

REGIONAL RESEARCH

Youth and challenges in front of
entrepreneurship and incubation

Presented by:

Dr. Radu BIG

**WG Youth and Incubation, leader
ROMANIA**

Summary

- **Project frame – activities delivered by the WG Youth**
- **Research team**
- **Research methodology**
- **Research outputs**
- **Conclusions**
- **Next steps – plans for 2010 - 2011**

Activities delivered by the WG Youth

- A1: Database “Youth Oriented Incubation Organizations” – 144 records
- A2: Set-up an operational group of business incubators – online discussions (2 rounds; next in November)
- A3: Knowledge dissemination: information sheets (24 files), newsletters (2), success stories (7)
- **A4: Regional research and knowledge generation: research report**
- A5: e-communication: WG site under IDISC platform
- A6: Participation to the 3rd Global Forum of Business Incubators (ongoing)
- A7: Steering meeting of the working "core group": 12-15.07.2009
- A8: Development and Implementation innovative actions (Y2I contest report is ready)
- A9: Project evaluation (Q1 and Q2 reports sent to infoDev)

Research methodology

- The geographical area covered by the infoDev programmes - divide into 6 areas
- For each area was selected a regional co-ordinator, person responsible to carried-out the implemented activities
- The working “core group” prepared a questionnaire aimed to collect the data/inputs
- The research was made based on questionnaire filled by organisations selected by the regional coordinators

Research methodology

- **The answers contain national data (national evaluation)**
- **Answers: from 14 organisations**
 - 4 from Africa (Rwanda, Ethiopia, Botswana, Kenya)
 - 1 from Asia (Malayesia)
 - 2 from Central Asia (Kyrgyz Republic, Kazakhstan)
 - 3 from Europe (Romania, Macedonia)
 - 1 from Latin America (Colombia)
 - 3 from MENA (Palestine, Jordan)
- **Scored for research: 12 answers**

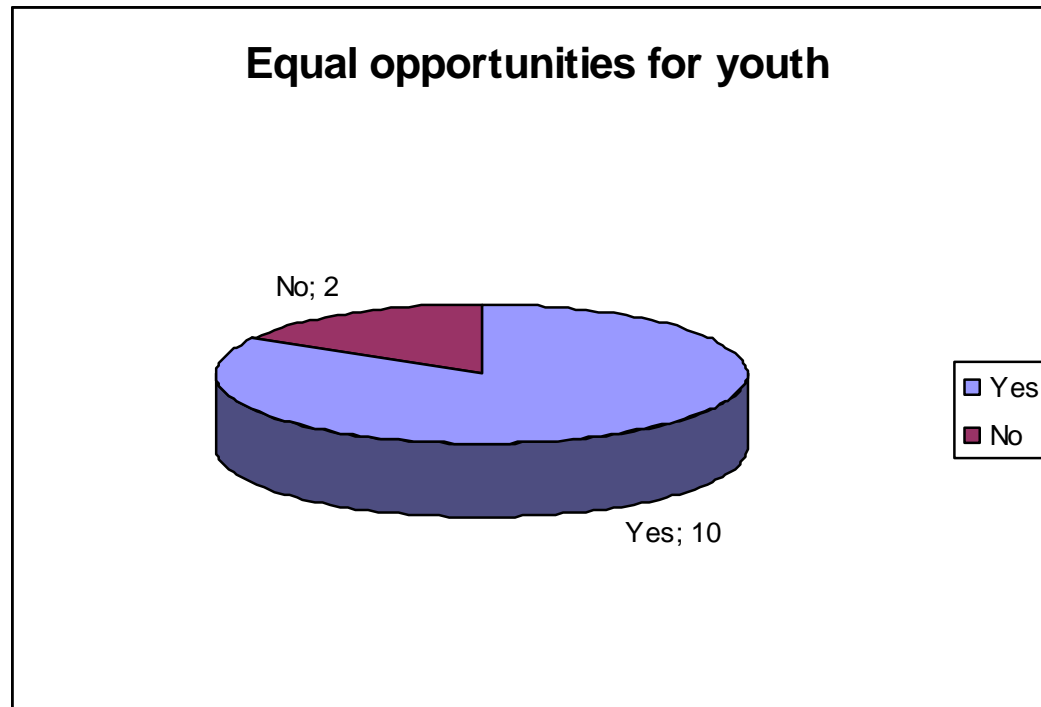
WG Youth – Regional co-ordinators

Area	Person	Organisation	Country
– Africa	Rajeev Aggarwal	Technology and Business Incubation Facility - TBIF	Rwanda
– Asia	Annuar Mohd Saffar	Kulim Hi-Tech Park	Malaysia
– Central Asia	Aktan Sopianov	Business Incubator DosBI	Kyrgyzstan
– East&South Europe	Radu Ticiu	Timisoara Software Incubation Centre	Romania
– Latin America and Caraibean	Catalina Escobar & Sandra Ramirez	Crea-Me. Incubadora de Empresas Cooperación Internacional	Colombia
– MENA	Yousef Ghosheh & Amjad Asmar	Sharek Youth Forum	Palestine

