how entrepreneurial activity can contribute to higher standards of living.

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## Grade Level

3-4

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## Economics Concepts

Entrepreneurs  
Entrepreneurship  
Human capital  
Loan  
Risk  
Saving

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## Objectives

Students will be able to

- define entrepreneurship, entrepreneur, and human capital;
- identify the characteristics of an entrepreneur; and
- explain how loans, entrepreneurship, and saving positively impact a community.

## Time Required

60-90 minutes

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## Materials

- *One Hen* by Katie Smith Milway (ISBN: 978-1-55453-028-1)
  - Visuals 1 and 2
  - Handout 1, one copy cut apart to provide 10 strips
  - Handouts 2 and 3, one copy of each for each student
  - One sheet of chart paper for each student group
  - One marker for each student group
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## Procedure

1. Ask the students if they have ever borrowed something. (*Answers will vary but may include that students have borrowed money for lunch or a pencil to complete assignments in class.*)
  2. Explain to the students that they are going to listen to a story about a young boy named Kojo who borrows money from his mother to start a business. Kojo's mother loans the money to him with the expectation that he will pay it back.
  3. Ask the students if they know of anyone who has borrowed money to start a business. (*Answers will vary but may include that parents or relatives have borrowed money to start a business.*)
  4. Explain that borrowed money is actually a **loan**. A loan is something borrowed, usually money, with the expectation that it will be repaid in the future, usually with interest.
  5. Ask the students if they have ever loaned someone money. (*Answers will vary but may include that students have loaned money to someone to buy lunch at the cafeteria or novelty erasers at the school store and that they expected the money to be paid back in the future.*)
  6. Start reading *One Hen* to the students.
  7. Stop reading at the end of page 7.
  8. Discuss the following:
    - Where is Kojo's village located? (*Kojo's village is in the Ashanti region of Ghana, a country located in West Africa.*)
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- Do Kojo and his mother have much food or money? (*No, Kojo and his mother never have much money or much to eat.*)
  - How could Kojo and his mother get the necessary money to buy food? (*Answers will vary but may include that Kojo and his mother could save the money they earn from collecting wood and selling it at the market.*)
9. Explain to the students that **saving** is keeping money now to buy things in the future.
10. Discuss the following:
- Do you or others in your family save money? (*Answers will vary.*)
  - What have you or others in your family saved for? (*Answers will vary but may include they have saved for a vacation, video game, college, or a car.*)
  - Why did the 20 families of the village decide to save money, even though they didn't earn very much money? (*Each family agreed to save a bit of money so that one family could borrow all the savings to buy something important.*)
  - The Achempong family was the first family to receive the village's saved money. What did they purchase with their loan? (*The Achempong family purchased two cartloads of fruit.*)
  - Would the Achempong family have been able to purchase the two cartloads of fruit at that time without receiving the loan? (*No, even if they had been saving money that they had earned, it would have taken them much longer to save the necessary amount of money to purchase two cartloads of fruit.*)
  - What did the Achempong family do with the fruit? (*The Achempong family sold the fruit for a profit at the market and then paid back the original loan.*)
  - Was the family better off after taking the loan, starting a business, and paying off the loan? (*Answers will vary but some students may identify that the loan helped the family reach a goal, earn more money, and improve their lives.*)
11. Explain that, with the help of a loan from the other village members, the Achempong family was able purchase two cartloads of fruit much earlier than if they would have had to save enough money on their own to purchase the fruit. By selling the fruit, they were able to earn enough to repay the loan and have more money for their family than they would otherwise have had.
12. Discuss the following:
- The Duodu family was the second family to receive the village's saved money. What did they purchase with their loan? (*The Duodu family purchased a second-hand sewing machine.*)
  - What did the Duodu family plan to do with the sewing machine? (*The Duodu family planned to turn the cloth they wove into shirts and dresses to sell at the*

market. With some of the money they earned from selling the shirts and dresses, they planned to pay back the original loan.)

