



Alternative career routes – the rise of the young entrepreneur

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Acknowledgements

Authors: Sandra Hicks, Dr. Niamh McGarry, Kenny Imafidon

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About Us

ClearView Research

ClearView Research is an audience insight and strategy agency. We are specialists in working on research, evaluation and engagement projects with young people, minority ethnic groups, culturally diverse communities, people with protected characteristics and those who often go unheard. We are committed to ensuring that our work is always inclusive and equitable. We strive to ensure that all of our participants enjoy the research process and find it accessible, engaging and empowering. We ensure that their voices are central in the materials (e.g. reports and frameworks) that we produce.

We work best with organisations who give a damn and want to make a genuine impact.

We are an MRS company partner, and we uphold and act in a manner compliant with the strict ethical and rigorous rules contained in the MRS Code of Conduct.

Find out more at:
www.clearviewresearch.co.uk

About Youth Futures Foundation

Youth Futures Foundation is an independent, not-for-profit organisation that aims to transform the youth employment landscape, ensuring that young people from all backgrounds can access and keep good quality jobs.

Youth unemployment is a national crisis. The pandemic has highlighted and deepened existing disparities, with the most vulnerable young people facing the greatest systemic barriers to finding and securing good quality jobs.

Our work supports young people aged 16-24 who face discrimination or disadvantage in the labour market, particularly those from marginalised backgrounds.

We aim to narrow the employment gap for young people from marginalised backgrounds by identifying what works and why, investing in evidence generation and innovation, and igniting new ideas to change behaviour and practice.

Find out more at:
www.youthfuturesfoundation.org/

The Why

This research is a follow-up study based on previous research looking at the impact of Covid-19 on the youth employment prospects for young people in England. The previous research, conducted by ClearView in collaboration with a group of young people from across England, found that:

- Over half of young people are exploring entrepreneurship (58%).
- Over a third of young people have started a side hustle (35%) (side hustle meaning taking on work outside a main job or field of education to generate alternative income).
- Young people who have faced discrimination based on their age, ethnicity, or colour are more likely to have considered entrepreneurship.
- Young people who are Black African, Black Caribbean, or Black British are more likely than young White British people to have considered entrepreneurship and thought of a business idea.
- Young people who find that their criminal record is a barrier for them to find work are more likely to have a side hustle.

These findings demonstrate the level of flexibility and adaptability that young people have while exploring alternative routes to support themselves in response to Covid-19.

However, this interest in entrepreneurship is not driven only by the pandemic. The YE2030 study found that 22% of young people had a side hustle before lockdown began, and of the 58% of young people who saw themselves as entrepreneurs, only 5% decided to pursue entrepreneurship because of Covid-19. In the YE2030

research the main reasons young people gave for wanting to pursue entrepreneurship were to:

- work on their passion
- the income potential
- flexible working

Other research has found similar responses where self-employed young people who were not previously unemployed were most likely to be motivated by greater independence or the opportunity to become their own boss, while for those who were previously unemployed the main driver was a necessity to earn money.²

Young people who decide to pursue entrepreneurship face many key barriers to business creation and self-employment. Research has found that despite a high interest in self-employment only 6.5% of working youth in the European Union (EU) were self-employed in 2018³. Young people (18–30 years old) in the EU were less likely than adults to feel they had the knowledge and skills for entrepreneurship, and 44.5% of young people in the EU viewed fear of failure as a barrier to entrepreneurship.⁴

We undertook this research to gain a better understanding of the experiences of young entrepreneurs in England, especially those facing multiple challenges, such as discrimination, socio-economic challenges, having a criminal record and having caring responsibilities. This research aimed to explore the different motivations, needs, and lived experiences of young people in England who face multiple barriers and are pursuing entrepreneurship.

Methodology

Qualitative, participatory design

It seems that youth voice is largely missing from most discussions about the future of youth employment. Youth Futures Foundation and ClearView both recognise the importance of youth voice and meaningfully including young people in the decisions that affect them. To make sure that youth voice was central to this research, we began by recruiting six young entrepreneurs to form a co-creation and peer researchers' group. The six young entrepreneurs were from a mixture of ethnic backgrounds and genders, aged 16-25 years and from across England. The group included young entrepreneurs who have already been successfully running their business or social enterprise for two or more years and a few who have started their entrepreneurial journey since the beginning of the pandemic.

We provided the co-creation and peer researchers' group with training through our Peer Researcher Training Programme. This programme includes educational modules and training on research methods, design, analysis, and community engagement. The co-creation and peer researchers' group then worked in collaboration with experts from the ClearView team, the Youth Futures Foundation (YFF) and the YFF's Future Voices Group to design the research. To design this research, the teams came together for a workshop to decide:

- How to define entrepreneurship and who would be included in the research
- How to define disadvantage and who would be included in the research
- The research question(s) we would ask

Entrepreneurship:

YFF consider self-employment to be good quality work if it generates sufficient income and is a positive, well-informed choice. However, the group discussion raised some issues with this, as it may exclude aspiring or social entrepreneurs. After some discussion it was decided that for the purposes of this research we would focus on young entrepreneurs aged 16-25 years whose main source of income is from self-employment, or those who intend it to be in the future and who come from a disadvantaged background.

Disadvantage/Multiple barriers:

Everyone in the workshop agreed that it would be most useful to focus the research on young entrepreneurs who also faced other disadvantages in life.

However, the co-creation and peer researchers' group felt that the word 'disadvantaged' felt stigmatising and could be interpreted to mean that these young people had limitations. They decided that 'multiple barriers' was a better way to describe the many challenges that some young people face, and overcome. As a result the young entrepreneurs who took part in this research study faced two or more of the following barriers:

- Physical disability
- Living with a long-term health condition
- Attended a school with low-average attainment levels for GCSE or A-Level
- Grew up in a single-parent family (or predominantly in a single-parent family)
- Received a student grant or loan to

attend university

- Household income is below £40,000 or the people in the household receive income-related benefits or disability-related benefits
- Eligible for free school meals at school
- First generation in the family to go to university
- Grew up living in a neighbourhood with a low rate of progression to higher education and/or a high level of socio-economic deprivation
- Have been looked after/accommodated in care
- Have a criminal record
- Have experience of offending (even if no criminal record)
- Are a young parent
- Have a caring responsibility
- Have special educational needs or disabilities
- Have experience of school exclusion or alternative provision
- Have experience of substance misuse

Research questions:

Following group discussions, the teams all agreed on the research questions below for this study:

Why do **young people** who face **multiple barriers** choose to pursue **entrepreneurship**, and what are their lived experiences, including:

- When and how did they make the decision to be entrepreneur?
- What motivated them to pursue entrepreneurship?
- What barriers or challenges did they face?
- What support or guidance helped them to pursue entrepreneurship?
- What support or guidance did they not have access to but feel would have been useful?

Sampling strategy

In order to achieve a diverse sample of participants to take part in interviews and focus groups, the co-creation and peer researchers' group worked closely with the ClearView Research team to develop a sign-up form that included screening questions about entrepreneurship and multiple barriers. The sign-up form was shared with existing networks through ClearView and YFF. The sign-up form was also shared using targeted advertising on social media and through ClearView partners that work in the youth entrepreneurship sector. Over 208 young entrepreneurs from a diverse range of lived experiences successfully registered their interest in taking part in the study, and 36 participants who have experienced multiple barriers were selected to participate on a first-come, first-served basis.

