

'Choosing your freedom'

Findings from a participatory research study on young people and self-employment



Contents

1 Executive Summary

5 Context

8 Our Approach

- 8 Participatory Research
- 11 The Steps We Took
- 13 Our Peer Researchers
- 15 Research Questions

16 Insights

- 16 How do we define self-employment and what forms does it take?
- 19 How many young people are currently self-employed, in what sectors and in what forms of self-employment?
- 22 What forms of self-employment are considered good quality or worthwhile by young people, especially those facing multiple barriers? Why do they value these forms of self-employment over others?
- 30 What interventions or systems need to be in place for young people facing multiple barriers to pursue and get the most out of self-employment?

49 Conclusions and Recommendations

56 Appendices and References



Executive Summary



Our key findings

1. National datasets provide only limited data about the scope, scale and variety of youth self-employment

The Labour Force Survey (2021) shows that around 0.5% of young people aged 16-24 are self-employed, with twice as many men as women. 'Skilled trades occupations' is the most common occupational category, with construction the most common sub-category. However, with just 151 observations from young self-employed people, few other conclusions can be drawn. And yet, from 'side hustles' to the 'gig economy,' from freelance work in the arts, digital and creative sectors to selling on online platforms, young people are involved in a wide variety of forms of self-employment. The young people we spoke to described not only their own journey to becoming self-employed but also the wider networks they are a part of with other young self-employed people. This trend is not represented in the statistics cited above. This piece of participatory research focused on young people from Black and Asian backgrounds who were primarily in the arts, digital, creative and social impact sectors.

2. Quality self-employment is about freedom, ownership and the ability to put values into practice

The young people that we spoke to emphasised that, for them, good self-employment entails freedom to follow their passions and design a working life that suited them. In practice, some found that their day-to-day work was constrained by the nature of running a business, but still appreciated the freedom of working for themselves. They also saw good self-employment as about living their values, in a way that some found harder to do when employed.

"You get to set your own boundaries, you get to your own ideas, you get to push your own ideas forward. You're obviously in charge, it's your thing and you can be proud of your things instead of saying - oh yeah, I'm connected to this. It's more this is my thing"

3. Young people found it difficult to access high quality support for self-employment

Few of the young people that we spoke to had engaged with support to start or sustain self-employment, such as that provided by organisations such as The Prince's Trust or UnLtd. Most had built their own networks, sourced their own mentors and looked for advice from the internet or social media. This had made it difficult for some of them to manage the practicalities of running a business, where information was particularly lacking or inaccessible.

- Quotes in burgundy are from support providers
- Quotes in green are from young people

4. Support for young self-employed people is under-evaluated

We found no publicly available external evaluations of support for self-employed young people. Evaluation data was extremely limited and entirely from organisational annual or impact reports. This provided limited information on the programmes' reach and the extent to which participants had developed skills. Some programmes made case studies publicly available, but these were primarily for marketing rather than evaluation purposes. There is therefore little analysis publicly available on the types of support that work, for whom, under what circumstances. It is also worth noting that the majority of support focused on entrepreneurship rather than self-employment more broadly.

The representatives from support providers that we spoke to had deep insights into the needs of young people and the value of the support they provided, and there would be immense benefit in consolidating, refining and sharing these insights.

5. Practical support, networks and mentoring were potentially helpful for young self-employed people

The young people we spoke to found that mentoring and being part of networks had been most impactful for them personally. Those that had had effective mentoring or had been part of strong networks valued them very highly. However, some had had experiences of being 'scammed' by potential mentors, and had found the need to do their own 'due diligence' because there was no formal information or accreditation for mentors. They also pointed out the difficulty of finding practical, accessible information on starting and running a small business, particularly in relation to the legal and taxation aspects of this.

6. Targeted support for young people facing multiple barriers to self-employment needs to be handled carefully

The young people we spoke to were often more sceptical about targeted support than the organisations providing it.

"[Targeted support] implies that people from certain backgrounds don't have the ability to work things out for themselves without the extra support. You know what I mean? Which I don't think is true... I think it should be a case by case basis and it should be based on merit rather than purely on background"

There is more to explore in terms of the reach and effectiveness of targeted support, and how far it is experienced as paternalistic or tokenistic by those young people that access it. In particular, it is worth exploring:



- The impact of how targeted support is communicated to young people and those around them
- The impact of who offers the support
- Whether there are approaches to offering targeted support, especially financial support, that are not experienced as tokenistic or paternalistic.

7. Participatory research with young people is both emancipatory and insightful

We chose to take a participatory approach for ethical reasons - 'nothing about us without us' - as well as to deepen and enhance the quality of the research. Our team of peer researchers: Demetri, Tabitha, SS and those who prefer to remain anonymous, shared deep insight and conducted interviews with skill and sensitivity. They also felt that they gained from participating in the research. This comment from one of our peer researchers sums up the journey that they took.

"I've found the entire experience really enlightening. It's been amazing to be surrounded by so many young people ambitious about their self-employment and their plans for the future, and it's made me re-evaluate and take on a more positive outlook."

Recommendations

1. Evaluate initiatives to support young people into or in self-employment and share the findings publicly.
2. Conduct further participatory research expanding into under-researched regions, sectors, demographic and occupational categories.
3. Expand or develop research on platform-based working.
4. Co-design with young people a central hub for clear, accessible, youth-friendly information on the practicalities of self-employment.
5. Co-design with young people a programme to support emerging freelancers in the arts, digital and creative industries.

Acknowledgements

We would like to thank the Youth Futures Foundation for funding and supporting this research, especially the members of the Youth Futures team who supported the data analysis of the Labour Force Survey and who provided extensive comments on drafts of the report.

We would like to thank our team of peer researchers, Demetri, Tabitha, SS and those who prefer to remain anonymous for their time and insight.

We would like to say thank you to all the young people who took part in our interviews: Trenelle, Mercy, Shanice, Khairya, Joy, Kheron and to those who prefer to remain anonymous.

And to the organisations who have given their time and insight into this research: School for Social Entrepreneurs, UnLtd, Enterprise Nation, The Prince's Trust, Sunderland Software City, Young Enterprise, Access UK, Launch It, Youth Employment UK.

Lastly, we would like to thank Word on the Curb - and the team Ndu and Caro for their passion and innovation to support young people.



Context: Why do we need to focus on self-employment for marginalised young people?

Young people have been hit badly by the labour market impacts associated with the Covid-19 pandemic. Analysis by the Institute for Employment Studies (IES) for Youth Futures Foundation in 2021, found that these changes have translated into different impacts for different groups of young people, with young men, and young Black and Asian people being particularly badly affected.

Long term youth unemployment figures show that one fifth of all unemployed 16-25 year olds (93,000 young people) had been unemployed for over 12 months in Oct-Dec 2021. This is up from 17.6% in the previous quarter. 22% of all people who had been unemployed for over 12 months were aged 16-24.

