

The importance of entrepreneurship education and training programs in the promotion and the success of youth entrepreneurship

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Abstract :

“You cannot teach someone to become a Bill Gates, neither can you teach someone to compose like Beethoven. But you can teach someone the notes and scales, give them the tools they need to become a composer. And you can teach the tools people need to be entrepreneurs” (Howard Stevenson of Harvard University) **ie : all the identified attributes of entrepreneurs can be positively affected in some manner by education. The question is not « whether » but « what » and « how » ?**

المختص:

لقد أصبح من المسلم به أن المقاولاتية **فن و علم في نفس الوقت** ، و عليه فتعليم و التكوين المتخصص و الجيد دور مهم في صقل و تطوير مدارك و قدرات المقاولين الشباب. و عليه يجب تجاوز الجدل النظري حول هذا الموضوع و التركيز على كيفية تطوير التعليم المقاولاتي ' و ذلك بالتركيز على محتواه و طرق تلقينه للخروج بأحسن النتائج.

Introduction

One of the deepest aspirations of any civilised society is the harmonious integration of young people into the mainstream of business and society as a whole. Young people 's aspirations, energy, enthusiasm, skills and knowledge are part of any country 's asset. Young people are a major factor in determining the future, especially the entrepreneurial future, because they represent a force required to steer and manage the rapid changes and they represent the future capacity for economic growth and development.

Unfortunately ,there are serious and major issues affecting young entrepreneurs, among them we find the problem of entrepreneurship education which was in the past centred on the question of : Can entrepreneurship be taught or, more importantly, learned ? Today, this become an age-old debate. It is clear that education plays an essential role in shaping attitudes, skills and culture – from the primary level up. Entrepreneurship education provides a mix of experiential learning, skill building and, most importantly, mindset shift. Certainly, the earlier and more widespread the exposure to entrepreneurship and innovation, the more likely students will become entrepreneurial, in one form or another, at some stage in their lives.

Regrettably, the structures and delivery of mass education in most countries often thwart or throttle the natural entrepreneurial impulse in youth. For the past two decades countries all over the world have begun to recognize the failure of their systems to educate young people to create, and not simply respond to, economic opportunities. There is a hunger to identify, analyse and implement practices that enable education to foster entrepreneurship at the early stages of an individual's education.

So that, the problem of entrepreneurship education moved from the focus on « whether » to « what & how », and the question that must be asked and answered then is :

what should be taught and how should it be taught?

This paper is intended to shed light on the phenomenon of youth entrepreneurship by analyzing its types and importance for both youth and the economy as a whole . The main objective of this paper is to show the importance of entrepreneurial education for youth entrepreneurs, and the main skills needed by them , and how they can be taught to them. Finally, the paper highlights the main sources of

entrepreneurship education, and the importance of each one of them as critical factors for the success of this educational process.

1- Definition of youth entrepreneurship

1-1- Definition of youth

There is no general definition of youth, the definition and nuances of the term “youth” often vary from country to country, depending on the specific socio-cultural, institutional, economic and political factors.

The United Nations defines youth as “those persons between the ages of 15 and 24 years old¹.”

” According to other organizations, such as International Labour Organization (ILO) and the Global Entrepreneurship Monitor (GEM), youth are individuals between 15-24 years and 18-34 years respectively. Meanwhile, the World Bank refers to individuals between 12-24 years as youth².

1-2 - Definition of youth entrepreneurship

There are many other words often used as substitutes for entrepreneurship including enterprise, innovation, small business, growth companies, and so on.

Entrepreneurship is “the process whereby individuals become aware of business ownership as an option or viable alternative, develop ideas for business, learn the process of becoming an entrepreneur and undertake the initiation and development of a business”³.

Entrepreneurship is defined also as ” the recognition of an opportunity to create value, and the process of acting on this opportunity, whether or not it involves the formation of a new entity. While concepts such as “innovation” and “risk taking” in particular are usually associated with entrepreneurship, they are not necessary to define the term.”⁴

Entrepreneurship can be considered as the ability and willingness of individuals, on their own, in groups inside and outside existing organizations, to perceive and create new economic opportunities (new products, new production methods, new organizational schemes and new product combinations-market) and introduce their ideas in the market, despite uncertainty and other obstacles, by making decisions on location, form and use of resources and institutions⁵.