RESEARCH OUTPUTS

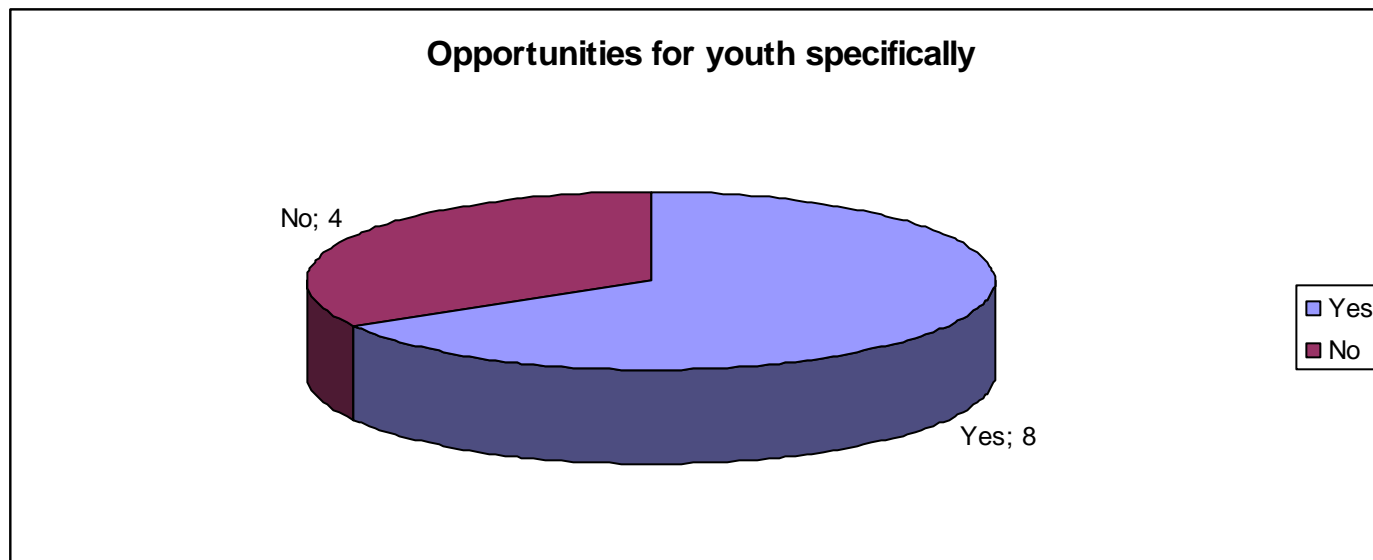
National policy and governance

- Ten countries declare that offer equal opportunity for youth, aimed to access into the economical life after the school period.



National policy and governance

- Eight countries declare that they offer special opportunities for youth, accesible only for this group – aimed to a quick integration into the economic life

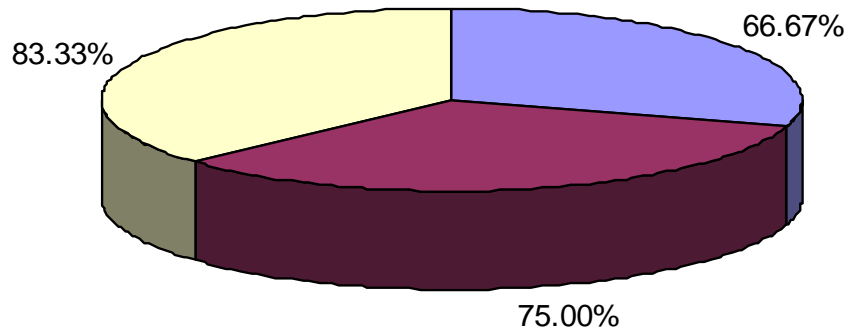


National policy and governance

No	Country	Equal opportunities for youth.	Opportunities for youth specifically.
1	Ethiopia – Africa	Yes	Yes
2	Botswana – Africa	Yes	Yes
3	Rwanda – Africa	Yes	Yes
4	Malaysia – Asia	Yes	No
5	Kyrgyz Republic – Central Asia	Yes	Yes
6	Kazakhstan – Central Asia	Yes	Yes
7	Romania – Europe	Yes	Yes
8	Macedonia – Europe	No	No
9	Colombia – Latin America	Yes	Yes
10	Palestine – MENA	Yes	No
11	Jordan – MENA	Yes	Yes
12	Palestine – MENA	No	No