For young people from disadvantaged backgrounds, self-employment can offer an alternative to standard work opportunities that are perceived as being limited or unappealing (for example, in relation to pay, conditions or prospects). Self-employment presents itself as an opportunity to have greater autonomy over your time and an increased ability to have ownership of your work (TEN, 2019).

Importantly, there is an increased need to focus on self-employment for marginalised young people because of the increased vulnerability of these young people to risk. Where they consider self-employment as the right career choice for them, they should face no additional barriers compared to their peers from other backgrounds. Those from marginalised backgrounds often do not see themselves as part of the "system" owing to their experiences of disadvantage or discrimination, and so opportunities to "go it alone" become more attractive. Furthermore, in certain areas of self-employment there is scope for exploitation, such as with the negotiation of pay. It's imperative for decision-makers to better understand and improve the quality of self-employment, because as young people are expanding more into this area they can't be left without the best quality support when they do.

Young people who decide to pursue self-employment face many key barriers to business creation. According to Youth Employment UK's Youth Voice census (2021), nearly 45% of young people aged 14-24 had considered starting a business. However, this does not translate into pursuing self-employment while still young. According to the Labour Force Survey, less than 0.5% of young people aged 16-24 were self-employed as their main job. Young people (18-30 years old) in the EU were less likely than adults to feel they had the knowledge and skills for self-employment, and 44.5% of young people in the EU viewed fear of failure as a barrier to self-employment (ClearView Research, 2021).

Context: Why do we need to focus on self-employment for marginalised young people?

As young people explore self-employment, there are economic and social benefits for organisations and governments to provide opportunities to support young people to fulfil their potential. Young people's labour market behaviour and new modes of making money provide us with indications as to how the economy might be evolving in the future. Giving young people the tools they need to explore and sustain quality self-employment will allow them to build themselves the quality of life they want.

The barriers that exist for marginalised young people vary on an individual basis; however, from the young people we spoke to - along with the trends we observed on social media, we are aware self-employment is becoming a more attractive route for young people who feel excluded from traditional job markets. Structural and cultural barriers to waged employment may lead young people, including young women and young disabled people, to consider self-employment. Policy responses that support productive entrepreneurship and self-employment can encourage sustainable and profitable self-employment.

Whilst some young self-employed people are driven by opportunity, others are driven by necessity and become self-employed as a last resort to cope in the world of work. Fostering self-employment for young people is frequently associated with innovation, youth-led job creation and economic development. In practice, though, young self-employed people can often earn less and work longer hours than their employed peers (ONS 2019), and quality of work is not guaranteed. Understanding these challenges will allow organisations to support young people to make this route sustainable.

With the creation of many more self-employment routes through the internet and digital revolution, and propelled by the Covid pandemic, self-employment opportunities have become increasingly democratised and routes into self-employment more varied. This creates a greater need for decision-makers and support organisations to understand the self-employment landscape, examine potential risks to quality self-employment and to help all young people find good work.

People within the 'Gen Z' generation are prompting traditional employers to look inwards as they become tired of the 9-5 workplace and seek out alternative employment routes. The European Magazine (2022) stated: "New research has found that 89% of Gen Z (people born between 1997 and 2012) say they would like to run their own business."

On this page you can see a selection of news article headlines. These headlines illustrate varying perspectives on the disillusionment young people feel around traditional employment models.

Context: Why do we need to focus on self-employment for marginalised young people?

16 self-employed jobs, perfect for working for yourself

Cue Bridget Jones style resignation

**Gen Z:
The workers
who want it all**

The growing trend of 'quiet quitting' and whether you should worry about being 'quiet fired'.

Quiet quitting has become a big buzzword, so much so that it was named one of Collins Dictionary's words of the year (beaten by permacrisis). But is it actually a particularly new concept? And how does it compare to quiet firing?

Gen Z's not lazy — they're just refusing to put up with the toxic work culture that boomers created

Our Approach: Participatory Research



What is participatory research?

Participatory research refers to a range of research approaches in which the people being researched have a role in research design and delivery. It has been part of the research landscape since the 1970s and was reinforced by rights-based research movements in the 1980s and a drive for co-production in the 1990s (Schubotz, 2020:10-11).

Underpinning participatory research are both emancipatory and practical beliefs about its value. Practically, involving people whose lives are affected by the research in its design and delivery leads to more appropriately designed studies, questions and knowledge. More importantly, participatory research is emancipatory in that people take the opportunity to define the research field and categories for themselves, when this is usually done to or for them. This has inherent value for the people who participate.

Any methods can be used, so long as they are developed and delivered according to the following principles:

- Participants do the research rather than being the objects of research
- Participants themselves collect the data and then process and analyse the information using methods easily understood by them
- The knowledge generated is used to promote actions for change in the short term
- The knowledge belongs to the young people who created it
- The process is as important as the outcome - it should be non-extractive and beneficial to those who participate.

Why did we take a participatory approach?

We took a participatory approach to this piece of work for both emancipatory and practical reasons. We strongly believe that the people closest to the issues should be at the forefront of researching those issues and defining the key parameters of that research. Given our focus on young people who experience multiple barriers to self-employment, it was all the more important to ensure that they took the lead in shaping the research. It was vital that we treated the young people with the respect that they deserved, as skilled individuals with opinions and agency of their own, especially as this agency is so often denied them. Self-employment is a highly agentic practice - so, as well as being emancipatory, participatory research aligns well with the themes being studied and offers opportunities for deeper insight into those themes.

Our Approach: Participatory Research

Researchers are not always trusted by those they research, understandably given the often unequal power dynamics. Therefore, building trust was also a key consideration in our participatory research approach. We wanted to ensure that young people were able to be honest about their own experiences and understanding, and that their nuanced insights were captured. This is particularly relevant because marginalised young people are not homogenous, and experienced a wide intersection of privileges and disadvantages throughout their journeys.

Given that the young people had shared experiences of self-employment, which were not shared by the TSIP team, they were able to critique and enhance our approach to the research, leading to vital improvements in several of the research tools. They were also able to reach their peers and explore that shared experience in a way that we could not have done otherwise.

Discovery research and qualitative approaches

While participatory approaches can be used with any research method, including highly quantitative methods, we took a predominantly exploratory, qualitative approach to our work with young people and support providers. We knew that quantitative data in this area was limited - although we were also keen to explore the limits of this data. We also knew that support provision for young self-employed people was under-researched in the UK and other high-income countries, with the bulk of research coming from low- and middle-income countries. We also wanted to understand the complexity and nuance of both young people's experiences and the reasons behind the provision of certain types of support. This therefore necessitated a qualitative approach to primary data collection, supplemented by secondary data from the literature review and national datasets. As with any piece of qualitative research, the findings may not be generalisable. But they act to illuminate areas that are as yet under-researched and under-developed.