- One day it is Kojo's mother's turn to borrow money. What did she purchase with the borrowed money? (*Kojo's mother purchased a cart.*)
  - How did the cart help Kojo's mother earn income? (*The cart helped Kojo's mother carry more firewood to sell at the market. She also rented out the cart to others. By selling more firewood and renting out her cart, she made more money.*)
13. Explain to the students that the loans the families received and the businesses that were created from these loans allowed the families to earn more income. With that income they were able to repay the loans and still have money left. This cycle allowed each family to obtain its goal, increase its income, and improve its standard of living.
14. Kojo asked for a few coins to buy something to start a business because he had a plan. Ask the students to make guesses as to what Kojo will buy and what his plan might be. (*Answers will vary but students might guess one hen, the title of the book.*) List the students' guesses on the board.
15. Read page 8 to the students.
16. Discuss the following:
- What was Kojo's business plan? (*Kojo planned to buy one hen. He and his mother would eat some of the eggs the hen laid and sell the rest at the market.*)
  - Do you think Kojo's plan was a good plan? (*Answers will vary.*)
17. Explain to the students that all plans contain some **risk**. Risk is the chance of loss. For the families in the story there was risk. For example, the Achempong family borrowed money to buy two carts of fruit. There was risk associated with this. The fruit might have rotted before they could sell it, or they might not have been able to sell the fruit. In either case, they would not have been able to repay the loan.
18. Read the following scenario to the students:
- Suppose that Mike decides to start a snow-shoveling business. Normally there are a number of snowfalls in his area; therefore, families need their sidewalks shoveled. Mike takes money from his savings account and uses the money to buy snow shovels.**
- Ask the students what the risk is for Mike in starting a snow-shoveling business. (*Answers will vary but may include the following: The weather might not cooperate if it doesn't snow, Mike won't earn enough to repay himself with the money that is left.*)

19. Explain to the students that risk does exist with Kojo's business plan. Ask them what they think the risk that Kojo faces with his business idea might be. (*Answers will vary but may include that if the hen Kojo picked doesn't lay very many eggs or if it dies before he is able to get it home, Kojo would not be able to pay back the loan.*)
20. Explain that Kojo, his mother, and the other families mentioned in the story are **entrepreneurs**. They took risks in order to earn more income by providing goods and/or services that others wanted to buy.
21. Display *Visual 1: Definitions* and read the definitions of **entrepreneurship** and entrepreneur. **Entrepreneurship: A characteristic of people who assume the risk of organizing productive resources to produce goods and services. Entrepreneurs: Individuals who are willing to take risks in order to develop new products and start new businesses. They recognize opportunities, enjoy working for themselves, and accept challenges.**
22. Continue to read the story until you finish page 13.
23. Discuss the following:
  - How long did it take for Kojo to repay his mother? (*Two months*) Explain that by paying his mother back first, Kojo showed that he is disciplined and responsible.
  - Have you ever borrowed money from someone and then paid back that money? (*Answers will vary*). Explain that it takes discipline and shows responsibility to repay a loan and that because of this, it may be easier to borrow money or get a loan in the future.
  - After repaying his mother and saving the money he earned by selling eggs for four months, what was Kojo able to do? (*Kojo was able to buy another hen.*)
  - After six months, what was Kojo able to do? (*Kojo was able to buy a third hen.*)
  - After one year, how big was Kojo's flock of hens? (*25 hens*)
  - What was Kojo saving for? (*Kojo wanted to save enough money to pay for school fees and a school uniform.*)
  - Was Kojo able to go to school at this point in the story? (*Yes. Kojo's mother says, "Your eggs have made us stronger, Kojo. Now go to school and learn...for both of us."*)
  - What do you think Kojo will do next? (*Answers will vary.*)
24. Continue to read the story until you finish page 19.
25. Ask the students whether they are surprised or not surprised by the success Kojo has experienced so far and to explain why. (*Answers will vary.*)