The co-creation and peer researchers' group decided to conduct three focus groups to explore some of the broader research questions in a group setting, such as the decision to become an entrepreneur, the main motivators and the support that helped them achieve this. They decided that some of the more sensitive topics, such as the challenges that the young entrepreneurs face, might be better discussed in an interview where the discussion was more confidential.

In order to bring together a group of people who would likely have both similar and contrasting experiences for the focus groups, the co-creation and peer researchers' group decided to focus on three specific groups:

1. Women from ethnic minority backgrounds
2. Entrepreneurs who identify from a mix of genders (mixed gender) e.g. Man, Woman or Non-binary
3. Young entrepreneurs who selected more than four multiple barriers on the sign-up form

In total, 36 young entrepreneurs participated in this research, 15 in the focus groups and 21 in the individual interviews. All these focus groups and interviews were facilitated by the peer researchers.

Following this, the recordings of the interviews and focus groups were analysed by the peer researchers with support from the ClearView team. The ClearView team facilitated a workshop with the peer researchers in which they co-produced a framework to analyse the content of the discussions in the interviews and focus groups thematically. This framework broke the analysis into sections based on the common themes that the young entrepreneurs who participated in the research spoke about. The peer researchers then partnered up and analysed the interviews and focus groups they had conducted, as well as those of their research partner. The ClearView team followed this up with their own analysis to verify the findings.

Once the draft report was completed it was shared with the peer researchers for further comment before being finalised.



Project limitations

Due to our sampling strategy, more women than men participated in our research. We did some targeted recruitment to engage participants who identify as male, but the final sample still includes more women.

It is important to note that though the insights in this report reflect the lived experience and reality of the young entrepreneurs the peer researchers spoke to, our findings cannot be generalised to represent the wider population of all young entrepreneurs.

Demographics of the young entrepreneurs

A snapshot of the demographics of the participants can be seen below:

- 27 women.
- 8 men.
- 1 non-binary.
- 23 people who identify as Black (including Black African, Black Caribbean and any other Black background).
- 5 people who identify as Asian.
- 4 people who identify as mixed.
- 4 people who identify as White.
- The participants live in areas all over England, including the East Midlands, East of England, London, North East England, North West England, South East England, South West England, West Midlands, and Yorkshire and Humber.
- Most of the young entrepreneurs who completed the questionnaire to participate in the research have been running their business for under four years with over a third (33.3%) of them pursuing entrepreneurship within the last year.
- There is good representation within the sample of young entrepreneurs from

different age groups between 16 to 25 years, though the majority are 21 years old.

- Most entrepreneurs who completed the questionnaire to participate in this research identified as Black African (46%), with the second-largest group being White (23%).
- For those who said that the income from their entrepreneurship is not their main source of income, the majority plan for it to be in the future. Most of those who said that their main income was not from their business have also only been an entrepreneur for less than a year. This group included young people in school or university, working and those out of work due to the pandemic.
- Some of the young entrepreneurs who participated in the research do not plan for this to be their main source of income in the future but a small number were included to gain a breadth of understanding of the landscape of entrepreneurship for young people.
- More demographic information of the young entrepreneurs who participated in this research can be found in Appendix.





Research Findings

Entrepreneurship is often considered by young people at turning points when they are making career decisions

Many of the entrepreneurs in this study were either 16 years or 20 years when their entrepreneurial journey officially began. The reasons they gave for starting at this point varied from accidentally falling into entrepreneurship to pursuing a career they were passionate about.

"I didn't have the money to do the things I wanted to do. I saw the opportunity and took it. I saw the things that other people were selling and thought I could do that but at a cheaper cost and did it." (Woman, age 19)

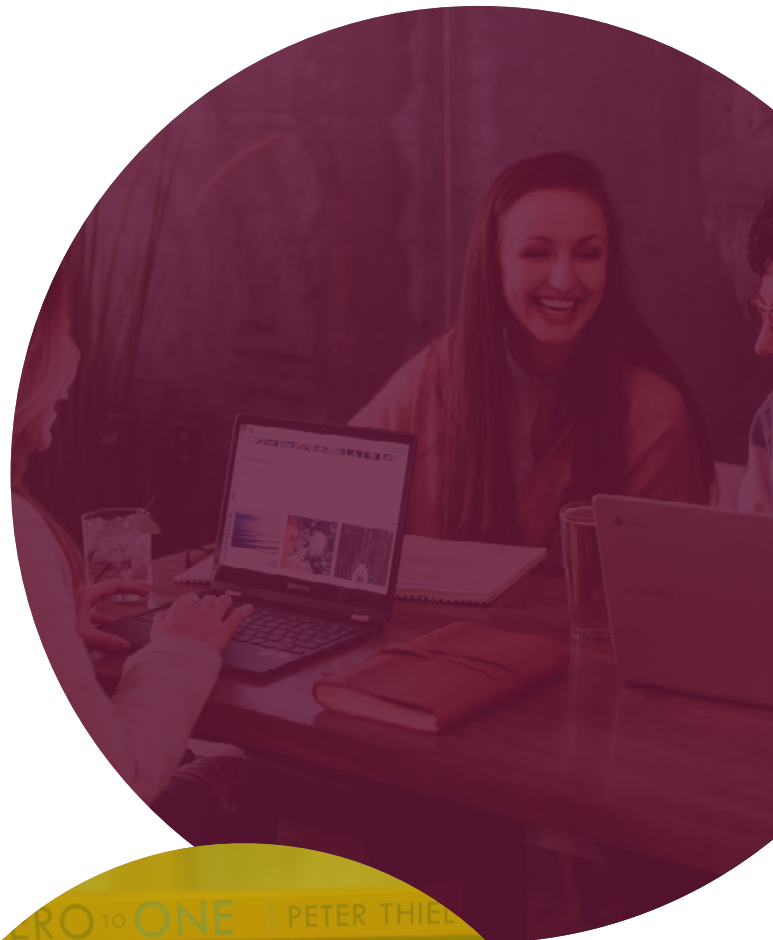
"I didn't even know you can live off a business at my age; I was still in sixth form and I kept getting told that I needed a sustainable living. It was only when I got recognised through competitions and pitches that I realised that I was naturally gifted." (Man, age 20)



Young entrepreneurs speak about having many reasons for deciding to become an entrepreneur

The young people that the peer researchers spoke to had a number of different reasons for deciding to pursue entrepreneurship. For many of these young entrepreneurs, there was more than one reason behind their decision to pursue this career route, and some of them felt that even without these reasons they would have pursued entrepreneurship eventually. The main reasons that the young entrepreneurs who participated in this research gave for deciding to pursue entrepreneurship were:

- Needing to earn money
- Having the time to develop a skill or explore a business idea
- Pursuing a passion or creating social change
- Covid-19



Research Findings

Needing to earn money

The young entrepreneurs who participated in the research were a mixed age group between 16 and 25 years old. A number of these young entrepreneurs told peer researchers that they were as young as 13 years old when they began their entrepreneurial journey. These entrepreneurs described themselves as **"falling into entrepreneurship by accident"** when they started by running a side hustle, selling items in school, such as sweets, to make money.