How did we conduct the research?

We worked with young people as paid co-designers and peer researchers, who engaged at every stage of the project, from research design to data collection, analysis, and advocacy. The young people that formed the codesign group were consulted on the design of data collection tools (interview templates, focus group design, and survey questions) and received training on research methods, ethics, safeguarding and signposting, as well as ongoing support. Conducting the research online using zoom was the most appropriate method, which made the responses we received from the young people (i.e. the data we collected) more naturalistic, because they generally felt less inhibited and far more comfortable participating from their homes.

Young people also led interviews with their peers and with representatives from organisations providing support to young people. These were also conducted by Zoom, with a member of the TSIP team on hand to provide support if necessary.

Below is a quote from one of the stakeholders we interviewed, explaining their positive experience with this research:

“I also just wanted to say that the experience as part of the project has been excellent. (Peer Researcher) was a great interviewer, the way that she was ready with backup questions and persevered until she got the answer was excellent, better than some seasoned interviewers.”

(Organisation Representative)

Limitations of our sample

We focused on race as the primary form of marginalisation we explored - the majority of our 16 young participants (peer researchers and those interviewed) self-identified as Black (Black British, Black African and Black Caribbean), with a much smaller number who self-identified as South Asian or Indian. All were from large cities, with 13 from London. This is important to take into account, as opportunities and support systems available in London may not be in other parts of the UK.

Most of our participants were self-employed in the digital, arts or creative sectors - for more detail, please refer to the appendix. Three participants were self-employed in the social purpose sector as project managers, consultants or youth workers. This needs to be borne in mind throughout, as there may be many variations in the self-employment experience in different sectors that we were not able to explore.



Our Approach: The Steps We Took

As an under-researched area, we conducted mixed methods research; including quantitative, qualitative and participatory approaches.

It was important for us that this report reflected the views of young people themselves and highlighted their personal journeys. We have triangulated the various data sources to create a narrative throughout this report of young marginalised people's experiences entering and maintaining quality self-employment.

1 Establish our peer research group

We recruited 7 young people between the ages of 18-24 to co-design this research project with us. See the following slides to learn more about this approach. First, we conducted a co-design session with the group. We had three co-design sessions throughout the project.

3 Social media scraping

Our partners, Word in the Curb (WOTC), conducted a social media scraping exercise. these findings are embedded within our insights and recommendations.

5 Quantitative data analysis

Alongside the Youth Futures analysis teams, we reviewed national level quantitative data from the Labour Force Survey to understand trends in self-employment for young people as well as gaps in the data.

7 Co-analysis workshops

We facilitated two co-analysis workshops with the various pieces of data collected to discuss emerging findings. One workshop with YFF staff and one with the peer researcher cohort.

2 Mapping exercise

Using our networks and online sources we did a mapping exercise in this space to identify key stakeholders which would shape the next phases of our research.

4 Literature review

We conducted a literature review into current interventions in the UK and academic literature in this space. To source this we used set search terms, detailed in the appendix. We also reviewed previously established research, like the ClearView research and Ethnic Disparities Survey previously conducted by YFF. This review was a partial/opportunity sample rather than a formal evidence assessment.

6 Stakeholder interviews

After participating in interview skills training, our peer researchers co-designed an interview guide with the TSIP team and led on 18 interviews; with 9 young self-employed people and 9 organisers working in this space.

8 Analysis and reporting

After our co-analysis workshops we wrote up our findings. This report was shared back with the peer researchers for their feedback and recommendations.



As a self-starter myself, I found overseeing this project therapeutic – understanding my own habits, motivations and desires with the business I've created.

Looking back on the journey, there are so many elements of randomness, luck as well as hard work that have put Word on the Curb where it is today. But the passion I had and still have, is underpinned by an innate entrepreneurial and self-starting spirit that I had from a child. I was, unfortunately, that kid that had a sweet shop out of his locker.

When I look around and see what makes other, similar individuals tick, it often comes from a sense of needing to make opportunity count and not relying on the status quo to bring about changes of circumstance. However, as the old saying goes 'talent is evenly distributed, opportunity is not.' And for many young people from marginalised backgrounds who have this burning wish to take control of their own destiny, they're faced with much higher hurdles to their journey from the outset.

YFF has the opportunity to be the organisation that lowers those hurdles for many, regardless of which type of self-employment route they go down. Hopefully, with these recommendations, we'll be able to ensure fewer go down the loophole route.



Ndubuisi Uchea

CEO & Co-Founder of Word on the Curb



Our Approach: Our Peer Researchers

We recruited a diverse group of 18-24 year olds who would come on our research journey with us. It was important for this research to be 'co-designed' as any outcome of this research needed to reflect the views and experiences of the group of individuals it was about.

We would like to say thank you to the group of young people who gave up their time to become 'peer researchers' - their stories are at the heart of this research piece. A detailed breakdown of the demographics of our peer research group and interview participants is available in the appendix of this report.

"I've found the entire experience really enlightening. It's been amazing to be surrounded by so many young people ambitious about their self-employment and their plans for the future, and it's made me reevaluate and take on a more positive outlook. The interviews were a great way for me to get a feel for the type of support already out there through the words of the people working at these organisations.

I saw a lot of passion and eagerness to take on feedback to improve which is a good sign for what young people interested in self-employment can look out for. This project in itself is very nuanced and realistic in its approach, and I appreciate the candid discussions my peers and I could have, it shows the time and effort made to make each of our meetings effective and useful for us and them."

Peer Researcher, Anon

"My journey to being self-employed has been somewhat difficult. I often find myself not understanding what is needed of myself or struggling to regulate my time. On top of this, I hate to sell myself so finding a balance that has been true to me is difficult. I've noticed that having a support network of people who are in the same boat or have had a similar experience, lessens the pressure of being self-employed.

Rather than trying to rush to see results, I started to see things one set at a time. Engaging in this research projected made me see through the lens of other young self-employed people and what other support interventions or networks are doing to assist with this journey. It's nice to know that there is so much support out there and multiple people experiencing the same beginner problems - I don't feel so alone."

Peer Researcher, Tabitha

What was your journey like to becoming self-employed? **“A lot of barriers and ups and downs”** How important support has been to you in this journey? **“The limited support I have received has been useful”** How did you find engaging in this research project? **“Engaging and informative”**

Peer researcher, SS

“I stumbled into being self-employed as I was offered an opportunity from a mentor, despite this, a long term goal of mine had always been to be self-employed. The initial opportunity given to me by my mentor allowed me to be exposed to more opportunities which has brought me to my current position. Support from my mentor has been vital particularly in the early stages, however, with a bit more experience under my belt and my natural demeanor, support isn’t something paramount for my journey (thus far).