26. Explain that Kojo is a successful entrepreneur and that he has many of the characteristics that other successful entrepreneurs possess.
27. Write the following words or phrases on the board at the front of the classroom:
  - Educated
  - Goal oriented
  - Hardworking
  - Responsible
28. Ask the students what they think the words and phrase listed might have in common.
29. Explain that these words and phrase all describe characteristics of entrepreneurs and Kojo, the main character in the story.
30. Display *Visual 2: Characteristics of an Entrepreneur*.
31. Ask the students to provide answers to the statements shown on Visual 2 from the words and phrase provided on the board. Provide the students with support when filling in the blanks on the visual by giving them more explanations and examples of the words listed above. Give examples of the words that pertain to students' actions in the classroom. For example, describe an instance when one of the students was hardworking during an exercise or activity completed in class.

### Visual 2—Answer Key

1. Kojo is hardworking. (*He tended to his flock of chickens.*)
  2. Kojo is responsible. (*He repaid the loan from his mother and saved his money so that he could buy more chickens.*)
  3. Kojo is educated. (*He gained knowledge and skills in school and through his work.*)
  4. Kojo is goal oriented. (*He met with the bank manager to discuss obtaining a loan.*)
32. Place students into 10 small groups.
  33. Have each group of students select an entrepreneur characteristic slip cut from *Handout 1: Characteristics of Entrepreneurs Slips*.
  34. Have a member of each group share the characteristic his/her group selected and read the explanation provided on the slip.
  35. Explain that many successful entrepreneurs possess these characteristics, but that they don't necessarily possess all of the characteristics and that possessing the characteristics doesn't guarantee success in the businesses they start.

36. Provide each student group with a sheet of chart paper and a marker.
37. Direct the student groups to draw a picture or diagram, like the pictures shown in Visual 2, that depicts the characteristic their group selected and the actions that Kojo carried out in the story that correspond to that characteristic.
38. Ask for groups to share and explain their illustrations. They should explain how their illustrations depict what Kojo did in the story and how those actions correspond to the characteristics they selected. *(Answers will vary depending on each group's interpretation. However, each group should be able explain why they illustrated what they did and provide an example from the story justifying their decision.)*
39. Explain to the students that Kojo continued to learn. He went on to college and continued to grow his dream and his **human capital**.
40. Display *Visual 1: Definitions* and read the definition of human capital. **Human capital: The knowledge and skills that people obtain through education, experience, and training.**
41. Discuss the following:
  - Kojo was able to attend school and pay for his schooling from the money he made selling his eggs. He studied hard and did so well in school that he won a scholarship to an agricultural college to learn more about farming. Through education, Kojo improved his human capital.
  - Why was it important for Kojo to improve his human capital? *(Answers will vary but may include that it was important for Kojo to improve his human capital because it helped him obtain the necessary knowledge and skills to be a successful entrepreneur. It also demonstrated to others that he was dedicated and serious about obtaining his goals.)*
  - In what ways have you improved your human capital? *(Answers will vary but may include coming to school each day and learning, playing and practicing sports, learning to play a musical instrument, or learning another language.)*
  - Why is it important to invest in your human capital? *(Answers will vary but may include that coming to school each day and learning will help them obtain the necessary knowledge and skills they need to be successful and obtain their goals.)*
42. Continue to read the story to the end on page 27.
43. Discuss the following:
  - What was the big risk that Kojo took after he graduated from college? *(Kojo decided to start a real poultry farm. He took the risk that the farm might not be successful, which would have caused him to lose his money.)*