Young entrepreneurs are a small segment of the total universe of entrepreneurs. Youth entrepreneurship is not essentially different from entrepreneurship among adults. It involves engaging in socially useful wealth creation through application of innovative thinking and execution to meet consumer needs, using one's own labour, time, and ideas. The only difference is in the age of the entrepreneur. What differs between youth and adult entrepreneurship – given the inherently different levels of intellectual and behavioural maturity – is how entrepreneurship is taught and how it is learned⁶.

So, 'youth entrepreneurship' is defined as the "practical application of enterprising qualities, such as initiative, innovation, creativity, and risk-taking into the work environment (either in self-employment or employment in small start-up firms), using the appropriate skills necessary for success in that environment and culture"⁷.

2- Types of youth entrepreneurs

Similar diversity of opinions exists on the issue of which characteristics are attributable to the true entrepreneur. The interesting side of this issue is that no single characteristic or description explains an entrepreneur. There are many different kinds of entrepreneurs. Some types could be distinguished as follows:

2-1- categorisation according to the orientation

We find here three types of entrepreneurs which are ⁸ :

- **Technical entrepreneur** : These individuals have a strong technical orientation. They love inventing things and developing ideas for new products. Developing new markets and even new industries are generally the goal of those with technical orientation. The creation of an enterprise is merely a means to achieving their goals, not an end in itself. These are people like Henry Ford or Herbert Edwin Land, the inventor of anti-glare plastic sheets and camera filters, and the founder of Polaroid Company.
- **Organization builders** : Some entrepreneurs start their own businesses because they like to build organizations. These organization builders have skills in developing people, systems and structures. These are people like Lee Iacocca, who saved the Chrysler Corporation from collapse during the 1980s, or

Ray Croc, who build the McDonalds franchise chain, the largest in the World.

- **Deal makers** : Dear makers enjoy making the initial deal to start a new venture and often enjoy some start-up activities. However, unlike the organization builders, they dislike having to manage and commit themselves to an organization over the long run. These are people, who are usually involved in financial or trade transactions.

2-2- - categorisation according to the transitional phases and age :

One of most adopted definition is developed by Chigunta , who divided young entrepreneurs in three transitional phases⁹:

- **Pre-Entrepreneurs** (in the age of 15-19 years) have low level of proprietary participation in small business, and are typically in a transitional phase from the security of home or education to job market.
- **Budding Entrepreneurs** (in the age of 20-25 years) represent the growth stage. They have generally gained some experience, skills and capital to run their own enterprises, and face three evolution options: remaining stuck in marginal activities; going out of business; running successful enterprises.
- **Emergent Entrepreneurs** (in the age of 26-29 years) are in their major stream, have a higher level of maturity, enough to run viable enterprises.

2-3- - categorisation according to vocation

Youn g entrepreneurs can be divided also into two broad groups¹⁰:

- **Entrepreneurs driven by necessity** : those who become entrepreneurs by necessity because they are unable to find other forms of formal employment or continue their education,
- **vocational entrepreneurs** : who seize a business opportunity, They tend to have the ability to identify good business

opportunities, and have better skills to start up a new firm and make it grow over time.

3- The importance of youth entrepreneurship

We can rightfully state that today's entrepreneurship is the bearer of the permanent innovation

(entrepreneurial innovation) which renews, transforms and encourages the development of economy worldwide. It generates¹¹:

- Entrepreneurial firms play a crucial role in the innovations that lead to technological change and productivity growth. In short, they are about change and competition because they change market structure.
- Entrepreneurship creates jobs. In 2002, it is estimated that around 460 million people around the globe were involved either in the activities of starting new business ventures or representing owners-managers of new enterprises¹².
- fosters wealth for society as a whole and, particularly via social entrepreneurship, including green entrepreneurship, contributes to community development, supports environmental sustainability and produces social capital. With high levels of youth unemployment¹³.
- the benefits are not limited to start-ups, innovative ventures or new jobs. Entrepreneurship refers to an individual's ability to turn ideas into action and is therefore a key competence for all, helping young people to be more creative and self-confident in whatever they undertake.
- renews the national economy with "fresh blood" offering: vitality, innovative products and services, and increasing its chances for a general social and societal advance.