In my opinion, most support is needed to establish yourself as self-employed but once that’s done it’s much easier to be self sufficient. Participating in this research has helped me understand my own journey more than I had prior and also to consider aspects of self-employment I hadn’t thought about in much depth such as the language around self-employment and why it doesn’t appear to be as common a route as traditional employment.”

Peer Researcher, Demetri



Because youth self-employment is as yet under-researched, we focused on key foundational questions to map the territory, as well as questions that allowed us to zoom in on young people’s direct experience. We did not expect to reach conclusive or comprehensive answers but rather to provide an initial understanding which can be further refined and illuminate pathways for future learning.

Therefore, the key research questions for this report are as follows:

- 1.** How do we define self-employment and what forms does it take?
- 2.** How many young people are currently self-employed, in what sectors and in what forms of self-employment?
- 3.** What forms of self-employment are considered good quality or worthwhile by young people, especially those facing multiple barriers? Why do they value these forms of self-employment over others?
- 4.** What interventions or systems need to be in place for young people facing multiple barriers to pursue and get the most out of self-employment?

As we progressed through the research process we explored further questions as they emerged, these are detailed within the report.



Insights: How do we define self-employment and what forms does it take?

Our literature review focused on two key terms: self-employment and entrepreneurship. We found that there are definitional issues with both terms, both within the literature review and in young people's responses to the terms.

'Self-employed' was generally defined legalistically (Williams et al 2019, Filion 2004): someone who declares their own tax is considered self-employed. Beyond this, there are several broad features which unite definitions of self-employment across Europe:

- Independence in selecting customers
- Independence with regard to organisations and tools of the trades required
- Solitude, with drafting in the expertise of others as necessary
- Place of work (from home, or on client/customer sites, for example)
- Legal status (could be a limited company, sole trader or other legal form).

There is also increasing focus around 'bogus self-employment' (Thornqvist 2014) - namely of workers being registered as self-employed, when in reality they should be registered as employed by their organisation. Citizen's Advice suggests that this means workers miss out on holiday pay, the government loses tax revenue and responsible businesses could be undercut. This did not apply to the young people that we spoke to, but may well apply to others.



Insights: How do we define self-employment and what forms does it take?

The young people we spoke to referenced both the legal aspect and the independence aspect of self-employment. They focused on freedom and being their own boss, but also on the legal definition of self-employment. We could see this as evidence that young people who see self-employment in this way have also freely chosen it for themselves.

One young person we interviewed questioned whether people just starting out would see themselves as self-employed:

"I mean there's the classic legal structures of being self-employed. So it's whether you are going, it depends, you know, because there's also that period at startup before a legal structure becomes in place... Cuz like, you know, so many people start and they wouldn't classically be self-employed"

Our working definition of self-employment, therefore, is that a self-employed person is both legally self-employed and has some measure of freedom in their choice of clients, tasks, place of work and partnerships. 'Being one's own boss' remains a useful shorthand for how young people generally understand self-employment.

Meanwhile, the term entrepreneurship is used in a much less legalistic way in the literature that we reviewed. It is associated with 'creativity and risk-taking' (Dollinger, 2008). This was also borne out in the way that the young people we spoke to conceived of entrepreneurship.

When asked to describe an "entrepreneur", peer researchers associated it with risk-taking, ambition and being a 'hustler'.



Interestingly, they also spoke about the opportunity for social mobility and bettering their own life and their families. One finding from the social media scraping was that successful Black and minority ethnic entrepreneurs were often widely praised by other Black and minority ethnic young people for building generational wealth or being role models for entrepreneurs.

Byrne et al. (2014: 265) suggest that young people of today are bombarded with images of the 'entrepreneur as hero', especially male entrepreneurs who are presented as being wolfish charmers, community saviours and successful skyrockets. The ClearView research report of 2021 does not explore in depth the definition of entrepreneurship, and it appears to have been used by young entrepreneurs who participated in that research without much controversy.

The 'entrepreneur as hero' mindset was both highlighted and complicated in the social media evidence. On the one hand, money, scale and reach were often hailed as key markers of success, and conversations on social media could tend towards the braggadocious and unrealistic. On the other, some influencers were becoming more candid about their mental health, work-life balance and the challenges and trade-offs of entrepreneurship. Some of the young people we spoke to had clearly picked up on this 'entrepreneur as hero' mindset - as can be seen by the word-cloud above - and so were extremely wary of describing themselves as 'entrepreneurs.'

'Entrepreneur' is a more loaded term than 'self-employed' and, while its basic definition could be 'anyone who starts and grows a business,' it has connotations of innovation, risk, hustle culture and 'hero entrepreneurship.' This is worth bearing in mind, as much of the support available for young people starting out in self-employment focuses on entrepreneurship.

The young people we spoke to generally defined themselves either as 'freelancers' or by their specific skill-set, such as 'artist' or 'film-maker.' This may be specific to their positions in the digital and creative industries and may not be shared by young people outside these industries.

'Platform-based work' - those finding work via an online platform such as Uber, Deliveroo or Fiverr - is a growing form of self-employment. Almost 10% of the working age population of the UK may work for one of the online platforms at least once a week (University of Hertfordshire 2019). They use a broad definition of platform-based work that includes freelancing platforms like Upwork but excludes selling clothes or renting rooms on online platforms. For 71.5% of these it represents less than half their income - it is usually a supplement to other forms of work. 31.5% of platform based workers in the sample were aged 16-24. Platform-based work was not a key source of income for the young people that we spoke to.

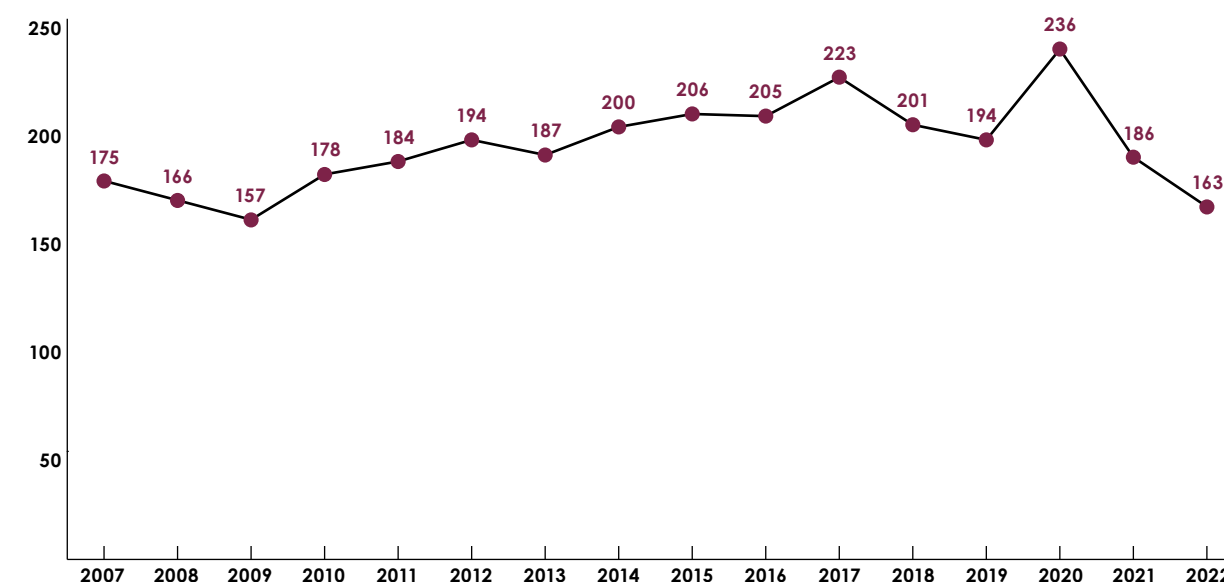
Insights: How many young people were self-employed, in what subsectors and what forms of self-employment?