- Even though Kojo saved enough money to buy a large plot of land and enough wood and wire to build chicken coops, what did he have to do in order to purchase the 900 hens necessary to start a large-scale poultry farm? (*Kojo had to go to a bank to borrow the money required to purchase 900 hens.*)
  - How does the size of the loan Kojo requested from the bank compare with the loan he got previously from his mother? (*The bank loan was a much bigger loan than the original loan Kojo's mother was able to provide.*)
  - Did the banker in the nearby town of Kumasi provide Kojo with the loan? (*No. The banker did not want to loan the money to a young man from a poor family.*)
  - Did Kojo give up? (*No.*) What did Kojo do? (*Kojo traveled to Accra, the capital city of Ghana, and visited the bank's headquarters. He met with the bank president and explained his story and why he felt he should qualify for the loan.*)
  - Did Kojo get the loan? (*Yes.*) Why? (*Kojo got the loan because he told the bank president how he used a small loan for one hen, repaid that loan, used the money from his egg sales to build his flock, sent himself to school, improved his human capital, and reached his initial goal of getting an education. He demonstrated to the bank president that he was a trustworthy individual and qualified to receive a loan for such a large amount.*)
44. Distribute a copy of *Handout 2: Loans in the Community* to each student. Have the students remain in their work groups and assist each other in completing the handout. When the students have finished working, review their answers.

### Handout 2: Loans in the Community—Answer Key

1. Where did the money come from for the loans that the families received? (*The loans came from the community's saved pool of money.*)
2. What did each family purchase with the money loaned to them? (*Achempong family: two cartloads of fruit; Duodu family: a second-hand sewing machine; Kojo and his mother: a cart; a hen*)
3. From whom did the Achempong family, the Duodu family, Kojo's mother, and Kojo purchase goods? (*The families purchased goods from other people, other merchants, and people at the market.*)
4. What did the merchants and people from whom the families bought things do with the money they received? (*The merchants and people paid costs and bought goods and services for themselves and their families from other merchants.*)
5. When a loan is made, does it help more people than the people who initially received it? (*Yes.*) Explain. (*When the people who borrow start their own businesses, they make purchases. Once they earn income, they make other purchases. The people who the borrowers purchase from also benefit.*)

45. Explain that when the Achempong family, the Duodu family, Kojo's mother, and Kojo buy things from other sellers, the other sellers receive money, which they can use to pay their costs and to take care of themselves and their families. Many people in the community were better off as a result of the loans to the Achempong family, the Duodu family, Kojo's mother, and Kojo. Discuss the following:
- Loans, even small loans like the loan Kojo's mother received from the members of their community and the one Kojo received from his mother, help individuals, communities, and countries. Loans promote growth and help people achieve their goals.
  - Loans are important to entrepreneurs because entrepreneurs often have great business ideas and the necessary characteristics to succeed in business but often have to borrow money to start their businesses.
  - Successful entrepreneurs benefit themselves and their communities. They create products that others want to buy. Frequently they hire other people to work for them so they create jobs. Entrepreneurs pay taxes to the governments in their community, which are used to better the community. And, entrepreneurs spend their income to buy goods and services from others in the community.

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## Closure

46. Review important content from the lesson by discussing the following:
- What are entrepreneurs? (*Entrepreneurs are individuals who are willing to take risks in order to develop new products and start new businesses. They recognize opportunities, enjoy working for themselves, and accept challenges.*)
  - What is entrepreneurship? (*Entrepreneurship is a characteristic of people who assume the risk of organizing productive resources to produce goods and services.*)
  - What are some characteristics that entrepreneurs possess? (*Answers will vary but may include accountable, confident, in control, disciplined, educated, energetic, goal oriented, hardworking, knowledgeable about their business, a continuous learner, love what they do, persistent, responsible, or a calculated risk-taker.*)
  - What are some obstacles that Kojo encountered in his plan to become a successful entrepreneur? (*Answers will vary but may include that Kojo initially didn't have enough money to purchase his first hen and that he was also turned down for a larger loan to be used to purchase a larger poultry farm.*)
  - How did Kojo overcome these obstacles? (*Kojo overcame these obstacles by being persistent and sticking to his plan. He never gave up and continued to improve his human capital, making himself a better candidate to receive a loan to start his big plan of a larger poultry farm.*)
  - What is human capital? (*Human capital is the knowledge and skills that people obtain through education, experience, and training.*) Give examples of human capital that you possess. (*Answers will vary but may include the ability to read,*

*use a computer to create written documents, play a musical instrument, or hit a baseball.)*