Business environment and support

Business environment and support in the regions



- National strategy for encouraging youth entrepreneurship
- National programs for supporting youth entrepreneurship
- International programs for supporting youth entrepreneurship

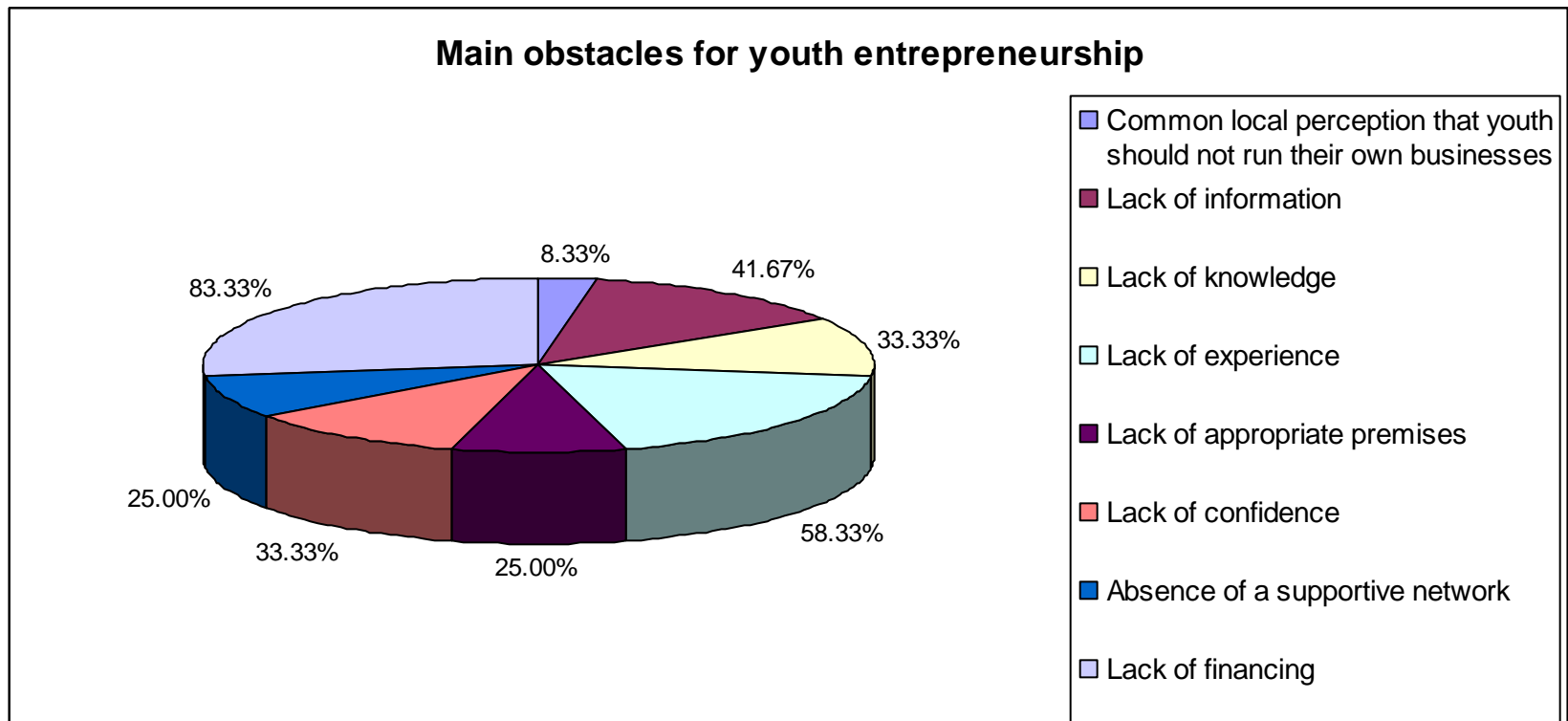
Business environment and support

- The majority, 66,67% of participant countries declare that the National strategy for encouraging youth entrepreneurship are in-place.
- A group of 75% of participant countries declare that the National programmes for supporting youth entrepreneurship are in-place.
- The presence of the international programmes is higher as the national programmes designate to youth entrepreneurs: 83,33%.

