

Five ways to strengthen youth entrepreneurship

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Youth unemployment is one of today's big global challenges. The World Bank estimates we need [600 million new jobs ↗](#) in the next 10 years just to keep global employment rates constant and according to the International Labor Organization, [73.3 million ↗](#) of the world's unemployed are young people (about 36%). Add 'under-employed' youth to this and the number triples; over 169 million young people earn less than US\$2 per day. The problem is even greater in rural communities where increasing migration to urban areas around the world means a higher concentration of rural poverty.

Youth entrepreneurship offers innovative solutions for economic growth among young people. But youth enterprise initiatives are still relatively new to global development. How can programmes best support sustainable youth entrepreneurship?

[Recent research](#) on two [Raleigh International ↗](#) youth projects in rural Nicaragua and Tanzania shed some light on how to strengthen programmes for better results. Here are our top five lessons:

1. Get families and communities on board

To date, most youth programmes focus on entrepreneurs and the entrepreneurship ecosystem, but don't take into account the role of the family and

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support from families and communities is vital.

2. Develop business, technical and life skills for use beyond the project

Many young people, especially in developing economies, turn to entrepreneurship because of lacking job opportunities. But they might not always be in entrepreneurial roles. Development programmes that feature skills training that can be used beyond the end of the project are more attractive to youth, families and communities.

3. Think carefully about how to support young people to access finance

For young entrepreneurs, obtaining access to capital is essential to establish or expand businesses.

Unfortunately, these young people typically have the least access to ready capital. Accessing finance varies from country to country – but also from community to community. As such, development programmes need to plan carefully how best to support young people to get the funds they need. This means thoroughly examining different financial models and developing products tailored to the needs of participating youth.

4. Use mentors and set clearly defined goals

Mentors can help young people to examine their business plans and ideas. They connect them to larger networks, act as role models and demonstrate models of success. Literature and evaluation on youth entrepreneurship indicates that for mentorship to make a difference, mentors and youth entrepreneurs must have strong relationships based on clearly defined goals and obligations.

5. Be ready to adapt your approach for different contexts

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to external changes (such as changes in climate, economic crisis, or political and social changes) and may have different needs and aspirations, depending on their local environment. Adaptability and adjustability can be the lifeline of a programme, as situations arise and evolve.

Entrepreneurship can be a powerful tool to help fight youth unemployment. As such there is real value in studying youth entrepreneurship programmes. These five recommendations come from the first-person experiences of volunteers and entrepreneurs. For development workers and policy-makers working in youth entrepreneurship these findings can help craft better programmes and policies that help to tackle rural poverty and foster new opportunities for young people today and tomorrow.

In 2015, ODI reviewed two Raleigh International pilot projects in Nicaragua and Tanzania. Download the report [Building paths for youth entrepreneurship](#) for full findings and recommendations. [Raleigh International](#) is a UK-based sustainable development charity working to create strong, sustainable youth enterprises in rural communities around the world. The programme, [ICS Entrepreneur](#) is part of the UK government-funded International Citizen Service programme, which is led by VSO in partnership with development organisations. It uses peer mentoring to bring together young people from the UK and developing countries each year to develop and implement business ideas.

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