- How can people invest in human capital? *(Answers will vary but may include that people can continue their formal and informal education, obtain training in specific skills, or practice their skills.)*
- Why is it important for individuals to invest in their human capital? *(Answers will vary but may include that individuals who invest in their human capital usually have higher-paying jobs and have fewer problems finding jobs than individuals who do not invest in their human capital.)*
- Why are loans so important to entrepreneurs and a community? *(Loans provide the necessary funds to help entrepreneurs start their companies, achieve their goals, provide goods and services to communities, and generate tax monies that provide common services to communities.)*

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## Assessment

47. Instruct the students to complete Handout 3: Assessment—Story Pyramid for One Hen. Explain to the students that they will use the completed pyramid to help write a short essay proposing an entrepreneurial idea that they would like to bring to market. In the essay they should name their entrepreneurial idea and describe
- their entrepreneurial idea,
  - the human capital they have or must obtain to succeed,
  - how they will obtain the necessary human capital to succeed,
  - how they will overcome obstacles they may face,
  - the entrepreneurial characteristics that will help them succeed, and
  - how receiving a loan to help them reach their goal will improve their well-being and their community.

**Visual 1: Definitions**

**Entrepreneurship:** A characteristic of people who assume the risk of organizing productive resources to produce goods and services.

**Entrepreneurs:** Individuals who are willing to take risks in order to develop new products and start new businesses. They recognize opportunities, enjoy working for themselves, and accept challenges.

**Human capital:** The knowledge and skills that people obtain through education, experience, and training.

**Visual 2: Characteristics of an Entrepreneur**

Directions: Using the words provided below, fill in the graphic as instructed by your teacher.

- educated
- goal oriented
- hardworking
- responsible



1. Kojo is \_\_\_\_\_

2. Kojo is \_\_\_\_\_

**Characteristics  
of an  
Entrepreneur**



3. Kojo is \_\_\_\_\_

4. Kojo is \_\_\_\_\_

**Handout 1: Characteristics of Entrepreneurs Slips**

Directions: Cut along the dotted lines below and allow student groups to randomly select one slip.

Entrepreneurs are **accountable**, which means they accept responsibility for their own decisions.

Entrepreneurs are **confident**, which means they believe in their own skills and knowledge.

Entrepreneurs are **in control**, which means they influence or direct other people's behavior.

Entrepreneurs are **disciplined**, which means they show controlled behavior in all situations.

Entrepreneurs are **energetic**, which means they show great energy or activity.

Entrepreneurs are **knowledgeable about their business**, which means they understand all aspects of their business.

Entrepreneurs are **continuous learners**, which means they continue to learn their whole lives.

Entrepreneurs **love what they do**, which means they enjoy the work they perform daily.

Entrepreneurs are **persistent**, which means they stick with a task even when there are obstacles.

Entrepreneurs are **calculated risk-takers**, which means they make risky decisions but always consider the possible gains and losses from those decisions.

**Handout 2: Loans in the Community**

Directions: Answer the questions below:

1. Where did the money come from for the loans that the families received?
2. What did each family purchase with the money loaned to them?
3. From whom did the Achempong family, the Duodu family, Kojo's mother, and Kojo purchase goods?
4. What did the merchants and people from whom the families bought things do with the money they received?
5. When a loan is made, does it help more people than the people who initially received it? Explain.

**Handout 3: Assessment—Story Pyramid for *One Hen***

Directions: Fill in the pyramid shown below with the information requested. Use the information you provide in the pyramid to write two to three paragraphs about your own possible “entrepreneurial story.” Share your story with a fellow student, parent, or family member.

1. \_\_\_\_\_

One word naming your  
entrepreneurial idea

2. \_\_\_\_\_

Two words describing your idea

3. \_\_\_\_\_

Three words describing the human capital  
you have or must obtain to succeed

4. \_\_\_\_\_

Four words describing how you will obtain  
the necessary human capital to succeed

5. \_\_\_\_\_

Five words describing how you plan to overcome obstacles you may face  
(Note: Remember how Kojo overcame his obstacles in the story.)

