

HM Sultan Qaboos Award for
Excellence in eGovernment

Muscat, April 2014

Entrepreneurship and SME Development



April 2014

YBI's Founder and Patron

“The simple fact is that, given the right level of support, young entrepreneurs are able to transform not only their lives, but also the lives of those around them”

His Royal Highness The
Prince of Wales



Business opportunities

- SMEs build the economy
- SMEs provide extra jobs
- SMEs generate new ideas
- SMEs need new entrepreneurs
- Young people have the drive to succeed



Accenture - G20 YEA Research

- Every entrepreneur is a digital entrepreneur
- Entrepreneurs are a catalyst for job creation
- Emerging markets are challenging developed economies as the leading source of entrepreneurial innovation
- Entrepreneurs are ready to shift attitude towards more collaboration with larger companies
- Technology clusters, inspired by Silicon Valley, can provide a vital ecosystem for entrepreneurial success
- Young entrepreneurs need active support from government to sustain their leadership in technology innovation

Survey summary

- Survey of 1,000 entrepreneurs aged 40 or younger across all G20 countries
- 76 percent believe they are a major source of technology innovation in their respective countries
- 81 percent expect to create new jobs over the next two years
- 41 percent expect to grow their businesses by more than eight percent annually during that time
- 35 percent currently collaborate with large businesses on innovation
- A further 46 percent intend to do so within the next two years

Entrepreneurs require

- Different attitudes as well as skills
- The ability to create and translate ideas into events or action
- Timely knowledge and strong networking skills



Entrepreneurial qualities

- Determined
- Able to motivate people
- Capacity for hard work
- Flair
- Lateral thinking
- Imagination



New technology

- Social media
- Mobile computing
- Analytics
- Cloud computing
- Increased connectivity

All enable entrepreneurs to -

- Create new products and services
- Access new markets
- At speed and at scale and often at lower cost

Technology's impact on Business

- Greater relationship with the consumer
 - Email, social media, web, on-line chat
- Increasing quantity of data available
 - More available but be aware of overload
- Speed of data
 - Helps or hinders decision making
- Improved collaboration
 - Opportunities to integrate social action into business
- Need to defend data
 - Protect information and intellectual property

SMEs and Job Creation

- In the USA firms in their first year of existence create an average of 3 million jobs (Kauffman)
- In the European Union “new companies, especially SMEs, represent the most important source of new employment” as they create more than 4 million new jobs in Europe each year. (European Commission)
- 85 percent of new employment growth in the EU during 2002-2010 was attributable to SMEs

Technology Clusters

- Build and strengthen professional networks
- Improve productivity
- Improve peer collaboration
- May improve and speed access to market
- Share talent and experience
- Improved support structures
- Opportunities for joint research and development
- May ease access to funding

Support for Technology Innovation

- Ensure availability of high quality digital infrastructure
- Ensure safety and reliability of data systems
- Promote common data standards
- Ensure the development of Digital Government through development of digitised public services
- Encourage technology education in schools
- Ensure skills based learning is appropriate for the digital economy

Recommendations for action - Government

- National and local governments should work together to make business registration as efficient as possible
- Governments and education authorities should include self-employment as a viable alternative within careers advice
- Governments should use existing structures such as chambers of commerce to support the development of youth entrepreneurship
- Governments should encourage schools and colleges to run business competitions that promote start-up opportunities
- Governments should prioritize investment in youth entrepreneurship initiative to tackle youth unemployment

Recommendations for action - Communities

- Youth enterprise organisations should engage in community outreach and mobilisation to foster a culture of entrepreneurship
- NGOs working in apparently different areas should identify and develop synergies to deliver more effective support
- Community organisations should provide volunteer opportunities for young people to work in the community
- NGOs should tailor vocational and life skills training according to local community needs - especially in rural areas
- Environmental groups should target support to young people to help them capitalise on the opportunities of the low carbon economy

Recommendations for action - Business

- Encourage employees to provide advice and support to young people starting out in business especially through mentoring
- Provide work experience schemes together with internships, apprenticeships and training programmes to strengthen the local enterprise culture
- Support development of effective educational initiatives that include the opportunities of self-employment
- Create partnerships with youth enterprise organisations to strengthen their capacity and efficiency
- Banks and microfinance institutions should partner with community organisations to improve access to finance

Development questions

- Who is affected by our activities?
- How do we need to consult them?
- Are we building something valuable for future generations?
- Are we building something valuable for our organisation and ourselves?



Youth Business International champions enterprise

Our mission is to champion
youth enterprise by growing a
global network which provides
young people with the
opportunity to start up in
business



Why we exist



Number of unemployed young people in the world
73.8 million
(ILO 2013)

Escalating youth unemployment is now a major threat to global prosperity and stability



Jobs created by SMEs
60-70% OECD
97% Emerging economies
(OECD 2010)

The majority of new jobs come from small and medium businesses



Est. **20%** of young people have the potential to become entrepreneurs but only **5 %** do

Young people lack access to finance and other key support to start a business

Who we are

- A global network of organisations and programmes supporting young entrepreneurs, currently in 43 countries
- Focused on the ‘missing middle’, under-served young entrepreneurs (aged 18-35) above subsistence but without access to finance and other key support
- Providing an integrated support package of training, finance and mentoring, to help young entrepreneurs get started and grow
- Generating high impact results: sustainable businesses, new jobs, changed lives
- Ambitious: by 2020, our goal is to be supporting 100,000 young people into business every year, creating over **1 million new jobs**

How we influence together

YBI represent our members and make the case for youth entrepreneurship at key events and forums throughout the world



CLINTON GLOBAL INITIATIVE



We host Global Entrepreneurship Week in more than ten countries right around the world....



YBI's Making Entrepreneurship Work series, a suite of policy papers that turn experience into evidence



Meet some of our entrepreneurs



Textiles: Abdullah Al-Dekheel, Saudi Arabia

Clothing: Fathuma Nisreen from Sri Lanka



Hairdressing: Linet Indiazi from Kenya

Catering: Ryan Longmuir from Scotland



YBI in summary



Redesign process

- What is the Case for Action?
- What is the Vision of Success?
- What is the Truth about Today?
- How should we Do it Differently Tomorrow?
- Will it Work? Will it Provide Benefits?
- When and How do we Implement?
- How do we ensure that Value is Sustained?
- Who can and will Make it Happen?

Think like an Entrepreneur

- Research your sector
- Be innovative about financing
- Be prepared to take risks
- Be flexible and capitalise on opportunities
- Never be off duty
- Use all types of networks
- Ask for all the help you can get
- Take a long term view
- Remember why you started your own business and Have Fun

More information

www.youthbusiness.org

Engage with us at:

www.twitter.com/YouthBizInt

www.facebook.com/youthbusiness