Business environment and support

	Specification	ETH	BTW	RWN	MLY	KYR	KZS	ROU	FYRM	COL	PLS	JDN	PLS
1	National strategy for encouraging youth entrepreneurship	Yes/3	Yes/3	Yes/4	Yes/4	Yes/3	Yes/3	No	No	Yes/3	No	Yes/2	No
2	National programs for supporting youth entrepreneurship: Training Financial support Establishment of business supporting organization Other (<i>please specify</i>)	Yes/3	Yes/1 Yes/2 Yes/2 Yes/1	Yes/1	Yes/4	Yes/3	Yes/3	Yes/2 Yes/3 Yes/1 No No	No	Yes/4 Yes/2 Yes/4	No	Yes/3	Yes/2
3	International programs for supporting youth entrepreneurship: Trainings Financial support Establishment of business supporting organization Other (<i>please specify</i>)	Yes/3	Yes/1 Yes/1 Yes/1	Yes/1 No Yes/1	Yes/3	No	No	Yes/2 No No	Yes Yes/4 Yes/1 Yes/2	Yes/3 Yes/2 Yes/4	Yes/4	Yes/2	Yes/2

Main obstacles for youth entrepreneurship



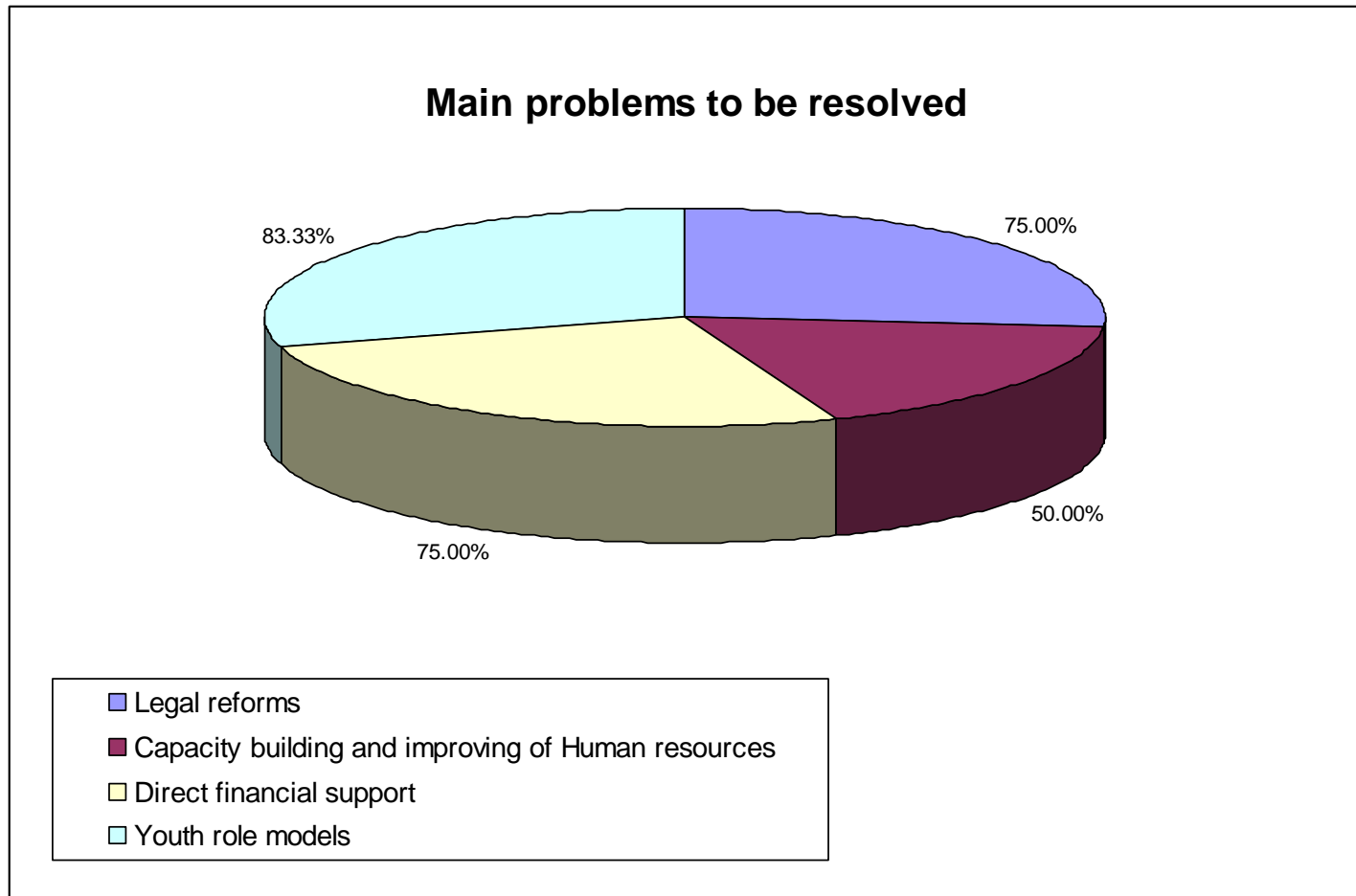
Main obstacles for youth entrepreneurship

