

Youth Entrepreneurship

Description

Investing in a program that promotes exploration of the business creation process by young people (usually pre-college age) is mainly a community's way of developing entrepreneurial resources for the future rather than of producing actual new businesses. While it may occasionally result in some sustainable and significant business ventures started by the participants during the program, self-development for the participants in general is more likely as the major outcome. Nevertheless, the North Okanagan Community Futures Development Corporation recently found that 15-20 percent of the youth enrolled in their program in 1999-2000 remained involved in thriving businesses.

Youth entrepreneurship programs are generally co-sponsored by business groups, schools, or service clubs, and thus costs can often be minimized for the CEDO interested in starting this activity. In fact, this sort of program can be spun off relatively easily to the other sponsors, once it has demonstrated its possibilities.

Program content is designed to encourage the participants to explore their motivations, opportunities, and skills. Training in the basic tools of accounting, feasibility research, and planning will be included. Access to information on business ideas and business exploration tools, as well as to counselling and market research assistance will be necessary. In addition, participants will need to have access to capital, although their requirements are usually relatively limited.

The Kiwanis Enterprise Centre of Dawson Creek has compiled a fine record, working with young people. While the Centre is, as a matter of fact, an operating business incubator for all local entrepreneurs or potential entrepreneurs, it began as a youth program, co-sponsored by a high school, on the grounds of which the Centre ultimately built its offices and service areas. The Kiwanis "Millionaires Club" program has been an integral part of KEC's youth activity.

The youth businesses are generally what one might expect a young person to try: candy production, grass cutting, etc. It is a two-year program, beginning in the 11th grade. By the end of that school year, the participants will have produced business plans, which are judged by a Rotary Club panel. The business plans are simplified one-page documents, and the capitalization is not expected to be more than \$100.

In the model of setting up a 4-H project, the entrepreneurs will thereupon create their businesses and, as appropriate, set up a booth at the local trade fair or otherwise market

their products and services. It is not expected that the businesses are sustainable upon graduation, but rather that primarily the experience will build self-reliance and confidence in the participants. (However, one graduate of the program did eventually start a thriving computer business.) Many will go on directly into the self-employment program that is sponsored by the local CFDC, Peace-Liard CFDC (tel.: 250-782-8748). Like this and other such activities in self-employment, the KEC program is probably most successful in aiding the young participants in finding and keeping their initial long-term job.

Benefits

For most communities that have determined to pursue a CED strategy, a major stimulus is the threat that too many of the young people are leaving the area or will have to leave in order to find good jobs. An entrepreneurship program offers young people another hope, another alternative - experience in creating their own jobs and a record that employers can value.

Major challenges

For this sort of program to work effectively, a lot of time must be spent by mentors working individually with each participant. True, group activities can be significant learning experiences, but in the end it is usually a single participant who must hit on an idea for a venture and try to develop it into a business. And that young person will need individual mentoring attention all along the way. To find people who are willing and able to devote that time and coincidentally to provide the young entrepreneur with enough freedom to develop is the great challenge for this program.

Some practical steps

1. Reconnoiter the community to find the kind of support that you need from other organizations, such as the school system, business service groups, youth agencies, government departments, colleges, banks, and the like. Determine how much interest there is in such a program and in the process talk it up. Naturally, if there is already an entrepreneurship centre, then it might be appropriate to link on to it.
2. Put together the team of partners who will co-sponsor the program. Not all partners may be financial supporters; they may give help in other ways.
3. Together with the team create a plan with short-term and long-term goals that the community can broadly buy into. The most fruitful approach will not concentrate so much on generating new ventures as on creating an entrepreneurial culture for youth to enter into. Do not base your indicators of success simply on the number of youth business start-ups. As a matter of fact, the youth centre can become a place for engendering

entrepreneurial atmosphere for the rest of the community too - perhaps even becoming an incubator for other entrepreneurs.

4. If there is not already a project leader, that person must be selected as the one with the passion and commitment as well as a business background and the capacity to work with young people.
5. From here on the plan and its program can be designed and launched, with all the necessary space and equipment that building businesses will require - fax machine, internet facilities, office space, even including a boardroom, etc. How elaborate the scope that program begins with - including, for example, a loan fund - will depend upon the plan, but the centre can be expected to change and grow over time.

Resource organizations & contacts

- The Canada Youth Business Foundation (40 Dundas Street West, Suite 323, P.O. Box 44, Toronto, ON M5G 2C2 - tel. 416-408-2923) promotes local loan programs for start-up youth ventures, which may be founded by an individual or by a group. Other eligible businesses may be a project of a nonprofit agency that offers jobs and perhaps managerial experience though not ownership to young people. A CEDO can approach the foundation to establish a partnership to offer loans and mentoring. The regional office for the western provinces is in Calgary (tel.: 403-240-5561).
- North Okanagan CFDC, #302 – 3105 33rd Street, Vernon, BC V1T 9P7 (tel. 250-545-2215).

Publications

- Issued in 1998, *A Study to Identify Gaps in Youth Entrepreneurship Development in British Columbia* is available through Whalebone, Suite 1607, 1166 Alberni Street, Vancouver, BC V6E 3Z3 (tel.: 604-688-2424). This is also the office for B.C.'s provincial association of CFDCs.
- *Supporting Youth Entrepreneurship in Your Community: an action planning handbook* is available through the Venture Development Centre, 555 Seymour Street, Vancouver, BC V6B 3H6 (tel.: 604-432-8372).
- "I Was a Teenage Capitalist," *Canadian Business* (December 1994), pp. 58-63.