

# Young People and Entrepreneurship: Challenges and Policy Suggestions

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## Young people in crisis



Post-COVID:

- disrupted learning
- reduced face-to-face interaction
- decline in well-being
- job uncertainty

**Young people represent the future**

Around **2bn** young people worldwide

**Young people are central to UN sustainable development goals**

They are a diverse group i.e. age, gender, ethnicity, location

Some groups are more vulnerable resulting in inequalities

**Challenges to employability and transitions to adulthood delaying independence and autonomy**

**Represents a loss in the contribution to the economy, new ideas and innovation**

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## Developing an evidence base



Convened **three Workshops**  
Liverpool, London and Paris

Presentations by **experts** in entrepreneurship

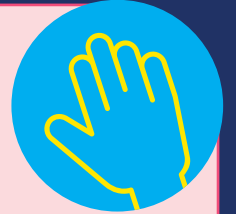
- policy makers
- delivery agencies
- youth workers
- young entrepreneurs

Collaboration with the OECD to develop a rigorous evidence base

**Objective to examine the salient issues facing young people and entrepreneurship and the potential ways in which policy can be developed**

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## Can entrepreneurship help?



Young people show an enduring interest in entrepreneurship

**Approx 40% intend to enter entrepreneurship**

But there **is an 'intentions gap'**

**Less than 10% run a business**

Also businesses run by young people have **lower** survival rates

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## Understanding the intentions gap



**Discrepancy** between entrepreneurial **intentions (40%)** and **action (7%)** suggests challenges specific to youth entrepreneurship

**Challenges:**

- underdeveloped skills
- competencies
- weak networks
- lack of finance
- lack of perceived legitimacy
- fear of failure
- levels of self-confidence

**Need for policy intervention to help close the gap**



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## What can policy do?



**Raise awareness** of opportunities and challenges to aid “informed” career choices

**Embrace diversity** and appreciate the heterogeneity of the young population

**Combat inequalities** of access to support related to gender, ethnicity, location etc.

**Engage with young people – give young people a voice**

Appreciate their worldviews, motivations, aspirations in the development of entrepreneurship policy

Boost the **fabric of youth networks** and **grass-roots** support agencies to strengthen **capacity** and lines of **communication**

Develop a **portfolio of programmes** to meet the specific needs of those :

- in education Institutions and embed in curricula
- entering the labour market
- not in employment
- already running businesses

**Negotiate** with **key stakeholders** that:

- will benefit and contribute to youth entrepreneurship
- are existing youth support organisations
- are financiers
- are incubators and enterprise support bodies

Promotes a wider **entrepreneurship culture** that allows for **experimentation** and that promotes legitimacy of youth entrepreneurship

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## Policy should not...

Promote entrepreneurship as a **panacea**

**Generate false promises** or lead young people into **precarious** self-exploitative jobs

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## What is the way forward for policy makers?



- Develop a **strategic policy** for young people and entrepreneurship that appreciates complexity of challenges they face
- Instil powerful **leadership** within governments to pursue specific policy measures across different ministries
- Develop a **programme of initiatives** focused on helping **different categories** of young people to overcome their barriers to entrepreneurship
- Embed **evaluations** in policy interventions to allow subsequent learning and innovations in policy and its delivery

Reference: Blackburn, R. & Gamble, J. (2024) *Youth Entrepreneurship Policy: Contemporary Challenges and Ways Forward*. Brett Centre for Entrepreneurship, June 2024

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