- **Lack of information:** Unemployed youth mostly involves young graduates who do not have enough information about working and supportive environment for surviving after graduation (**Rwanda, Kyrgyzstan, Kazakhstan, Macedonia**)
- **Lack of knowledge:** strong technical support is required for young entrepreneurs; youths are not very exposed to the industry and need more training to be effective (**Ethiopia, Malaysia, Kazakhstan, Romania**)
- **Lack of experience:** enhanced business development support is required for young entrepreneurs; youths are not very experienced in entrepreneurship and need more internships, training, etc. (**Ethiopia, Malaysia, Kazakhstan, Macedonia, Colombia, Palestine, Jordan**)

Main obstacles for youth entrepreneurship

- **Lack of confidence**: youth does not have confidence of being self employed because they put reference on old people who got chances of surviving on permanent employmen (**Botswana, Rwanda, Jordan, Palestine**)
- **Lack of financing**: difficult for young companies to participate in public tenders w/o collaterals; youth, especially young graduates do not have any thing valuable to start their own businessese xceptk nowledgea nd skills got from universities.No one believes of being self employed unless there is a complete financial support; youths have no savings, and need to network more to gain access to resources (**all countries except Botswana and Macedonia**)
- **Other**: Lack of appropriate team work skills (**Colombia**)