4- Entrepreneurial education one of the main obstacles of youth entrepreneurship :

Many young people believe that once they are given enough resources, they could easily establish and successfully run a business enterprise. So, they perceive that the major obstacle to their

entrepreneurial activity is the lack of funding. Although the lack of collateral prevents many young people from starting-up their own businesses, the experience, however, shows that this is only a part of the problem. The potential of the business idea, in terms of the existing and future demand for products or services, is of great importance as well.

Apart from the business idea, an entrepreneur needs specific skills and knowledge to be able to operate his or her enterprise on daily basis. This aspect of entrepreneurial activity tends to be ignored by young people. Entrepreneurship is a dynamic process, which requires certain skills and knowledge. ***It is both a science and an art.***

Science must be learned through ***training***, but managing an enterprise is an art, which could be learned, at least partially, ***by doing***. Young people, aspiring to become entrepreneurs, need to be trained in business management, marketing, financing and accounting, human resources management and informational technologies. They also need to learn legal and fiscal aspects of business.

According to the OECD and other policy analyses, many young job-seekers, especially those between the ages of 16 and 35, have positive attitudes towards entrepreneurship, but the fraction of those who actually engage in an entrepreneurial career is extremely low. Difficulties in financing is a great barrier, but more influential is a lack of necessary skills and abilities, which may be a result of low early exposure to entrepreneurial education¹⁴.

Research in the OECD and in Australia has found that young people face the challenge of their age, limited life and work experience, a survey results from Southern Africa also suggest that lack of experience and expertise, among other factors, tend to push potential youth entrepreneurs into high risk and low-value adding self-employment situations where failure is highly probable¹⁵.

It should, however, be stressed that the relative importance of the constraints facing YREs tend to vary between developed and developing countries. Some examples of these differences are given in the chart below.

Table 01: Relative Importance of Youth Enterprise Constraints

Factors in Developed countries	Degree or ranking of these constraints										Factors in developing countries	
	=>	1	2	3	4	5	6	7	8	9		10
Information			X	O								Information
credit		O	X									Credit
Skills			O				X					Skills
Markets			O	X								Markets
Institutions		O	X									Institutions
	10	9	8	7	6	5	4	3	2	1		

Note: X = developed countries; O = developing countries. The degree of seriousness of the constraint is measured from 1 (less important) to 10 (very important).

Source : Francis Chigunta Youth Entrepreneurship: Meeting the Key Policy Challenges Wolfson College, Oxford University, England July, 2002, p 07.

This matrix suggests that YREs face many constraints but their relative significance in impending enterprise development tends to vary between DC and LDCs. We see that the skills constraint is considered more important in LDCs than in DCs .

4-1- What must be learned about entrepreneurship

It is becoming clear that entrepreneurship, or certain facets of it, can be taught. Business curators and professionals have evolved beyond the myth that entrepreneurs are born, not made. Peter Drucker, recognized as one of the leading management thinkers of our time, has said, “The entrepreneurial mystique? It’s not magic, it’s not mysterious, and it has nothing to do with the genes. It’s a discipline. And, like any discipline, it can be learned”¹⁶ .

Additional support for this view comes from a ten-year (1985-1994) literature review of enterprise, entrepreneurship and small business management education that reported “...most of the empirical studies surveyed indicated that entrepreneurship can be taught, or at least encouraged, by entrepreneurship education”¹⁷ .