"I was selling food in school to get extra money. I guess that's where it started." (Woman, age 20)

"I was in year eight and didn't have pocket money. I was making stupid amounts of money just selling sweets and cans of coke. I focused on that more than school." (Man, age 19, mixed-gender focus group)

Two participants in our mixed-gender focus group reflected that if their families had more money, they might not have started selling things at school, but added that they would have definitely started their own business at a later date.

Not having any pocket money and therefore not being able to buy things was talked about as the main reason for selling items in school. The money they made from selling these items in school enabled the young entrepreneurs to afford the things they wanted. However, despite their talents and entrepreneurial ability and ambitions, the entrepreneurs told peer researchers that they were not encouraged to pursue entrepreneurship because it was not seen

as a worthwhile career option amongst teachers in academia and some of their parents.

One participant in our multiple barriers focus group told peer researchers that she had known she wanted to pursue entrepreneurship since she was 13 but was too risk averse to try it at that point.



Having the time to develop a skill or explore a business idea

Some of the young entrepreneurs who began pursuing entrepreneurship at college and university spoke about having the time to develop a skill or being able to dedicate time to developing a business idea. They felt that university provided them with the time and space to do this, as they could pursue entrepreneurship alongside their studies to increase their income.

In the focus group exclusively for women from ethnic minority backgrounds, all six women were at university when they decided to pursue entrepreneurship (more demographic information can be found in the appendix from pages 36 - 39). The main driver for this group of young entrepreneurs was that they saw an opportunity to pursue their passion, and when they began to make money from it, they realised that they could turn their passion into a business venture.

"I didn't plan for it. I just started posting my things online, but making things just made me love my craft even more. The demand was there, and I just ran with it." (Woman, age 21)

Others found themselves in a similar situation due to the pandemic. One entrepreneur told a peer researcher in an interview that after she was put on furlough, she used her time to develop her creative skills and turn them into a business venture.

"The job market wasn't great during the first lockdown, and I had a lot of free time. I've always been creative, but it turned into a business with an Etsy shop." (Woman, age 20)



Pursuing a passion or creating social change

Previously mentioned above, some young entrepreneurs used their time in university or during the pandemic to pursue their passion and turn it into a business. Another driver for some of the young entrepreneurs to pursue entrepreneurship was the need for social change. All of the young entrepreneurs who discussed social entrepreneurship in this study were interestingly women; however, as women are over-represented in this study, understanding more about a potential gendered dimension to this type of entrepreneurship is beyond the scope of this research, but further research could explore this.

"I started a business because I work in an organisation and I didn't like how it was run, and I wanted to change that, and I wanted to learn about more opportunities for enterprising education for women." (Woman, age 22)

Whether through their own lives or in events happening around them, these young entrepreneurs saw a problem that needed to be addressed and decided to do something about it, which led them into entrepreneurship.

One of these entrepreneurs told peer researchers about having had to battle a number of obstacles since she was 16 years old, including being stalked, losing a friend, being in prison, and having experienced homelessness and domestic abuse. Throughout these setbacks she was determined to create the life that she knew she wanted for herself. She originally pursued entrepreneurship to create social

change and support other young girls. Now she owns a number of businesses and has gone on to receive recognition from celebrities and awards for her community youth work.

Two of the entrepreneurs in the focus group with only women told the peer researchers that they experienced depression when studying at university. One of the participants told the peer researchers that practicing self-care was their coping method, and that this helped them to get through their depression and that they then realised that other people could benefit from their solution. The other entrepreneur told the peer researcher that her business idea was based around the issues that she was struggling with (lack of body confidence), and after conducting some research she discovered that other young women were struggling with this issue. Both of these young women have gone on to develop businesses in the fashion and beauty industries.

"I haven't really overcome my setbacks but I've used my business and projects to help other people who have experienced the same challenges as me." (Woman, age 22)

"My business focuses on body shaming, which is something I've suffered with, but now I use this to create content and help other people who suffer with it." (Woman, age 20)

Another entrepreneur's business was centred around increasing racial representation and promoting art that has been created by

Black people. This entrepreneur told peer researchers that she had a background in marketing and saw a gap in the market, which is what led her to pursue entrepreneurship.

"I had this passion. I saw lots of magazines that were focused on Black and ethnic minorities or people of colour and putting these people together, but there was nothing dedicated to Black creatives and I thought that's really

important, as even within Black people there are so many different cultures, thoughts and ideas." (Woman, age 22)

For these young entrepreneurs, solving a social problem filled a gap in the market, while also creating a sustainable business opportunity.

Research Findings

Covid-19

Most of the young entrepreneurs that the peer researchers spoke to had been entrepreneurs before the pandemic. However, those who decided to pursue entrepreneurship since the beginning of the first lockdown were mostly positive about the decision, though unsure about its future potential.

"My business almost feels hard to legitimise; it was born inside the pandemic, and I am not sure at this stage if it's a temporary thing or if it will actually go somewhere further after the pandemic." (Woman, age 20, multiple barriers focus group)

In the multiple barriers focus group, one entrepreneur told peer researchers that before the pandemic she was adamant that she did not want to work for herself because she had seen how hard and stressful it was for her parents. Due to Covid-19 and not being able to find a job, she felt forced into entrepreneurship, but now she found that she enjoyed creating and selling.

While it would be easy to assume that the pandemic drove these young entrepreneurs into entrepreneurship as they struggled

to find work elsewhere, what these young entrepreneurs reported was that due to the pandemic they had more time, and this gave them the opportunity to explore their entrepreneurial ideas.

"I've always had this idea that I wanted to be either self-employed or having some sort of passive income. During the pandemic I was applying and applying for jobs, and nothing was happening. I had some savings and I thought I can either keep it in savings or invest it into a business that will potentially double or quadruple my money." (Woman, age 21)

"I'm still doing schoolwork and time is a lot more valuable than I thought it was. Lockdown has helped my work, especially going back to school on reduced hours. I've learnt a lot about time management." (Man, age 16)

Pursuing entrepreneurship is challenging

Like any other career choice, pursuing entrepreneurship is challenging. However, there are some challenges that are specific to choosing this path. The main challenge that young entrepreneurs spoke to the peer researchers about were related to how their decision to pursue entrepreneurship was supported, or rather not supported, by family, friends and school. This led them to look for information and support elsewhere, and this information or support was not always what they needed. They also spoke about specific challenges related to discrimination and Covid-19. Overall, the main challenges that the young entrepreneurs spoke about included:

- Lack of support and limited access to information
- Toxic entrepreneurship
- Discrimination in business
- Covid-19



Lack of support and limited access to information

Perhaps the most common and frustrating barrier experienced by young entrepreneurs when starting up their own business was the lack of guidance and mentorship available to them at the time. Some entrepreneurs told peer researchers that information such as where to go for suppliers and advice or information about registering a business and learning about taxes would have been very helpful, but was inaccessible.

A lot of entrepreneurs felt strongly that the guidance that does exist on official websites is hidden, difficult to understand, too long, and directed towards older people with already established businesses.