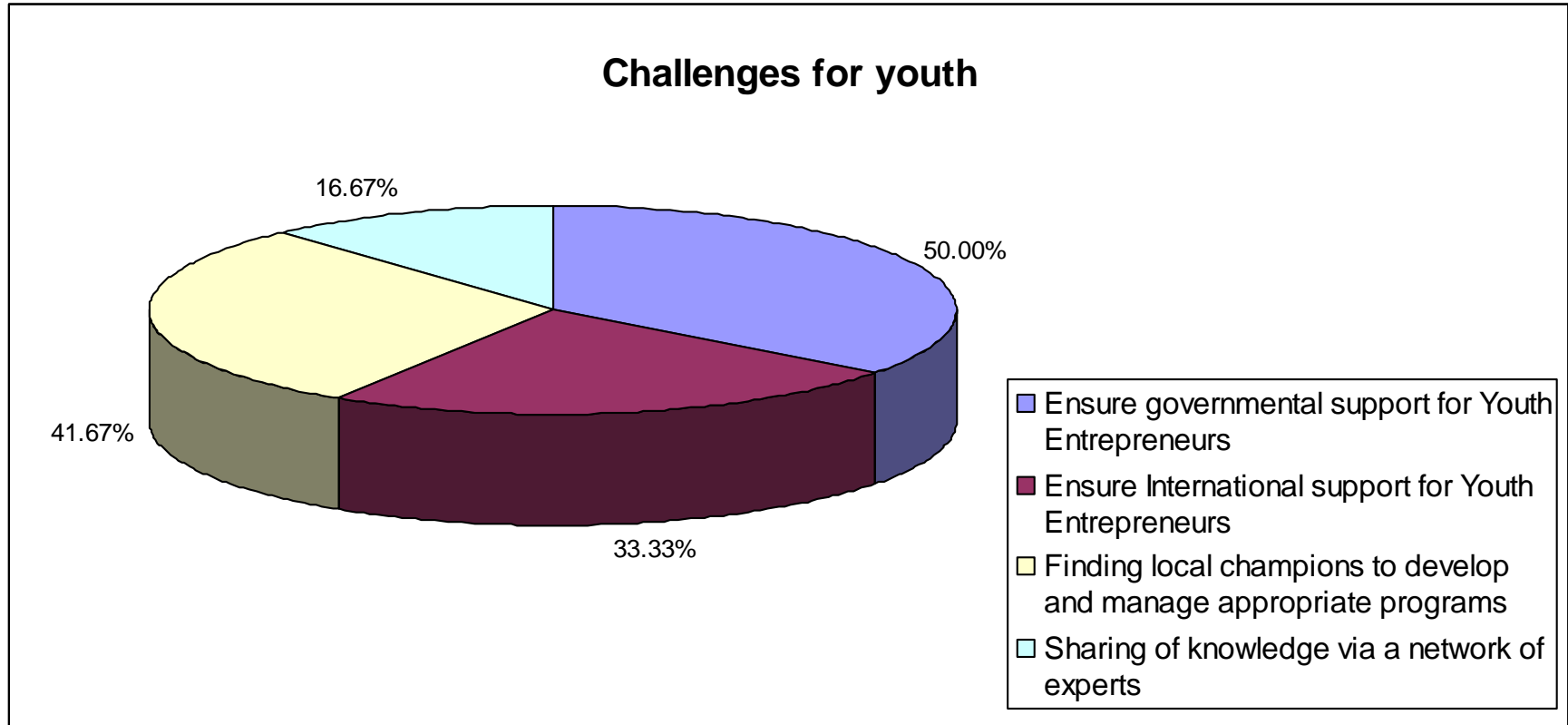
Main problems to be resolved



Main problems to be resolved

- **Legal reforms**: since legal reforms are made, youth will get information, confidence and financial support to start their own businesses; more exposure to the industry and domain experts are needed in order to prepare the youth for entrepreneurship;
- **Capacity building and improving of Human resources**: expose our youth to entrepreneurship and equip them with the right skills and mindset;
- **Youth role models**: Since networks are established, lack of information and confidence will be removed; more networking and exposure need to be given by the youth facilitators (lecturers, etc.)