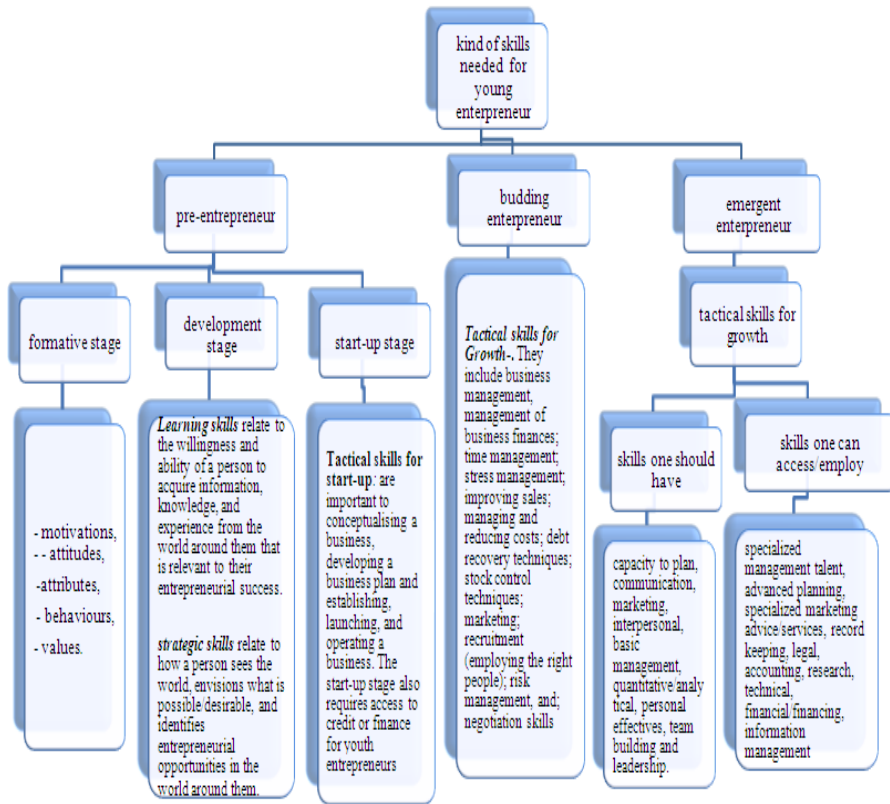
So, the question of whether entrepreneurship can be taught is obsolete, and the more relevant question regarding entrepreneurial education:

what should be taught and how should it be taught?

In discussing the skills that young entrepreneurs need to improve it is more helpful to divide them according to their age category or

enterprise status.(Figure 01) is a brief discussion of the key skills needed in each category of youth entrepreneurs.

Figure 01 : skills needed for young entrepreneurs



Source : done by the researchers

4-2- How should entrepreneurship be taught « Approaches »

The considerable variety of entrepreneurial programs offered in the market is also found in the variety of learning methods employed in entrepreneurship education and training. From a broad perspective, the approaches to entrepreneurship education can be classified into four categories Each of these approaches differs from each other in terms of its focus and purpose¹⁸ :

1. **The “old war stories” approach** : attempts to motivate aspiring entrepreneurs by r laying a series of successful entrepreneurship stories and revealing how those individuals became successful entrepreneurs.
2. **The “case study” approach** : uses cases of existing companies to analyze the mechanics of the entrepreneurial process and to elicit students’ proposed solutions to the companies’ problems.
3. **The “planning” approach** : usually takes the form of a business plan that consists of detailed objectives, budgets, and programs .