"Information is not actively out there for young entrepreneurs. It's a lonely process and can feel isolating at times." (Woman, age 22)

"I didn't even know how to register a business or any of the infrastructure that goes with it." (Woman, age 24)

"Having a mentor would have been useful. Someone to bounce questions off and ask random questions. A safe space to do this and be vulnerable. Every entrepreneur needs that." (Woman, age 24)

Some entrepreneurs also spoke about the length and difficulty of funding applications being a barrier. Not only do young entrepreneurs have limited support, but the available support is too difficult to access.

"We applied to one funding organisation and the application was 40 pages long. We didn't get

the funding because we didn't know what we were doing." (Woman, age 21)

Some entrepreneurs had applied for funding and the majority were rejected. Many entrepreneurs shared their experiences where funders wanted to see the finished product (even though it was at concept stage) before agreeing to the funding. For other entrepreneurs, being under 18 at the time their entrepreneurship journey began meant that they were excluded from applying for funding and other financial activities such as setting up their own business bank account, getting credit and raising business finance.

In the interviews, entrepreneurs were frustrated about not getting the support they needed. Some entrepreneurs were worried about getting into trouble because they were not able to manage taxes properly and they were struggling with the confusion around Brexit for importing and exporting goods.

One entrepreneur in the mixed-gender focus group told peer researchers that he had made a lot of money early on in his business and wasted it on the wrong resources because he felt he did not know what he was doing. He reflected that if he had had a mentor to help him identify how to manage his sales, he would not have wasted his money.

Other entrepreneurs in the focus group with only women added that competition is over-saturated in some sectors such as

beauty and retail, which can make the entrepreneurial journey even more difficult and isolating. Some entrepreneurs have reached out to other entrepreneurs whose business is in a similar sector, even if they're not in the same location, only to find that

they are secretive about where they get their supplies from.

Research Findings

Toxic entrepreneurship

Young entrepreneurs who did not have access to formal support or a mentor found alternative sources of information. For example, social media was repeatedly referenced as a source of information and advice about entrepreneurship.

"People were giving out tips on TikTok so I used that to help me and then I did the same thing after. It's like a community." (Woman, age 22)

"There's someone I follow on YouTube and he brings different perspectives to business." (Man, age 19)

However, the type of online support or influence that young entrepreneurs can access via sources such as social media can also have negative impacts. Many of the young entrepreneurs reported that they did not feel like real entrepreneurs, naming reasons such as not working hard enough, only doing something small, or not earning enough to be considered a real entrepreneur. The peer researchers spoke about 'imposter syndrome' when referencing these discussions with the young entrepreneurs who participated in the research. In the focus group with only women and the multiple barriers focus group, the entrepreneurs told peer researchers that the feeling of being an imposter could be linked to the idea of toxic entrepreneurship. They described toxic

entrepreneurship as a belief that to be a successful entrepreneur you have to fulfil certain qualities such as being extremely disciplined and focused, starting work early in the morning and finishing very late, working seven days a week, etc.

"There's all these books and videos telling you how to behave and live your life (as an entrepreneur)." (Woman, age 20)

"If you don't work, your business isn't going to work. There's this perception that if you're not waking up at 5am and going to bed at a certain time then your business is going to fail." (Woman, age 23)

Some entrepreneurs in this study feel that this toxic entrepreneurship is driven by social media platforms where entrepreneurship is glamorised and fuelled by a culture of comparison with other entrepreneurs. However, some entrepreneurs did say that entrepreneurial influencers can make themselves appear accessible and truly do have the potential to inspire aspiring entrepreneurs. Yet some entrepreneurs also mentioned that online entrepreneurial influencers can set an exceptionally high bar on what successful entrepreneurship looks like, and this may even discourage aspiring entrepreneurs from pursuing their goals.

Discrimination in business

None of the young entrepreneurs that the peer researchers spoke to said that discrimination was a motivator for them to leave the workforce and become an entrepreneur. However, many of them did mention that they experienced discrimination while running their business and had to learn to overcome it.

As many of the young entrepreneurs who participated in this research began their entrepreneurial journey at a young age, before they joined the workforce, this sample is not ideally placed to study the impact of discrimination at work on the decision to become an entrepreneur. The research did, however, show that having their own business does not shelter young entrepreneurs from discrimination.

One entrepreneur told peer researchers in an interview that her mother had advised her not to show her skin colour when selling her items online, as people from other ethnicities would be less likely to buy from her.

Two other entrepreneurs told peer researchers in an interview that they could not help but wonder if their business would be more successful in funding applications if they were White.

Another entrepreneur in the multiple barriers focus group shared her experiences of gender discrimination where one male investor refused to communicate with her unless two other males were beside her in a boardroom.

The entrepreneurs who participated in this study feel strongly that there should be recognition and an open discussion about biases in the business world.



Covid-19

For young entrepreneurs who have been running their business for more than one year, Covid-19 was definitely a setback. Some of these entrepreneurs told peer researchers that they had experienced issues and delays in receiving supplies. One entrepreneur who sells clothes told peer researchers that, pre-pandemic, supplies took an average of eight weeks to be delivered, but when the pandemic hit, he ended up having to wait between five and six months. The entrepreneur described this as a difficult time for him emotionally, as he had to deal with a number of unhappy clients. He stated that he overcame this setback by focusing on self-improvement and being more careful when choosing which manufacturers to work with.

Another entrepreneur who was able to secure over £300,000 in investment pre-pandemic told peer researchers that the funding got pulled as soon as the pandemic hit. She said the experience **"was like a carrot being dangled in front of me for a whole year [to this date]."**

A few entrepreneurs said they have had to pause their business as a result of the stay-at-home restrictions put in place by the government. One of the entrepreneurs that our peer researchers spoke to has a photography business and another a beauty business. In separate interviews, both entrepreneurs described not being able to go ahead with photo shoots and other face-to-face work with clients. They also spoke about how they had been offered money to break the rules and continue working while the restrictions were in place. One of these entrepreneurs is still trying to find a job during lockdown to keep up with her finances but is finding it difficult.



Young entrepreneurs need access to appropriate information, guidance and funding

For some young entrepreneurs, having support simply meant having a parent, guardian, peer or mentor whom they could speak with and who could offer them informed advice that helped them to achieve their goals. For others, this guidance needed to come with start-up funding so that they could get the equipment or basics they needed to pursue their career of choice. Finally, ten of the young entrepreneurs who participated in this study had participated in an entrepreneurship programme. These programmes provided them with ongoing mentorship, access

to funding, guidance on developing their business idea and support in getting their first contracts. All of the young entrepreneurs who received this type of support were positive about both the support they received and the future of their business. The three different approaches to support that the young entrepreneurs found useful included:

- Having access to informed advice and guidance
- Getting both guidance and funding
- Entrepreneurship programmes

Research Findings

Having access to informed advice and guidance

While most of the young entrepreneurs that participated in the research did not have access to any formal support or education to guide them on their entrepreneurial journey, some did have parents, guardians, peers, or mentors who were entrepreneurs, and they were able to get advice and guidance from them. These young entrepreneurs were grateful for this support and guidance and put a high value on it.