Main challenges to face

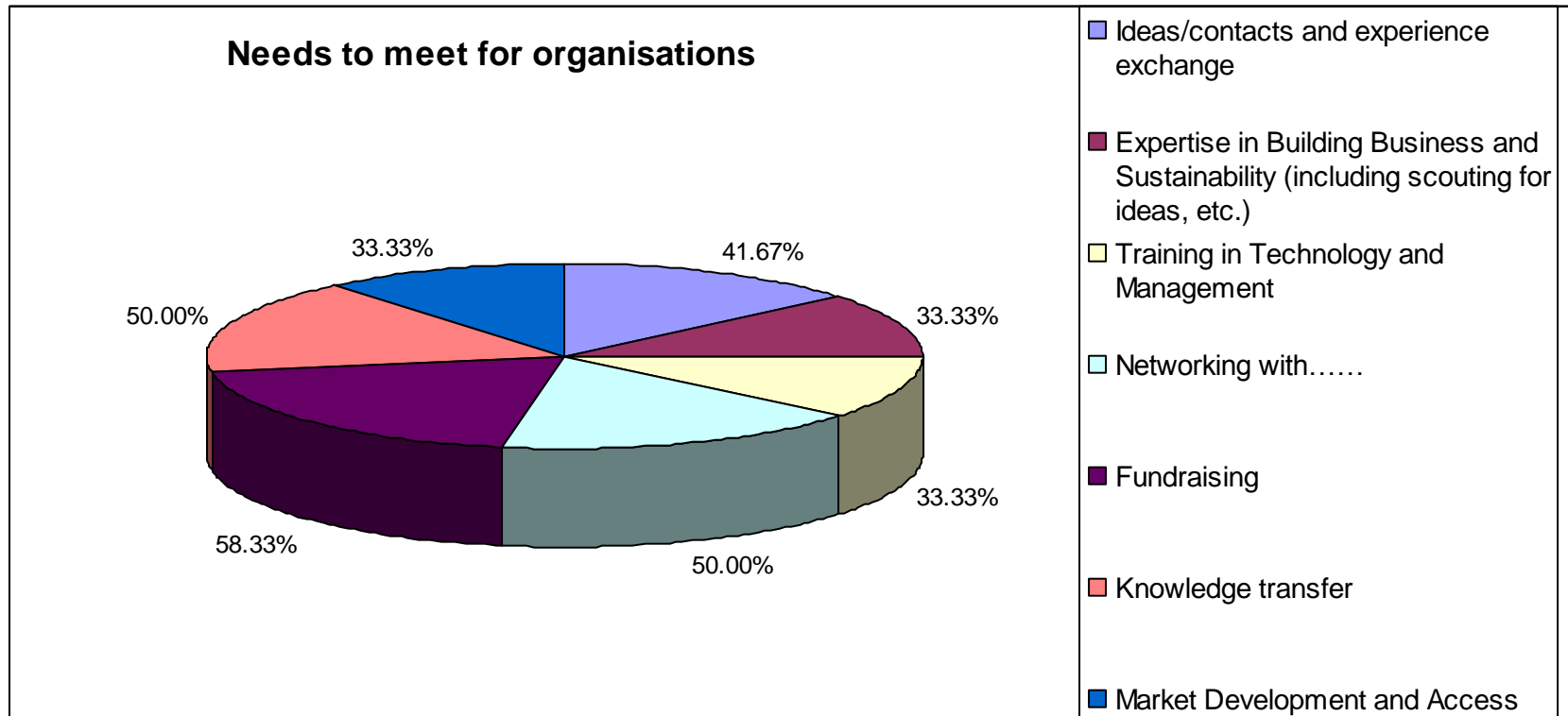


- Ensure governmental support for Youth Entrepreneurs
- Ensure International support for Youth Entrepreneurs
- Finding local champions to develop and manage appropriate programs
- Sharing of knowledge via a network of experts