6. \_\_\_\_\_

Six words describing entrepreneurial characteristics you possess

7. \_\_\_\_\_

Seven words describing how receiving a loan to help you reach your goal  
will improve your well-being and your community

## Standards and Benchmarks

### National Standards in Economics

**Standard 14:** Entrepreneurs take on the calculated risk of starting new businesses, either by embarking on new ventures similar to existing ones or by introducing new innovations. Entrepreneurial innovation is an important source of economic growth.

- **Benchmark 1, Grade 4:** Entrepreneurs are individuals who are willing to take risks, to develop new products, and start new businesses. They recognize opportunities, like working for themselves, and accept challenges.

**Standard 15:** Investment in factories; machinery; new technology; and in the health, education, and training of people stimulates economic growth and can raise future standards of living.

- **Benchmark 1, Grade 4:** When workers learn and practice new skills they improve their productivity by improving their human capital.
- **Benchmark 2, Grade 4:** Workers can improve their productivity by using physical capital such as tools and machinery.

### Common Core State Standards, English Language Arts

#### Reading: Literature, Grades 3-4

- **Key Ideas and Details**

RL.3.1: Ask and answer questions to demonstrate understanding of a text, referring explicitly to the text as the basis for the answers.

RL.3.3, RL.4.3: Describe in depth a character, setting, or event in a story or drama, drawing on specific details in the text (e.g., a character's thoughts, words, or actions).

- **Craft and Structure**

RL.3.5: Refer to parts of stories, dramas, and poems when writing or speaking about a text, using terms such as chapter, scene, and stanza; describe how each successive part builds on earlier sections.

- **Integration of Knowledge and Ideas**

RL.3.7: Explain how specific aspects of a text's illustrations contribute to what is conveyed by the words in a story (e.g., create mood, emphasize aspects of a character or setting).

- **Range of Reading and Complexity of Text**

RL.3.10: By the end of the year, read and comprehend literature, including stories, dramas, and poetry, at the high end of the grades 2–3 text complexity band independently and proficiently.

### Writing, Grade 3

- **Text Types and Purposes**

W.3.3: Write narratives to develop real or imagined experiences or events using effective technique, descriptive details, and clear event sequences.

3.3a: Establish a situation and introduce a narrator and/or characters; organize an event sequence that unfolds naturally.

3.3b: Use dialogue and descriptions of actions, thoughts, and feelings to develop experiences and events or show the response of characters to situations.

3.3c: Use temporal words and phrases to signal event order.

3.3d: Provide a sense of closure.

### Speaking & Listening, Grade 3

- **Comprehension and Collaboration**

SL.3.1: Engage effectively in a range of collaborative discussions (one-on-one, in groups, and teacher-led) with diverse partners on *grade 3 topics and texts*, building on others' ideas and expressing their own clearly.

3.1a: Come to discussions prepared having read or studied required material; explicitly draw on that preparation and other information known about the topic to explore ideas under discussion.

3.1b: Follow agreed-upon rules for discussions (e.g., gaining the floor in respectful ways, listening to others with care, speaking one at a time about the topics and texts under discussion).

3.1c: Ask questions to check understanding of information presented, stay on topic, and link their comments to the remarks of others.

3.1d: Explain their own ideas and understanding in light of the discussion.

SL.3.2: Determine the main ideas and supporting details of a text read aloud or information presented in diverse media and formats, including visually, quantitatively, and orally.

SL.3.3: Ask and answer questions about information from a speaker, offering appropriate elaboration and detail.

SL.3.4: Report on a topic or text, tell a story, or recount an experience with appropriate facts and relevant, descriptive details, speaking clearly at an understandable pace.

SL.3.5: Create engaging audio recordings of stories or poems that demonstrate fluid reading at an understandable pace; add visual displays when appropriate to emphasize or enhance certain facts or details.

SL.3.6: Speak in complete sentences when appropriate to task and situation in order to provide requested detail or clarification.