"I'm lucky to have a dad in business who helped me with a large enterprise and I'm very lucky to have had this insight." (Woman, age 25)

"My brother's friend introduced me to a few people who were doing a similar thing to what I wanted to do, and they gave me advice." (Male, age 21)



Research Findings

Getting both guidance and funding

For some of the young entrepreneurs, taking advantage of a scholarship or funding opportunity that was targeted at young people from particular backgrounds (or who faced particular challenges) who wanted to be entrepreneurs helped them to pursue their entrepreneurial ambitions. This group of young entrepreneurs spoke about how they had a business idea but did not know how they could afford to pursue it. With the right guidance and a little funding

they were able to pursue the path they wanted.

"In first year I saw at uni a scholarship opportunity targeted at people who are disadvantaged. I was dabbling in iPhone photography but didn't know how to find money to buy a camera. The scholarship offered funding as well as mentorship." (Woman, age 21)

Research Findings

Entrepreneurship programmes

Ten of the young entrepreneurs who participated in the research had joined an entrepreneurship programme. They told peer researchers that the routes to accessing these types of programmes included referral from a friend, university programmes, receiving a marketing email, and via an internet search. The programmes mentioned were:

- Royal College of Art – Business Incubator – Innovation RCA
- Prince's Trust and school entrepreneurship programme
- University entrepreneurship scheme
- Accelerator programme at Aston University in final year
- Summer's Not Cancelled (run by 2-3 Degrees, Business Launchpad and Motivez)

Of the ten entrepreneurs who had participated in an entrepreneurship programme, four reported that their business is now their main source of income while the remaining six said that it will be in the future. This suggests that the directed education and support provided by these

programmes is successful at supporting young entrepreneurs to create successful businesses. The young entrepreneurs who were part of these programmes spoke about the benefits of both the funding and the mentorship.

"I sought advice from uni after I enrolled onto my course and then mentors and other business support were available to me." (Woman, age 23)

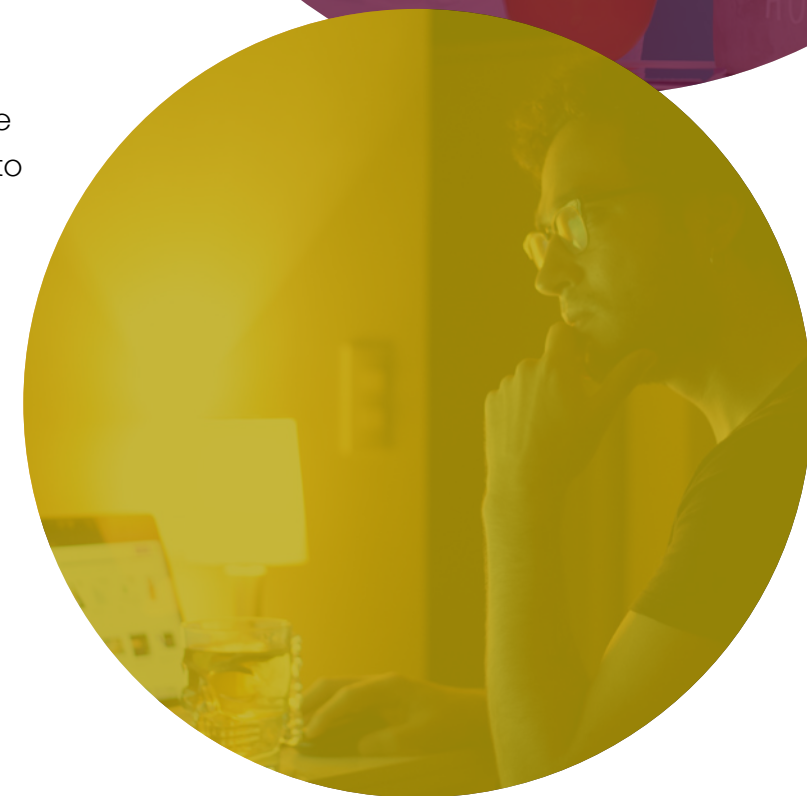
Four of the five young entrepreneurs who participated in the study and reported having a parent or mentor who was an entrepreneur had also completed an entrepreneurship programme. This could suggest that mentors or parents who have been successful in entrepreneurship themselves see the value of these types of programmes. All four of these young entrepreneurs said that their business was or would be their main source of income. They spoke about how the entrepreneurship programme had helped them to access outside support that they needed and offered them the encouragement and guidance that helped them to be successful.



Discussion

Discussion

For many of the young entrepreneurs who participated in this research the decision to become an entrepreneur came about when they were either 16 or 20 years of age. These two points are times of transition in a young person's life, when they are likely to be making decisions about their careers and their futures. At age 16, young people are deciding whether to go to college/sixth form or take part in work-based training. At 20 years of age, many of the young people who participated in this research were at university and preparing for life post-graduation. The fact that these are the most common timepoints when the young entrepreneurs who participated in the research reported deciding to follow a career in entrepreneurship suggests that, at least for them, this option was as real and tangible as the more standard options of college/sixth form, university, apprenticeships, work-based training, etc. However, if they did decide to pursue entrepreneurship as an option, the path to success was definitely less clear.



Reasons for pursuing entrepreneurship

The reasons for deciding to become an entrepreneur were also different for young entrepreneurs who were at different stages of their lives. For those who were younger and growing up in low-income households, or those who needed money for other reasons such as being put on furlough due to Covid-19, the main motivation was finding a way to earn money using what they had available to them. However, many of the young people who said that this was their main reason for starting a side hustle or originally pursuing entrepreneurship also said that they felt they would have pursued entrepreneurship in the future, regardless of whether they needed money or not.

The young entrepreneurs who spoke about deciding to pursue entrepreneurship because they had the time to explore and develop their skills and business idea, either alongside university studies or because they were on furlough due to Covid-19, also seemed to be driven by an interest in pursuing entrepreneurship rather than a need. Most of this group had followed traditional career paths and were in university or employment, but within this security, once they had the opportunity, they were motivated to see what they could create for themselves. This suggests that this interest may have always been there but before this point they were not in a position where they felt safe to explore it or try it out.

For some of those who wished to pursue a career in entrepreneurship to follow their passion, this was a similar story. They needed the time to develop and explore their idea or to realise that they could make an income from something they loved doing. However, for those whose passion

was social change, this alone seemed to be their main motivator. For this group, the social innovators, solving a problem for themselves or others and turning it into an enterprise so that it could continue was hugely important. They wanted to create positive change in the world, and making an income out of it, while important, was secondary. This group was all women. While it is difficult to draw any insights from this, as the sample was small and included more women than other genders, it does suggest that further investigation into the type of entrepreneurship that different genders choose to pursue, and their motivations, would be interesting.

Finally, while only a small number of the participants had decided to pursue entrepreneurship as a direct result of Covid-19, this motivation is interesting. The young entrepreneurs we have spoken about so far, who pursued entrepreneurship for other reasons such as needing money, pursuing a passion, having the time, or wanting to create social change, were all ultimately motivated by a drive to create something by themselves, for themselves. Some of the young entrepreneurs who pursued entrepreneurship during, and maybe because of, the pandemic, had also previously thought about entrepreneurship as a career option. This group were more similar to those who had pursued entrepreneurship before the pandemic, and while Covid-19 was one of their reasons for pursuing this career route, they also expressed other reasons. However, the young entrepreneurs who spoke about pursuing entrepreneurship solely due to Covid-19 were less sure of this decision. They spoke about how entrepreneurship

was a way to earn some money when employment was hard to come by. They were also not sure if their business would continue after the pandemic, and overall, they seemed to prefer the idea of a secure job.