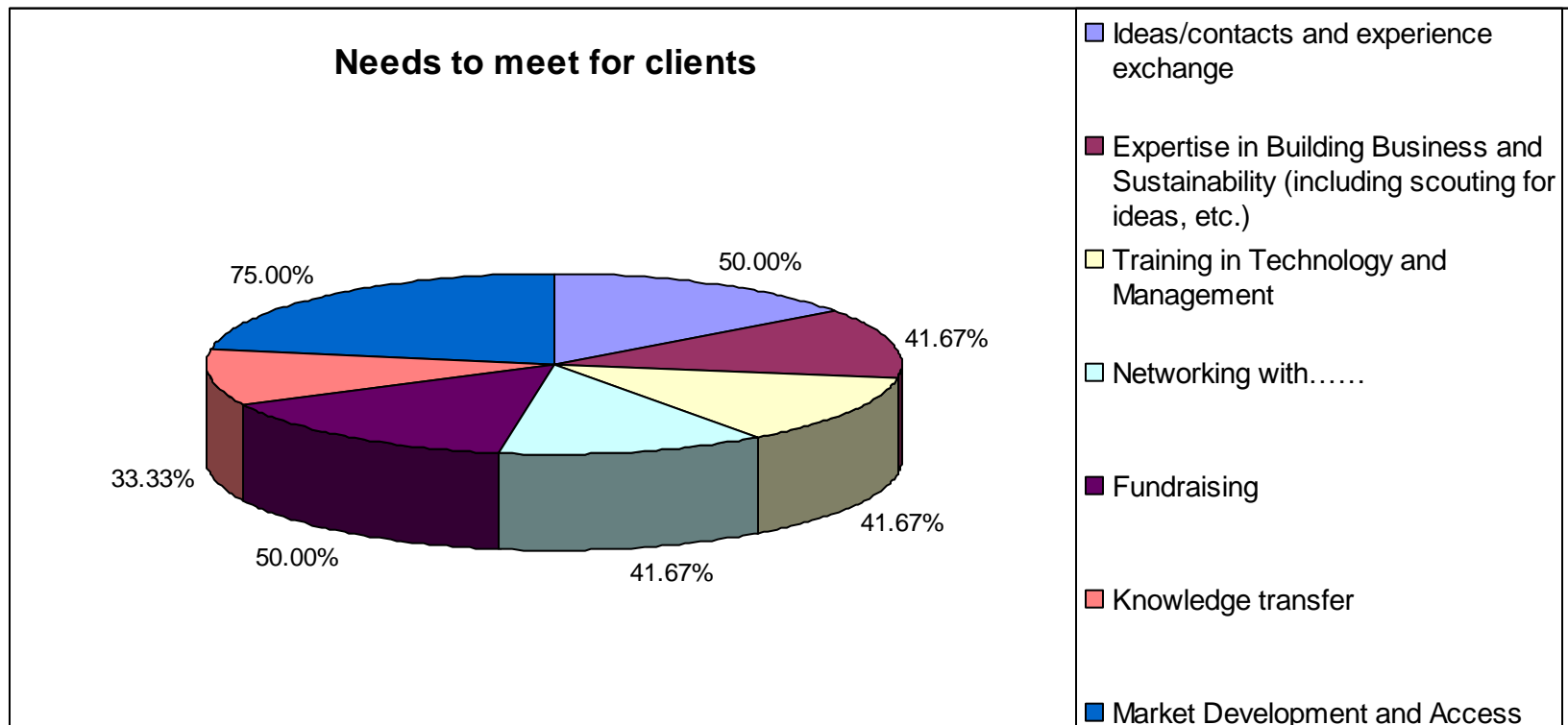
Main challenges to face

- Ensure governmental support for Youth Entrepreneurs (Botswana, Rwanda, Romania, Macedonia, Palestine)
- Ensure International support for Youth Entrepreneurs (Botswana, Kyrgyzstan, Kazakhstan, Palestine)
- Finding local champions to develop and manage appropriate programs (Ethiopia, Malaysia, Romania, Macedonia, Jordan)
- Sharing of knowledge via a network of experts (Ethiopia, Jordan)
- **Other:** assuring a greater entrepreneurship-oriented component in the national educational system; Incubation process requires time from the entrepreneurs, this is one of the biggest challenges in incubation with youth people. Another challenge is that entrepreneurs don't perceive the real value of the incubation process, frequently arrive unprepared looking for financing, in this cases is important shows to entrepreneurs the importance of business support and strengthening. (**Colombia, Romania**)

Needs to meet



Needs to meet



Needs to meet

- Ideas/contacts and experience exchange
- Expertise in Building Business and Sustainability (including scouting for ideas, etc.)
- Training in Technology and Management
- Networking
- Fundraising
- Knowledge transfer
- Market Development and Access

Good practices

- **RWANDA:** Technology and Business Incubation Facility (TBIF) www.tbifrwanda.com has proved to the Rwanda Government that Business Incubators are the best to solve the youth Entrepreneurship problems and Challenges.
- **Jordan:** Queen Rania Center for Entrepreneurship - “Starting a Business” course; Created a plan based on franchising.
- **Malaysia:** MSC Malaysia Technology Commercialisation Centre – Any program developed needs to have follow-through and careful planning and execution. Awareness programs and training are essential, but without constant monitoring and guidance, youths will not be able to develop their full potential.
- **Colombia:** ANDI NODE - In partnership with the Industrial National Association. Is specialized in youth led projects (training and assistance in implementation).
- **Kazakhstan:** “Business Incubator- settlement Solnechnyi” - Worked all the trainings, and courses, where young people were learning to open their business also by their strong interest in the learning and their active work it made courses more lively and effective.

Good practices

- **ROMANIA:** UBIT - TIMISOARA SOFTWARE BUSINESS INCUBATOR - We have not defined our own youth oriented program, while our general concept is youth oriented, being a university-linked incubator, active in an industry that has general low market entry barriers.
- **SERBIA:** In order to give support to all young people up to 35 years of life who are starting small and medium-sized enterprises. With the aim of establishing 10 new SME companies, BSC organizes the writing business plans competition and various training for current and potential Entrepreneurs
- **MACEDONIA:** YES Foundation was successful in organizing intensive short trainings (4-8 h), developing and implementing interactive training methodologies with role play, best practices. Another positive aspect refers to involvement of interesting guest speakers from abroad. The most appealing training themes for young people were communication skills, presentation skills, sales techniques, marketing (research, PR, pricing, etc), creative thinking etc.

Conclusions

- **To become entrepreneur youth must solve problems, to pass obstacles and challenges, as:**
 - Common local perception that youth should not run their own businesses
 - Lack of information, Lack of knowledge, Lack of experience
 - Lack of appropriate premises, Lack of confidence, Absence of a supportive network, Lack of financing, lack of models
 - Others

What can the working group do

■ Investing in human resources development

- Training for trainers
- Training for young entrepreneurs
- Network of trainers
- Innovative actions: international contests (see Y2I contest)

■ Investing in networking

- Regional networks development
- Network of trainers

■ Investing in knowledge transfer

- Sharing experiences among the regional networks
- Investing in dissemination tools

Next steps – plans for 2010 - 2011

■ Continuing the research

- Regional specificity on programmes designed to youth (2010)
- Particular instruments designed to young entrepreneurs (2010)

■ Continuing improvement of the WG Youth

- Discussions with members on specific issues (permanent)
- Improve the member's participation in activities (permanent)
- Website WG Youth – using, proposals for improving (permanent)

■ Extended Y2I contest to global scale

- Improve the design of Y2I contest 2011 (first semester 2010)
- Start the promotion of Y2I contest 2011 (second semester 2010)
- Implement the Y2I contest 2011 (first & second semester 2011)

Next steps – plans for 2010 - 2011

■ **Extended experiences in training to global scale**

- Dissemination of existing training tools and packages to global scale (first semester 2010)
- Design the global implementation of training tools (second semester 2010)
- Implement the extended training tools (first & second semester 2011)

■ **Co-operation with organisations specialised to work with Youth**

THANK-YOU FOR YOUR ATTENTION!

Contact

CDIMM Maramures
9/16, Traian Street, Baia Mare, ROMANIA
Tel. +40 262 224 870 – Fax +40 262 222 409
radu@cdimm.org