Youth Entrepreneurship



Youth entrepreneurship training is one of the 14 program elements established under the Workforce Innovation and Opportunity Act Youth Program. This technical assistance document provides general assistance to youth workforce practitioners on entrepreneurial skills training and offers information and resources to assist with training youth interested in starting their own business, or gaining important skills to succeed in the workforce.

Program Development and Components

Prior to the establishment of an entrepreneurship program, a market and needs assessment should be conducted to identify the particular needs of the youth being served, and the local socio-economic and labor market conditions. Due to varying skill levels and community needs, a "one-size-fits-all" methodology should be avoided. At conceptualization, it is important to think of the needs and goals of youth in the community, the desired outcomes for participants, and the best solutions for addressing issues that youth in a community may face.

Program Components

There is no one specific formula for a successful youth entrepreneurship program. However, many successful programs contain the same four complementary elements to varying degrees. These elements are: education or skills training, skills application, mentorship, and peer networking.[1]

Through programming, participants should be able to acquire and develop skills relevant to entrepreneurship. Acquiring a range of complementary skills from business skills to life skills can ultimately help young people succeed whether or not they decide to start a business when a program concludes. Many youth may lack basic competencies in areas such as personal effectiveness and workplace readiness, and programs should bolster these competencies in tandem with business skills training.

Life skills may include but are not limited to:

- goal setting, risk taking, and long-term planning;
- financial literacy;
- working in a team and cooperating with others; and
- effective work habits.[2]

Business skills needed may include, but are not limited to, the ability to:

- seek out and identify business opportunities;

- communicate effectively and market oneself and one's ideas;
- develop a business plan and forecast resource needs;
- understand legal considerations and where to seek legal advice; and
- manage cash flow, maintain a budget, and maintain basic financial statements.[3]

Though they are not the primary focus of entrepreneurial skills training, mentorship and peer networking are programming components that should not be ignored. Many young entrepreneurs may not already have established networks, and knowing the right individuals can make it easier to navigate starting a business or advancing one's career. Mentors can serve as a critical agent within an individual's network to connect them with resources or expertise they may need. They can also help entrepreneurs build out their business by providing relevant experience and support for developing a long-term business strategy. In addition to mentors, strong peer networks of alumni or other program participants may also help youth build long lasting business relationships that can lead to new business opportunities, innovation, and growth.

Types of Programs

There are a variety of approaches to teaching youth entrepreneurial skills from education programs to business development programs to experiential programs. Educational programs are some of the most common approaches to entrepreneurial skills training, and most are school-based.[4] These programs typically provide instruction on the basics of starting and running a business. Entrepreneurship education programs may also include simulations of business start-up and operation. While participants may engage in pitch competitions or develop business ideas, the primary goal is not to create sustainable businesses but to promote further educational attainment, like obtaining a college degree, and to develop skills that can support one in their career.[5]

Business development programs are much more multifaceted than educational models. Business development models focus on assisting individuals in launching a business by providing some of the following components: a training that covers a range of topics related to business ownership; coaching or mentoring services to address business needs related to launching a business plan; incubation or acceleration with access to space, equipment, or advice; and assistance with access to small loans or grants for start-up costs.[6] Most programs of this nature tend to require knowledge gained through prior educational and work experiences, and youth participants tend to create businesses in a narrow range of industries based on skills or knowledge they already have (i.e., landscaping, clothing, or food).[7] Some programs built for youth or young-adults under this category are specifically created to help participants advance their career development and skills, whether or not their small business is successful long term. Post-secondary education institutions like community colleges and universities also offer business development programs that can assist students with launching a business and earning a credential.[8]

Experiential training programs are much more hands-on, and are similar to an apprenticeship program. They provide participants with involvement in the day-to-day operations of a business and should aim to build occupational skills and business management experience. Experiential training programs may involve the development of a youth-run business that program participants work in or manage. Programs may also arrange for placement in an apprenticeship or internship position with adult

entrepreneurs in the community. Direct placement with a local business or entrepreneur may also lead to future opportunities for youth to buy out or acquire the business they work at.

Programming Examples

ICON CDC (located in Los Angeles, CA) is a business development organization that provides a 4 – 8-week youth development and leadership skills training program through activity-based workshops. Youth learn about different venture types, licenses/permits, marketing, financial literacy and management, and participants also create an individualized business plan and resume. Additionally, the program connects youth with program alumni who have successfully started their own businesses.

Youth Entrepreneur Institute (located in Washington, D.C.) is a youth program that helps youth identify natural abilities through business, art, or STEM experiences and then teaches participants how to monetize their skills and start small businesses. Through after-school, in-school, and summer programming students learn about a variety of disciplines in art or STEM and work to produce professional-quality products by participating in in-house business ventures or by working with local businesses.

More Than Words (located in Boston, MA) is a social enterprise that offers system-involved youth paid experience in retail management. Participants work 20 hours per week managing the store's online, retail, pop-up, and wholesale bookselling businesses. Through the program, youth learn transferable job skills and professional skills in addition to receiving two years of follow-up career services that assist youth with career and college exploration. The program also assists young adults advance towards personal milestones such as opening a bank account, finding housing, and obtaining an identification card or driver's license.

Relevant Links

Programming examples

IDOC – https://iconcdc.org/programs/youth-entrepreneur-programs/

Youth Entrepreneur Institute – https://www.yeidc.org/

More Than Words – https://mtwyouth.org/

Resources on youth entrepreneurial skills training

Creating Entrepreneurship Pathways for Opportunity Youth: Early Experiences from the Youth Entrepreneurship Fund Grantees – https://www.aspeninstitute.org/wp-content/uploads/2019/01/Creating-Entrepreneurship-Pathways-for-Opportunity-Youth.pdf

Supporting Young Entrepreneurs: A Practical Guide to Quality Programming – https://iyfglobal.org/sites/default/files/library/GPYE-EntreprGuide.pdf

Guide to Youth Entrepreneurship Programs for Chambers of Commerce and Business Associations – https://youtheconomicopportunities.org/sites/default/files/uploads/resource/Guide%20to%20Youth%20Entrepreneurship%20Programs.pdf

Entrepreneurship Competency Model – https://www.careeronestop.org/CompetencyModel/competency-models/pyramid-download.aspx?industry=entrepreneurship

Works Cited

1. Center for International Private Enterprise, *Guide to Youth Entrepreneurship Programs for Chambers of Commerce and Business Associations*, 2013, pp. 11-14, https://youtheconomicopportunities.org/sites/default/files/uploads/resource/Guide%20to%20Youth%20Entrepreneurship%20Programs.pdf.
2. Global Partnership for Youth Development, *Supporting Young Entrepreneurs: A Practical Guide to Quality Programming*, 2014, pp. 12-13, https://iyfglobal.org/sites/default/files/library/GPYE-EntreprGuide.pdf.
3. Federal Register, Vol. 81, No. 1616, August 19, 2016, p. 56404, https://www.govinfo.gov/content/pkg/FR-2016-08-19/pdf/2016-15975.pdf.
4. Aspen Institute, *Creating Entrepreneurship Pathways for Opportunity Youth: Early Experiences from the Youth Entrepreneurship Fund Grantees*, January 2019, p.13, https://www.aspeninstitute.org/wp-content/uploads/2019/01/Creating-Entrepreneurship-Pathways-for-Opportunity-Youth.pdf.
5. Ibid., p. 14.
6. Ibid., p. 16.
7. Ibid., p. 17.
8. Ibid., p. 13.