Discussion

Challenges that young entrepreneurs face

The biggest challenge for young entrepreneurs appears to be the lack of support they receive when deciding to pursue entrepreneurship as a career option. Pursuing entrepreneurship had been a difficult and long road for most of these young entrepreneurs. When it came to accessing support to start their business, many of the entrepreneurs described how they had to 'figure it out for themselves' and were self-taught. Most sought out information online but recalled how difficult it was to get access to support or even advice about important elements of entrepreneurship such as taxes, banking and suppliers.

"I've just been working it out for myself. I get tips from people I follow on social media and YouTube." (Man, age 16)

The career support young entrepreneurs are looking for is not very different from the career support all young people are looking for. In the YE2030 survey the top-ranked support opportunities that young people who are entrepreneurs or who have side hustles said they would find useful right now are:

- Life skills training
- Upskilling or reskilling training

- Learning how to create opportunities (especially in industries where no visible opportunities exist)

Similarly, the young entrepreneurs who participated in this research were looking for training in skills such as financial education (e.g. managing taxes, banking, getting a loan and applying for funding). They were also seeking mentorship to help them learn where to go for suppliers and/or to generate business, and other business-related matters.

Due to the lack of support available, many entrepreneurs go online to see what information or guidance they can get. Many of the young entrepreneurs who participated in the research spoke about following other entrepreneurs on social media to get free tips and advice and to learn from their experiences. While in some cases this helped some of the young entrepreneurs, it can also have negative effects. Many of the young entrepreneurs spoke about 'imposter syndrome' where they feel like they are not real entrepreneurs or that their business was not really legitimate. These feelings come from misinformation that is shared on social media, where entrepreneurship is sold as only being possible if certain

qualities are fulfilled, such as being extremely disciplined and focused, starting work early in the morning and finishing late, working seven days a week, etc. The peer researchers described this as toxic entrepreneurship, where ideas are sold on social media or other sources that make young entrepreneurs feel less successful or feel they have to attain these unnecessary heights to be considered successful. This shows that the lack of available, trustworthy information and resources for young people who wish to pursue entrepreneurship can actually damage their career paths or turn them off entrepreneurship as they are forced to seek out the information that they need from unreliable sources.

Discrimination was also a huge challenge for some of the young entrepreneurs who spoke with the peer researchers. The YE2030 research suggested that young people may decide to pursue entrepreneurship as a result of discrimination. The YE2030 study found that young people who had faced discrimination were more likely to have considered entrepreneurship, that those who are Black African, Black Caribbean, and or Black British were more likely than young White British people to have already thought of a business idea, and that young people who find that their criminal record was a barrier for them to finding work are more likely to have a side hustle. In this research, the young people who spoke with the peer researchers did not say anything about choosing entrepreneurship because of experiences of discrimination in the workplace. However, some of them did speak about the challenges of not being White or of being a woman in the business world. While some of these challenges require systemic change to be resolved, some of the discrimination mentioned by young entrepreneurs needs to be faced

head-on. One of the young entrepreneurs spoke about a funder wanting her to have men in the room with her before he would listen to her pitch; another spoke about how they felt if they could change their ethnicity on funding applications, they might get the funding they needed. These types of discrimination in opportunity need to have consequences and be reprimanded if we are ever going to see them change.

Finally, Covid-19 has had a negative impact on some of the young entrepreneurs who the peer researchers spoke with. Some of the challenges that young entrepreneurs face due to Covid-19 are challenges that many businesses are currently facing, such as reduced demand, having to close due to lockdown restrictions, etc. However, some of the challenges could be overcome with the right guidance. For example, one of the young entrepreneurs spoke about how difficult it now is to import clothing. Normally it would take eight weeks for him to get an order delivered, but now it can take up to six months, which means that his customers get frustrated, and he is losing out on business. Having access to mentors and a network who work in a similar field and have dealt with similar issues in the past would have helped this young entrepreneur to overcome this challenge more quickly and easily.

Discussion

What support do young entrepreneurs need?

While many of the young entrepreneurs who participated in this research did not have access to any formal support, some did. The type of support or guidance these young entrepreneurs had access to varied from parents or mentors who had experience of entrepreneurship and so could support and advise them, to being part of an entrepreneurship programmes that offered ongoing guidance, mentorship, funding and access to networks. Regardless of the level of support that the young entrepreneurs received, those who had access to support were all extremely thankful for it and spoke highly of its value. The main takeaway from this is that while entrepreneurship programmes appear to be the best support on offer, whatever support and guidance is offered to a young entrepreneur does not have to be perfect. By offering them reliable information, mentorship and funding we can support young entrepreneurs to follow their career of choice, gain invaluable experience and achieve their goals.





Conclusion and Recommendations

These findings shed some light on the mindsets of young entrepreneurs and suggest that, rather than pursuing entrepreneurship as a last resort, they are actually driven by a genuine desire to take this career path. Many of the young entrepreneurs in this research demonstrated an enterprising mindset from an early age. They decided to overcome the challenges they faced rather than become a victim of them, and used this same mindset to spot opportunities in the world around them and turn these opportunities into businesses.

The young entrepreneurs who took part in this study told the peer researchers that their main motivations were money, having the time to explore their business idea, social change, or pursuing their passion. However, the way they spoke about their decision suggests that these motivations may be secondary to a real desire to create something for themselves, and often for others too. When the peer researchers discussed motivations further with the young entrepreneurs it seemed as though the mindset to solve problems and create new solutions was the main driver that led most of them to an entrepreneurial career. This enterprising mindset helped the young entrepreneurs to see an opportunity and turn it into something real.

From the findings of this research, it would seem that having this problem-solving entrepreneurial mindset helped young people to explore entrepreneurship as a possible career option and helped them to realise their potential.

The young entrepreneurs in this research are challenging the status quo and looking for something different that enables them to be themselves while creating something or providing a service about things they are passionate about. During periods of uncertainty, this entrepreneurial mindset demonstrated by the young entrepreneurs has given them high hopes, helped them to realise that they can have careers that are fulfilling and meaningful, and helped them to be self-reliant.

In conclusion, this exploratory work has highlighted the motivations and key points of when the young entrepreneurs in this research decided to pursue entrepreneurship. These young entrepreneurs have demonstrated a real enterprising mindset and strong problem-solving skills despite the challenges they have faced and the lack of support available to them.

These young entrepreneurs are serious about pursuing entrepreneurship as a career option and deserve the support they need to achieve their career aspirations.