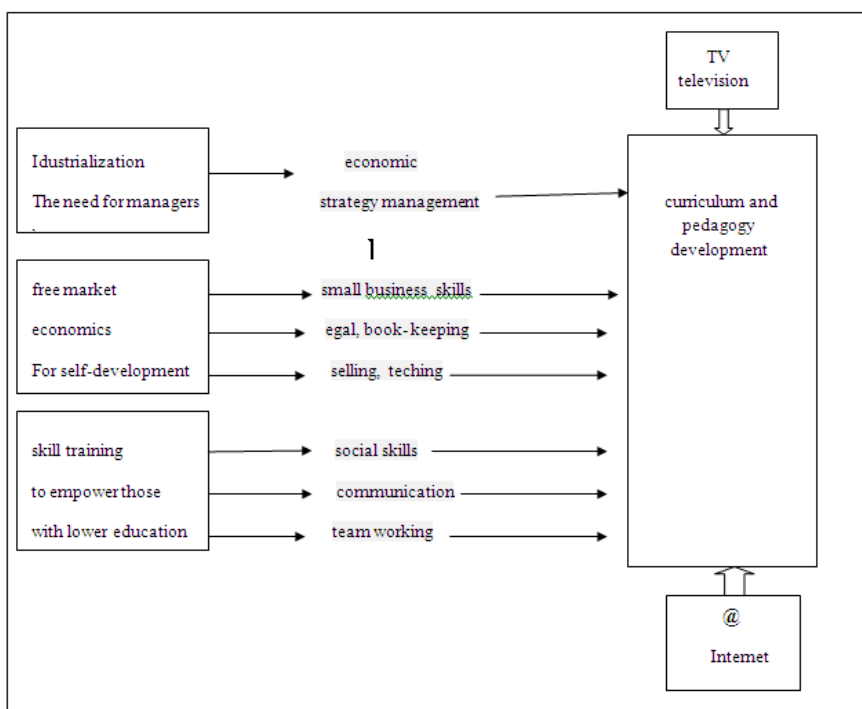
Shepherd and Douglas proposed a fifth approach which is **the “learning” approach** ; it has been touted as an effective path towards developing the entrepreneurial spirit. This approach requires the shift in emphasis from teaching to learning and it recognizes the importance of learning through *hands -on and active participation in a real life entrepreneurial environment where constructive feedback from an expert is provided.*

5- Sources of entrepreneurship education

Entrepreneurship education goes much further than the traditional view of starting a business. This preparation should develop a generation of people who are more creative, innovative and risk-taking, where change is accepted as the norm . A population such as this would probably be more successful in all spheres of life. Entrepreneurship education is a prerequisite for the economic development of a country, where entrepreneurs initiate change and renewal¹⁹ .

Apart from full-time academia, other components of the entrepreneurship infrastructure such as endowed faculty, research centers, professional organizations, journals, and the mass media provided significant support for entrepreneurship education . In general we can trace the origins of three sources of entrepreneurship education (see figure below), Each of these three sources of entrepreneurship education, has led to the creation and development of teaching materials, methods and frameworks for the future.

Figure (02) : sources of entrepreneurial education



Source : Christine Volkmann, Karen E. Wilson, others, Educating the Next Wave of Entrepreneurs Unlocking entrepreneurial capabilities to meet the global challenges of the 21 st Century World Economic Forum, Switzerland, April 2009, p 19.

5-1.Role of formal education

Formal education has a vital role when it comes to encouraging entrepreneurship, Boosting entrepreneurship among young should be done through an education system starting at an early age that encourages creativity, self-confidence, critical thought, active citizenship and participation.

Learning by doing should be the key method used in this process. Schools should provide time, space and recognition for projects initiated by young people themselves, including projects through which pupils can act as peer-educators and multipliers. This would foster a sense of initiative and entrepreneurship, and give young

people the confidence to try new projects, which can be a beneficial asset in their later attempts at setting up independent business.

Besides that, education providers have a responsibility to teach not only about economically-but also socially-and environmentally-focused entrepreneurship and other models of entrepreneurship structures such as through the establishment of co-operatives.

The cooperation of educational institutions with existing entrepreneurs and with the civil society is, a positive and welcome first step, in terms of providing expert support in organising creative workshops, inviting guest lecturers and similar.

In vocational education and training students should receive entrepreneurial education that is matched with their future vocation.

Sufficient free and high quality counselling and guidance services are hugely important for guaranteeing quality in all educational forms, and must always be focused on the needs and abilities of each individual student, be it in guidance at the end of elementary/secondary schooling, guidance for students in vocational education or training, counselling in higher education or other levels.

The formal education system doesn't provide financial literacy for young people which is of utmost importance living in today's society. Financial literacy can be decisive when young people establish a company -good skills and knowledge of finance will allow it to run successfully and independently ²⁰.

5-2 Role of non-formal education and youth organisations

Youth organisations play the leading role in non-formal education, so they should be considered as the experts of understanding and satisfying young people's needs for self expression.

Furthermore, establishing and building up a youth organisation can be considered as a form of entrepreneurship in itself that fosters a culture of entrepreneurship among young people.