We have identified the following key data gaps, where national datasets do not have enough observations to yield meaningful information about:

- Income for young self-employed people
- Forms of self-employment including platform-based working and 'side hustles'
- Whether young self-employed people work as freelancers or run their own business
- Ethnicity and socio-economic status of young self-employed people
- Specific occupations or sub sectors where there are concentrations of young self-employed people, other than construction.

The 2021 LFS suggests that around 0.025% of people aged 16-24 (around 186,000 individuals) were self-employed. However, this data should be treated cautiously due both to the small number of survey observations, and the difficulties involved in defining self-employment. Working out just how many young people are self-employed is also complicated because some people who rely on income from self-employment may also work for an employer, either full- or part-time. The graph below shows the weighted number of people aged 16-24 who are self-employed as their main job, according to the LFS.

Total self-employed young people (thousands)



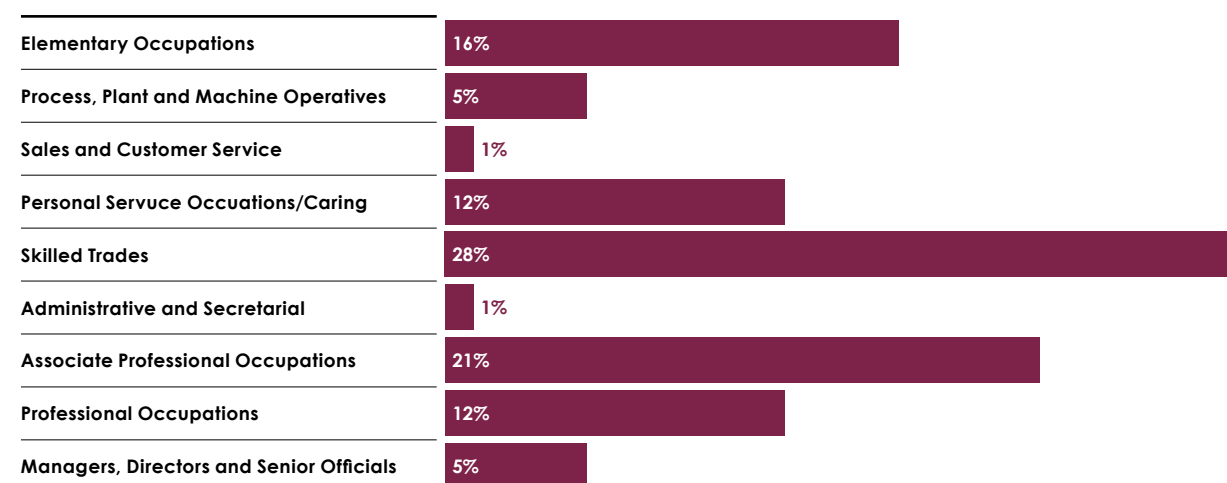
It is difficult to draw any firm conclusions from data on sub-groups as the number of observations is so low, and findings should be treated with caution. It does appear that more men than women (about 2/3 of the self-employed workforce in this age group) are self-employed. The most common occupational categories for women are Personal Service occupations followed by Associate Professional Occupations.

Insights: How many young people were self-employed, in what subsectors and what forms of self-employment?

White British young people make up over 80% of the self-employed workforce in this age group. (LFS Q1 2022). It is not possible to disaggregate data for other ethnic groups due to the low number of observations. Disabled people make up about a fifth of the self-employed workforce aged 16-24 in 2022.

With some caveats, we can draw conclusions about the occupational categories for young self-employed people. The largest number of young people were employed in Skilled Trades Occupations, followed by Associate Professional Occupations, as can be seen in the diagram below.

% of self-employed young people in each occupational category, Q1 2022



Trend data shows that the proportion of young self-employed people in Skilled Trades Occupations has been steadily falling since 2007, while the proportion of young people employed in Associate Professional Occupations has grown, although there are fluctuations over time. This is consistent with wider employment trends in these occupational categories.

The largest sub-category within the Skilled Trades Occupations is construction. There were too few observations to draw conclusions about sub-categories within any of the other occupational categories listed here. However, it is worth noting that most of the young people that we spoke to for this research are working in occupations that would likely fit into the 'Associate Professional Occupations' category, including freelance work in the digital and creative sectors. However, it is worth noting that these categories do not reflect new and emerging sectors, especially in digital and technology. We did not speak to any young people who were working as freelancers in the construction sector - this is a key limitation of our research given how many young self-employed people work in this sector.

Insights: How many young people were self-employed, in what subsectors and what forms of self-employment?

Our review of these national datasets shows that there is little granular data available on self-employment for young people. We do not know from this how many young people are running their own businesses, or engaged in the gig economy, or working as freelancers. Nor do we know how many would identify as entrepreneurs or social entrepreneurs - which, given that the majority of interventions we looked at were focused on this category, is a crucial data gap.

YFF recently conducted a survey of young people from minority ethnic backgrounds (2022), which surveyed 2296 young people from minority ethnic backgrounds in England between the ages of 18 and 25. This provides some supplementary data on self-employment which is worth including here.

65 young people who participated in the survey said that they were self-employed, around 3% of those who responded. 55 of these were also in education at the same time as working. The proportion of self-employed young people from each ethnic group was similar (at 2-3%) but this should again be treated with caution due to the low number of observations. Again, however, there were too few observations to be able to understand the forms of self-employment or the occupational categories in which young people in the sample were self-employed. This is largely due to specific questions around self-employment not being asked in this survey.