Recommendations for funders and policy makers:

Funders and policy makers are in a unique position to support young entrepreneurs and young people who aspire to become entrepreneurs or are doing so without realising it just yet, by implementing the recommendations below:

1. Invest in one central online platform where young people can access information and guidance about being an entrepreneur. This hub should contain access to free courses and valuable information about what to expect when becoming an entrepreneur.
2. Commission further research to look at the number of accepted applications to funders and explore ethnic, age and gender disparities.
3. Commission further research to explore the impacts of mental health and wellbeing of young entrepreneurs growing up in a toxic entrepreneurship environment.
4. Commission further research to explore the gendered and racial dimension of entrepreneurship to understand the barriers and support needed for young entrepreneurs better.
5. Advocate for some form of entrepreneurship training to become part of the curriculum. Many of the skills young entrepreneurs are looking to develop would be useful even outside entrepreneurship.
6. Invest in specific programmes where young people who decide to pursue entrepreneurship are funded and

matched with a suitable mentor who can offer them the industry-specific advice and guidance they need, help keep them on track, and support them when they face challenges or failures.

7. Champion entrepreneurship as an alternative and worthwhile route for young people who choose not to enter the job market in the traditional fashion as employees. Entrepreneurship should be viewed as a good and attainable career choice for young people. We live in a world where many people will change jobs and even careers a number of times in their lives. The skills, resilience and knowledge shown by the young entrepreneurs who participated in this research show that entrepreneurship is, in itself, a valuable experience that young people can learn a lot from. It may even provide better learning and work experience opportunities than many of the other opportunities that are available to young people, such as jobs on zero-hour contracts.

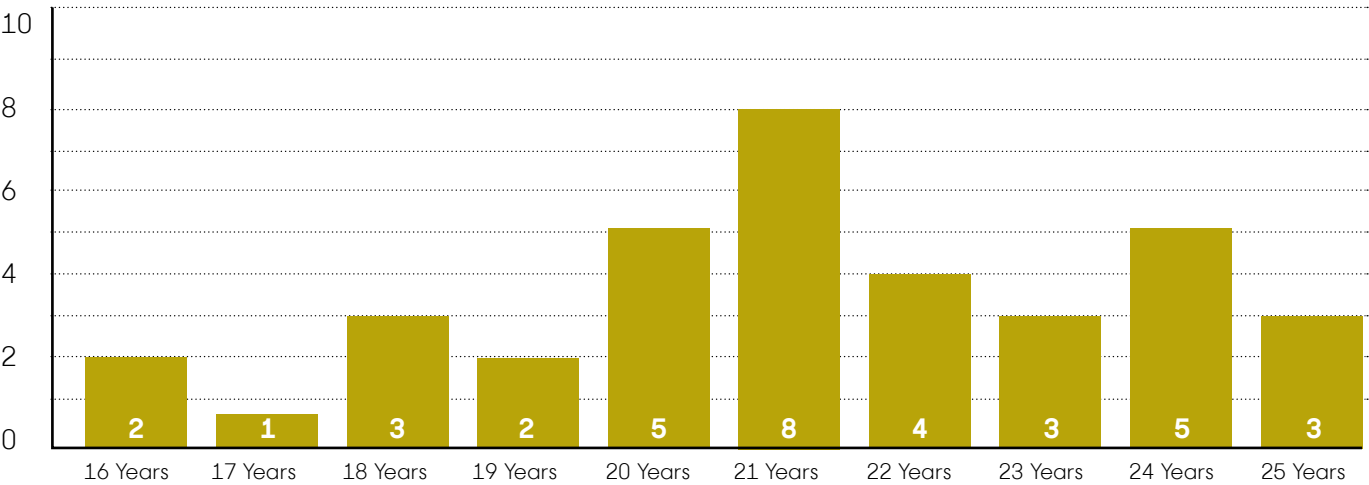


Appendix

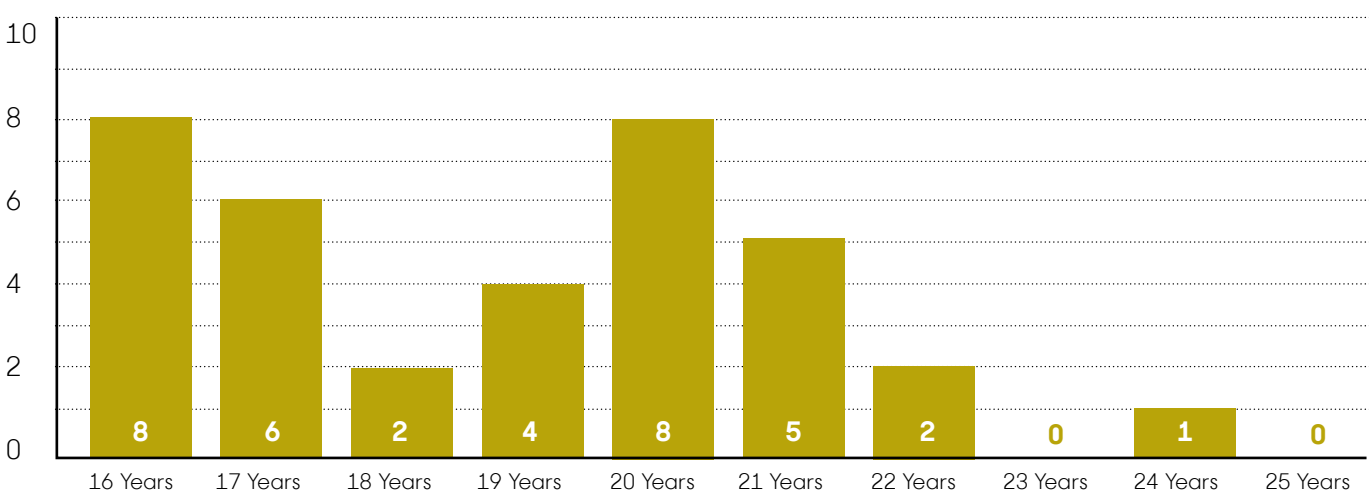
Demographics of the qualitative research participants

Gender:	Man	Non-Binary	Woman
Interview	5	1	15
Women focus group			6
Multiple barriers focus group	1		3
Mixed gender focus group	2		3
Total	8	1	27