A key aspect in becoming an entrepreneur is having the confidence and ability to take your ideas forward and to build on existing contacts and networks in order to test, market and promote a product or service.

In order to do that young people need to build up so called “soft skills” such as negotiation, mediation, public speaking and the ability to coherently express themselves. In youth organisations this takes place through non-formal education which in its essence consists of actions, activities, processes and projects that are undertaken by, with or for youth with the aim of providing a space for young people for their personal development and for their needs. It also allows young people to apply these skills and knowledge in practice ²¹.

5-3- Role of television and internet

Mass media in the form of radio and television has grown across the world, especially after the introduction of satellite television. However, these are not interactive and thus each region is dependent on programme development to provide useful content in terms of creating greater levels of social inclusion(Increasing numbers of talent and other competitive shows, business programmes, information and education). The growth of the Internet and use of computers have also made a huge impact, particularly on small businesses and education (Use of the Web, e-mails, searching etc., accelerating democratization of knowledge and opportunity. Remote health care)²²

5-4- Youth entrepreneurial learnership Programmes design

A youth entrepreneurial learnership programme can be defined as a part-time multi-year programme that combines school- and work-based learning in Economic and Management Sciences as learning area in Curriculum, which can also be extended to a tertiary entrepreneurial learnership programme²³.

These programs (if they are well organized) provide many opportunities for young peopl, for example, they ²⁴ :

1. Provide an environment for youth to interact with caring adults in actual work settings.
2. They incorporate training and on-the-job learning experiences.
3. They focus on the present employment needs in young people’s lives, as well as on long-term career and life goals.
4. Youth entrepreneurship interventions also try to nurture other skills in youth, including leadership skills (e.g., planning and implementing projects, positive risk-taking, and problem-

solving), self-esteem and efficacy (a sense of being able to make a difference), and teamwork .

The needs of youth entrepreneurs in the three categories (discussed above) have serious implications for policy and the design of youth enterprise promotion programmes. They strongly suggest that the design of programmes should recognise the capabilities of different youth groups and how this impacts on their ability to set up, run, manage and expand a business. Also critical is the choice of intermediary institutions.

In the literature, views differ on whether young people need specialized, youth-oriented, business support services or whether they should use the same general agencies and programmes as anybody else ²⁵ :

1. some analysts, argue that specific youth agencies risk creating a 'youth ghetto' which is artificial and gives youth poor preparation for the 'real world'. It is also argued that such agencies prevent young people from the opportunity of learning from older people.
2. Other, argue that young people as a group require more time and attention than older people and this may exceed what general development agencies wish to provide one client. This requires staff trained and experienced in dealing with young men and women.

Given the evidence on the transitions in the process of youth entrepreneurship development and challenges discussed above, a distinction should be made between younger and older youth. The view of this paper is that younger youth may face a different set of problems and have a different set of needs from older youth attempting to do the same thing.

This suggests that younger youths may require special attention to address their needs, largely from their own perspective. As White and Kenyon observe, dealing with young people requires skills and sensitivity quite different from those required when dealing with adults. On the other hand, older youths, especially the *budding entrepreneurs* should be facilitated to graduate from specialized youth

institutions to general enterprise support agencies and programmes as anybody else in society ²⁶.

Conclusion :

To conclude, we can say that :

1. The entrepreneur is an individual who deals with uncertainty and generates innovation. He or she should possess a willingness to assume risk and work hard, and has the confidence in his or her abilities to venture down new paths. The entrepreneur must also acquire the decision-making skills and this can be through birth, and/ or experience, and mainly through education.
2. entrepreneurship education is positively related to the creative facets of entrepreneurship such as the individual's adeptness in creating opportunities and ability to perceive the desirability and feasibility of a venture
3. Entrepreneurship educators should stress in the curriculum, the importance of hands-on, active participation within a real life entrepreneurial environment, where constructive feedback from an expert is provided .
4. entrepreneurship education is and should continue to be supported as a pivotal element of youth entrepreneurship, the formal education system does not reach all young people. While calling for a specific focus on delivering entrepreneurship education to these young people through other channels (sources) .

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