Ensuring quality in entrepreneurship training for economically disadvantaged youth

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The issue:

The challenge: Poverty

Solution: Help youth find employment

The problem: Youth lack necessary knowledge, skills, and attitudes

Solution: Entrepreneurship training programs
Are entrepreneurship training programs effective?

Studies find only ‘faint evidence’ of program effectiveness.

Why

Weak evaluation designs

This study

A 5-year longitudinal study of the effectiveness of 3 entrepreneurship training programs
The Programs

Swisscontact (Switzerland) in Uganda and Tanzania

Fundacion Paraguaya (Paraguay) in Tanzania

CAP (India) in Kenya
The programs differed in:

- Duration
- Program design
- Characteristic of youth
Method

Longitudinal study

Mixed methods
  - Surveys
  - Interviews
Key Findings – 1

All three programs were successful in imparting knowledge, skills, and attitudes important in finding or creating employment.
Key Findings - 2

Peer and community networks were important in participants’ post-training success

- Knowledge and skills are necessary but not sufficient
- Social networks developed during the training were important in connecting youth to opportunities and providing needed support
Many youth pursued multiple and diverse earning strategies

- Often engaging in 2-3 income producing activities following training
- ‘Mixed livelihoods’
- To offset the seasonal nature of some work, spread risk, and test personal interests.
Youth who completed the training believed they fared better than non-participants, but their success in getting out of poverty was modest.

- Earning increased
- Work was at lower end of the value
- Gained higher status in families, recognition in community, personal pride
Key Findings - 5

Success depends on individuals’ actions but also on contextual factors

- Access to capital and tools
- Formal certification requirements
- Corruption
- Government regulations
- Taxation policies
Key Findings - 6

**Gender differences**

- Sexual harassment
- Gendered pay gaps
- Child mothers had less mobility
Conclusions

- Entrepreneurship training is valuable
- Trained youth earn more
- Doesn’t necessarily get youth out of poverty
- Yields other benefits