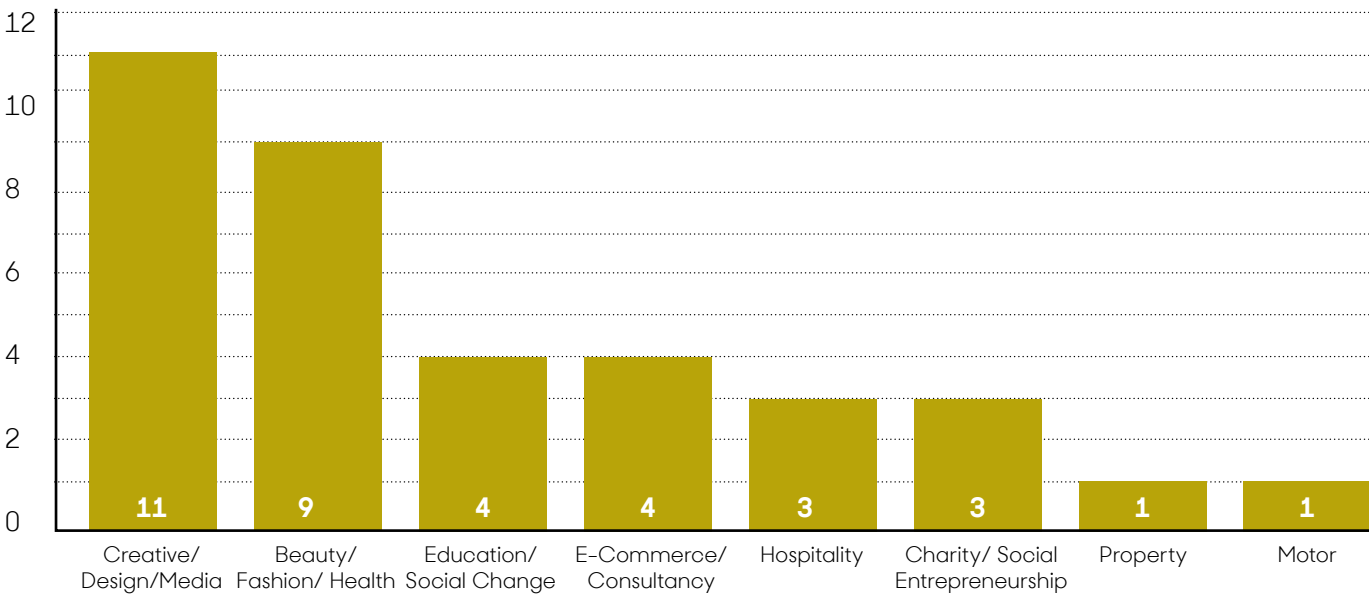
Age of entrepreneur



Age decided to be an entrepreneur

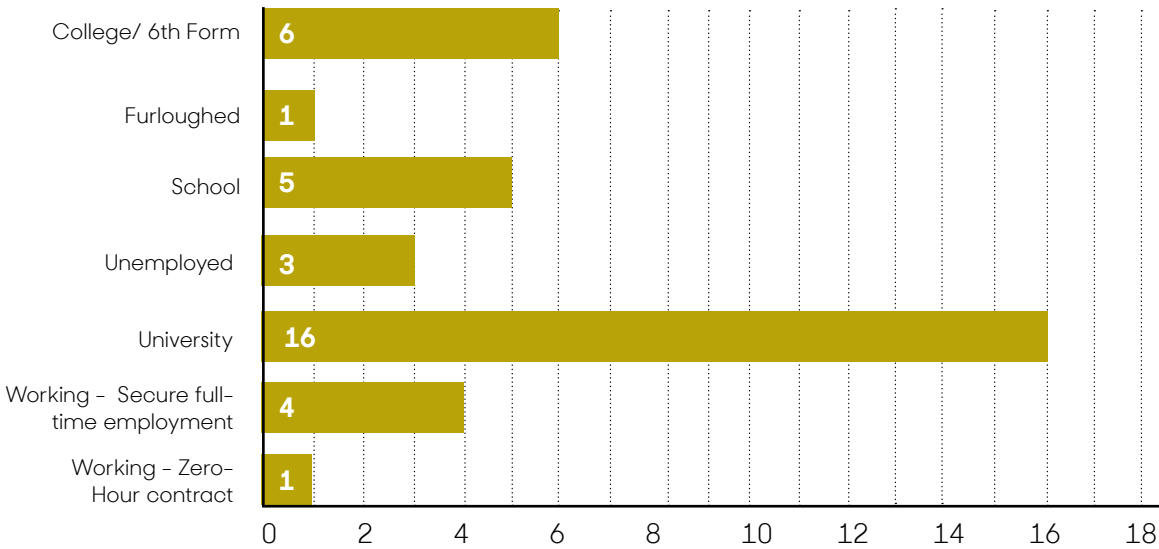


Type of business



Location	Interviews	Women focus group	Multiple barriers focus group	Mixed focus group	Total
East Midlands	4	1		1	6
East of England			1		1
London	9	1	1	1	12
North East England			1		1
North West England				1	1
South East England	5			2	7
South West England		1	1		2
West Midlands	2	2			4
Yorkshire and Humber	1	1			2

Where were the entrepreneurs when they decided to pursue entrepreneurship?

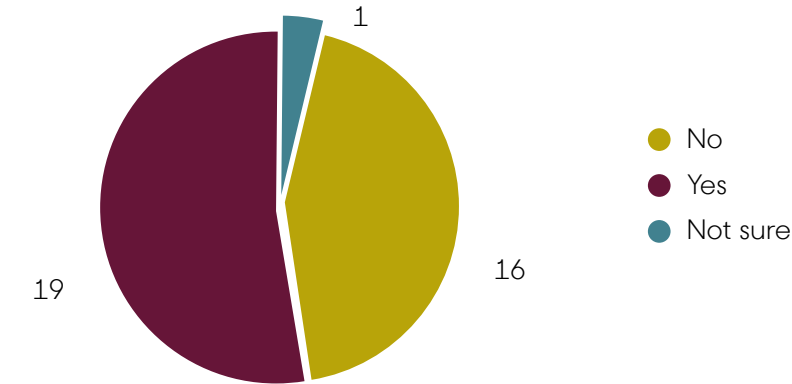


Ethnicity	Interviews	Women focus group	Multiple barriers focus group	Mixed focus group	Total
Any other Black background	1	0	0	0	1
Any other Mixed background	0	0	0	1	1
Any other White background	1	0	0	0	1
Asian - Indian	2	0	0	0	2
Asian - Pakistani	0	1	1	1	3
Black - African	11	3	1	2	17
Black - Caribbean	3	1	0	0	4
Mixed - Black Caribbean and African	0	1	0	0	1
Mixed - White and Asian	0	0	0	1	1
Mixed - White and Black African	1	0	0	0	1
Mixed - White and Black Caribbean	1	0	2	0	3
White - English/ Welsh /Scottish/ Northern Irish/ British	1	0	2	0	3
Total	21	6	4	5	36

Religion	Agnostic	Atheist / No religion	Christian (including Church of England, Catholic, Protestant and all other Christian denominations)	Muslim	Other religion	Sikh
Interviews	2	3	14			2
Women focus group	1	1	2	1	1	
Multiple barriers focus group		2	1	1		
Mixed gender focus group		1	3	1		
Total	3	7	20	3	1	2

How long have you been an entrepreneur?	Less than a year	1-2 years	2-4 years	5 years +
Interviews	9	6	6	0
Women focus group	2	2	2	0
Multiple barriers focus group	1	1	2	0
Mixed gender focus group	0	3	1	1
Total	12	12	11	1

Is your main source of income (primary income) from self employment?





End Notes

1. <https://ye2030.co.uk/research/>
2. Dvouletý, O. et al. (2018), "Scarred' young entrepreneurs. Exploring young adults' transition from former unemployment to self-employment", Journal of Youth Studies, Vol. 21/9, pp. 1159-1181, <https://doi.org/10.1080/13676261.2018.1450971>.
3. OECD (2019) Youth self-employment and entrepreneurship activities, in 'The Missing Entrepreneurs 2019', 10 December 2019, available at: <https://www.oecd-ilibrary.org/sites/3ec10f3b-en/index.html?itemId=/content/component/3ec10f3b-en>
4. OECD (2019) Youth self-employment and entrepreneurship activities, in 'The Missing Entrepreneurs 2019', 10 December 2019, available at: <https://www.oecd-ilibrary.org/sites/3ec10f3b-en/index.html?itemId=/content/component/3ec10f3b-en>

Authors: Sandra Hicks, Dr. Niamh McGarry, Kenny Imafidon

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