We also know there are large groups of young people who do some paid work outside of traditional employment but are not legally registered as self-employed. This could be for a number of reasons - especially considering the breakdown of trust between marginalised groups and government bodies. Selling clothes on websites such as Depop or Ebay, or starting out as a social media influencer, are forms of self-employment that are unlikely to be featured in large scale statistical surveys (they were even excluded from the platform-based work survey carried out by the University of Hertfordshire in 2019).

WOTC's social media scraping also found other forms of self-employment that would be excluded from official statistics. These included 'loophole finders' - ways of generating income that may traditionally be seen as 'sketchy' or suspicious, and some of which may skirt the boundaries of legality. These include hierarchical multi-level marketing schemes, matched-betting and reward signups. Models like rent-to-rent (subletting) are becoming increasingly popular, as individuals use long-term Airbnb discounted rentals, to re-rent for shorter terms on other sites.

Unlike freelancing and entrepreneurship which are perceived to have higher barriers to entry, these are perceived to have lower barriers to entry, for example, there is no need to have startup capital or a good credit score. However, while these loopholes might be popular on social media, it is not clear how many young people are taking them up. In fact, the WOTC scraping exercise also found high levels of scepticism from young people about these initiatives, focused on concerns about illegality and the risk of being scammed.

Insights: What forms of self-employment are considered good quality or worthwhile by young people, especially those facing multiple barriers?

Why do they value these forms of self-employment over others?

Literature going back to at least 2008 has found that self-employed people generally have higher job satisfaction than those who are employed. Meager (2015) explored whether this was related to intrinsic job quality, which included four key elements:

- Task quality (discretion, variety and skill match)
- Skill requirements (training and learning)
- Generic skills
- Work effort (intensity and hours).

Meagher's survey research found that self-employed people have greater task discretion and variety and better skills match, but they also work longer hours. They have higher job satisfaction overall, particularly with their use of abilities, use of initiative and the work itself, but lower job satisfaction in terms of job security. However, this was not disaggregated by age group. The Institute of Fiscal Studies (2019) found high 'churn' in self-employment, with 20% of sole trader businesses closing within one year and 60% within five. However, this was not disaggregated by age, nor is it clear what sole traders then go on to do.

The young people we spoke to saw two main factors as drivers of 'quality' in self-employed work:

1. **Freedom and flexibility in how they worked**
2. **Making an impact and remaining values driven in work.**

Interestingly, these were also the top two motivations for starting or considering starting a business mentioned by young people in the Future Founders (2019) survey.

Neither young people nor organisational representatives spoke extensively about earnings as a measure of quality, although some did make reference to being able to provide for themselves and their families as part of the definition of self-employment.

Young people did not generally talk about particular forms of self-employment being more worthwhile or having higher quality than others. Instead, they contrasted self-employment (in whatever form they experienced it) with their perceptions of gaps in quality in traditional employment.



Insights: What forms of self-employment are considered good quality or worthwhile by young people, especially those facing multiple barriers?

Freedom and flexibility as a marker of quality

The young people we spoke to strongly valued freedom and flexibility, seeing this as a key reason why they had chosen self-employment. As one said:

"I feel like you get to work on your time, and that's something you want. Alongside the fact that hopefully through what I'm doing, I can create an actual freedom for myself."

This young person defined 'actual freedom' as having the financial freedom to be able to go on holiday and to help others (possibly on a voluntary basis) without 'instability.'

Getting to work on their 'own time' and at their discretion was key to young people's understanding of quality self-employment. This was not just about time but also about task discretion and the choice of how they went about things. One young person contrasted this task discretion with the lack of it in traditional employment:

"Within a really structured workplace that management can be an issue because you don't necessarily have as much choice in the way you go about certain things. And I understand of course there's protocols and stuff but I think that sometimes that, when you're stuck in your ways it's hard for you to see another way to work through certain things"

Some young people found the lack of freedom in being able to choose how they approached tasks in traditional employment dehumanising.

"I like to be able to be free to do what I want to do. But also I don't like being told what to do [as] I don't have the freedom to figure out how to go about doing it. If the structures and the system are too rigid then it just feels like I'm a robot rather than like a person in the system"

Task discretion, therefore, with the space to figure out how to go about their work rather than stick to a rigid system, was an important marker of quality. This is specifically important when considering young people who don't have access to a financial safety-net, or to other resources. For example, some young people may be able to live rent free in a parental home. However, this is not an option for many young people.

In addition to task discretion, the young person below reflects on the value of flexibility and being able to tailor working patterns within their self-employment job. This flexibility could be specific to the young people we spoke to who worked within the creative and digital sectors.

"I think what's good about it is that you get to truly live your life in a way that's dictated by your own personality. So you are really living in a world that responds to your personality. I think that that was always the biggest challenge for me because working in conventional work, work environment, sometimes it's just not the match for your your mental health or your physical health or or your personality period. But when you are self-employed, you are able to make your own environment work at your own pace. You know, if you have any sort of physical or mental needs, then you don't have to chase people to accommodate to that. You can always make sure that you are doing things on your own terms."

Insights: What forms of self-employment are considered good quality or worthwhile by young people, especially those facing multiple barriers?

In the social media scraping, WOTC found that mental health in the workplace was something that came up frequently in young people's posts. Rather than seeking accommodations from others, quality self-employment gives young people the freedom to design a working life that matches their own needs and supports their mental and physical health. One young person specifically mentioned that their search for freedom was the defining motivation for them choosing self-employment over other forms of employment.

Representatives of organisations who provide support for young people tended to see freedom and flexibility in terms of the choice to become self-employed in the first place. Quality self-employment should be 'a choice, not the only option' as one organisational representative said. Another expanded on this theme.

“Quality self-employment starts with it being a choice for young people. That they feel they've got a choice, in terms of making that step... There's an element of active choice in it for young people, they're not being forced into working for themselves because they're ruled out of other avenues.”

Freedom and flexibility was not seen as a primary motivation for pursuing entrepreneurship by participants in the ClearView research (2021), which emphasised instead the need to earn money, having opportunities to pursue a skill or business idea, pursuing a passion or creating social change, and, for some, the opportunities created by the Covid-19 pandemic. However, in the YFF ethnic disparities research, freedom and flexibility was by far the overriding reason why people in the sample chose self-employment (52% of respondents, n=65, compared to less than 10% for any other reason including earnings).

The limits and complexities of freedom in self-employment

Increased freedom and task discretion - even as it is highly valued - can also be a challenge and a source of anxiety, especially at the beginning of a young person's self-employment journey.

“One of the biggest challenges for a self-employed [person] is that there is nothing more dangerous than freedom. You know, you might look for it, but then when you have a lot of it, you don't always know what to do with it. So what happened when I made the shift is that I ended up with a lot of free time on my hands and that came with a lot of anxiety because every time you're not doing something you feel anxious, because you need to know when the next paycheck is coming from or where you're sending the next invoice”

Young people therefore need to balance this extra freedom with the responsibility of managing their time and ensuring that they have work coming in. This can lead to a situation where their day-to-day experience is less flexible than they might expect, because they need to manage a range of tasks, such as marketing, chasing invoices or managing budgets as well as their core skill. In order to ensure that they can keep their business going. The work/life balance was something indicated by the young people we spoke to:

Insights: What forms of self-employment are considered good quality or worthwhile by young people, especially those facing multiple barriers?

“I guess there... are more expectations in terms of ways of working. So I think if you are self-employed is very easy to just be doing 16, 18 hour days because you are your own boss and you are just constantly working even when you're not working”.

Young people recognised that they might not experience freedom on a day-to-day basis, but that this was set within a context where they had chosen to take the path of self-employment, and therefore had chosen its attendant challenges.

“I would say the best thing about being self-employed is the freedom, but then there is no freedom at the same time, but then it's a freedom that you chose, if that makes sense. Yeah, basically it's just having the willpower basically to say if you wanna do something or if you don't wanna do something. It makes a big difference in your mental health. Like, I'm gonna do this because it's benefiting me”

This idea of being free but also having some constraints refers to the overall sense of autonomy contrasted with the need to undertake a range of tasks that are not optional in order to keep the business alive, including some that might be more difficult or less interesting. One organisational representative also mentioned the contrast between the broader freedom of being one's own boss and the day-to-day reality of managing a wide range of responsibilities:

“I think a lot of people go into self-employment [and what ends up happening is that you] actually end up being everything within an organisation from marketing to CEO to manager to boss, you tend to end up working more hours too”.

This might suggest that it is ownership, rather than freedom, is the marker of quality. While there might not be freedom in the day-to-day management of tasks, the overall sense of ownership - that 'it's a freedom that you chose' - allows young people to have the willpower to do more challenging tasks, because they know it will benefit them in the end.

“If you don't own what you are doing - it can be taken away. Also, if you aren't in a position to bargain then it can be easily taken away”.



Insights: What forms of self-employment are considered good quality or worthwhile by young people, especially those facing multiple barriers?

Bargaining power was therefore an indication of freedom. Additionally, along the spectrum of self-employment, the range of bargaining power changes depending on the type of self-employed worker you are. In one of our dedicated focus groups, the young people differentiated between the ownership a freelance DJ has compared to a self-employed individual working at a food delivery service such as UberEats. The young people felt that the DJ had more ownership - and more freedom - than the person working for UberEats. Although the latter was free to set their own hours, they were also working on a contracted schedule for an organisation. Not all forms of self-employment, therefore, provide the same sense of freedom and ownership for young people.

To summarise, young people valued the sense of freedom that they gained from being able to design their working conditions and tasks to suit their needs, and, importantly, to follow their passions and creativity and do something that they felt expressed something of who they were.

“You get to set your own boundaries, you get to your own ideas, you get to push your own ideas forward. You're obviously in charge, it's your thing and you can be proud of your things instead of saying - oh yeah, I'm connected to this. It's more this is my thing”

Making an impact and being values-driven

Having the opportunity to live out their values was also a key marker of quality for the young people that we spoke to, although few were involved in what would traditionally be seen as 'social-purpose businesses.'. They saw fulfilling work as that which combined financial stability with personal values. This viewpoint was backed up by the social media research conducted by WOTC, who found that quality entrepreneurship often went hand in hand with conversations surrounding social impact, closing inequalities and as a path for individuals who didn't fit into the status quo of traditional academia.

“I think fulfilling in like what it means to you so it reflects your values but also like it's enough money to sustain you as well”

In employment, young people found that they were not often in the position to be able to uphold their values, especially in contexts where they were employed alongside their self-employed role. As one young person put it “I'm not in that position. I mean I haven't got that luxury of being able to make those kind of choices”. Another young person pointed out that the need to secure income took precedence over ethical choices.

“To be honest... I'm doing my business hustling on the side, but at the same time I need something to sustain me you know. I'm doing like retail and stuff and they may not be the most ethical in some areas, but it's very difficult for people, for someone like me and my situation, to be picky and say, I can't work for this company because it's not super ethical”

Insights: What forms of self-employment are considered good quality or worthwhile by young people, especially those facing multiple barriers?

However, in their self-employed work, young people were much more focused on upholding their values and ensuring that they made choices that aligned with their values and passions. This was sharply contrasted with how they operated in employed roles.

“So I guess in terms of just like general employment, like I kind of don't really care because majority of the time when I'm doing like these jobs, I'm literally just there for money whether it's like retail or like agency work. I'm just there to do what I need to do and leave and literally do the bare minimum because I'm getting paid minimum wage. But when it comes to obviously like the freelancing work, then that's different because that's my passion. So certain things I will look for or I won't do because I won't agree to whether it's the company or the people”

Upholding ethical standards within their businesses was strongly associated with maintaining their reputation.

“The reason why ethics for me is very important is because, I don't want people ashamed of working for my organisation. You get people who work for certain companies and they're really embarrassed. And, that's always stayed with me. I want people to be proud of working for my company and coming into work and, knowing that they're making a difference”

The emphasis on maintaining their values alongside earning money, and this as crucial to reputation as a self-employed young person, suggests that the young people we spoke to, as far as their position allows, are more closely aligned with 'new entrepreneurship' models than 'old entrepreneurship' (David, 2010). 'Old entrepreneurship' emphasised individualism, growth at all costs, and pursuit of opportunities regardless of ethics or consequences. By contrast, new entrepreneurship emphasises creating multiple types of value - social, creative and ecological as well as financial, inclusivity and sustainability. The Future Founders report (Entrepreneurs Network, 2019), found that 76% of young people who were starting or thought about starting a business did so because they wanted to make the world a better place - more than those who were motivated by money or fame.

Self-employment as a choice driven by previous work experiences

YFF's ethnic disparities research and the ClearView research report both identified that some young people choose self-employment after experiencing discrimination in the workplace. This also came up in our interviews with both young people and organisational representatives.

“So I got my first full-time job and I just think the culture of like sexism, racism, all of the things, I know obviously people don't tend to do this as much nowadays but like going into an office every day as like one of the only black women and like doing work that other people have given you to do. I was just like, I don't, I didn't feel the sense of agency and ownership that I want to in my career.”

Insights: What forms of self-employment are considered good quality or worthwhile by young people, especially those facing multiple barriers?

This person experienced the lack of agency and ownership as directly linked to a culture of sexism and racism within the organisation that she joined, although she did not state explicitly that she had experienced discrimination directly. This may have led to a decision to pursue that agency and ownership via self-employment. This may be common across young people from backgrounds where their skills and attributes are less valued in mainstream society, within both schools and employment, as one person from an organisation providing support to young people suggested.

“I think from a self-employment perspective there really has to be, I think it's quite personal in terms of what good and quality means for you...what we've seen, well we've seen in our [work] recently is it's actually young people with protected characteristics. Young people in particular from black ethnic origins, transgender young people, young people from free school meals backgrounds who are excluded from school tends to be young people who probably sit a little bit outside of, I'm gonna use the word normal but not mean it in the way that it's meant to be, but it tends to be those young people that feel like they're quite fit in elsewhere that are considering self-employment more and more.”

Nevertheless, it is important to acknowledge outright discrimination and a sense of a lack of ownership and agency within a workplace.

Summary

Young people saw freedom, flexibility and being able to uphold their values as key markers of quality in self-employment. This may have been driven partly by their experiences as employees where they did not experience these markers of quality.

Success in self-employment - further potential indicators of quality

Beyond the two main markers of quality discussed, we also asked young people about what success looks like for them. Young people talked about a range of indicators of success, which are set out below. While financial success is clearly important, young people also drew out wider markers of success including engagement, collaboration and personal fulfilment.

Success for these young people went beyond the ideas of 'scale, growth and money' so often seen as markers of successful entrepreneurship on social media. As WOTC found in their scraping exercise, these ideas dominate the social media discussion on entrepreneurship, with a corresponding fear of failure - although this was beginning to be challenged by some key influencers. In the freelance space on social media, there tended to be more nuance in terms of what success looked like. This could be something of a risk for young people starting out, if their primary source of support is online.

Insights: What forms of self-employment are considered good quality or worthwhile by young people, especially those facing multiple barriers?

Theme	Quote
Sustainability	<i>“Success for me.. is becoming comfortable in with my income and being at a stable and in a sustainable place where I can sustain my personal life and my work”</i>
	<i>“Being appropriately paid for what I'm doing as well”</i>
Business growth	<i>“So that is definitely an indicator for of progress for me. So I think in the creative industry it's very easy because, you look at how much engagement you're getting on your different projects and how much people are you reaching in terms of the audience”</i>
	<i>“Well, I think probably out of all fields that would probably be the easiest fields to measure. It's just in terms of where you are now being invited, who you are now in proximity with. So I would say for instance, three years ago I was nowhere near the Tate Museum.. but now I am working in very close proximity with people that have done projects at the Tate.</i>
Collaboration and building relationships	<i>“I feel like successful project would be like you've built really good relationships with your team and you as a team have been able to understand each other and communicate and actually bring together all of your different perspectives. Because we all have different world views depending on where we grew up, our ethnicity, religion, culture, et cetera. And I think bridging the gap between those things and each other”</i>
True appreciation, representation and recognition	<i>“Success to me looks like being happy about the work that I'm doing.”</i>
	<i>“Success would be having my hard work and my ideas recognized... It just, it makes you feel good as well as you earning, quite a bit”</i>



Insights: What interventions or systems need to be in place for young people facing multiple barriers to pursue and get the most out of self-employment?

Most of our research was focused on this question. We asked young people where they looked for support, what support they had found useful and less useful, and what they needed. We also mapped existing interventions and spoke to providers of these interventions to understand what they provided and why they had chosen those options.

Our findings here build on those already identified in 'Alternative Futures: The Rise of the Young Entrepreneur.' (Clearview, 2021) This report identified four key challenges for young entrepreneurs:

- Lack of support and limited access to information
- Toxic entrepreneurship (a narrow set of criteria for who 'counts' as an entrepreneur, including working extremely long hours or seven days a week)
- Discrimination in business
- Covid-19.

Lack of support and limited access to information was a key challenge for the young people we spoke to - and this was discussed in some detail in the interviews and focus groups. Only three of the young people that we spoke to had participated in support programmes run by organisations. The majority had sourced their own support - whether from family and friends, online sources, or through developing their own networks and finding their own mentors.

They also mentioned toxic entrepreneurship and were critical of some aspects of the 'hero entrepreneur' stereotype (as discussed in the section on self-employment and entrepreneurship) but strongly emphasised their own mindset, resilience and hard work as key assets when starting and sustaining their businesses. Balancing business success with their own wellbeing was an area of focus for some of our research participants.

Discrimination in business and Covid-19 were less salient for this group, but that may partly be because the focus of the conversation was more on the support they sought and received.

We begin this section with a mapping of existing interventions and an analysis of the gaps in those interventions. We then explore key areas where young people or support providers identified a lack of support and information:

1. Practical knowledge: legalities, finance, taxes
2. Social capital: mentoring, networks, role models
3. Financial support
4. Mindsets: confidence and resilience

Finally, we explore characteristics of interventions and systems that would make them more accessible to young people, from the perspective of both young people and support providers.

Insights: What interventions or systems need to be in place for young people facing multiple barriers to pursue and get the most out of self-employment?

Mapping of existing interventions

We mapped 21 interventions from 17 providers, listed below. We mapped these from a list of stakeholders jointly established with YFF based on our pooled knowledge of the sector. A full list of the names of these organisations is available in the appendix of this report.

National reach



London Specific



Whilst discussing these interventions with our peer researchers - many hadn't heard of the majority of organisations. They had actively researched SSE, Catch 22 and UnLtd and were aware of major brands such as Barclays, TikTok, Twitter and YouTube but were not aware of the self-employment support they offer young people.

Insights: What interventions or systems need to be in place for young people facing multiple barriers to pursue and get the most out of self-employment?

Characteristics and gaps in support provision

Of the 21 support programmes that we looked at, the following key characteristics emerged:

- 8 programmes were specifically targeted at young people. The majority of these were based at charities and social enterprises, including Launch It, Young Enterprise and The Prince's Trust
- About half the providers are charities and social enterprises. The private sector providers were predominantly tech giants (YouTube, TikTok and Depop), with the exception of Barclays.
- 12 programmes were sector-specific, with half of these focusing on social entrepreneurship, non-profit or public services. Of the remaining six, three were directly related to the platform (YouTube, TikTok and Depop) and two of the others focused on the FinTech sector (both Barclays).
- Outside of the content creator accelerators associated with specific platforms (YouTube, Tiktok), only one programme focused on freelancers rather than entrepreneurs (Good Growth Hub freelance exchange).
- The majority of programmes offered specific training (17/21) and mentoring (18/21). The only ones that did not were YouTube, TikTok and Depop.
- 6 programmes offered some funding or startup capital. All but one were grant funding programmes, with Bethnal Green Ventures and UnLtd Growth Impact Fund offering social investment rather than grants.

Most organisations focused on entrepreneurship and the language that they used for marketing emphasised that. None of the programmes above used the term 'freelancer' or 'self-employed' - rather, they used the terms 'entrepreneur' or 'changemaker' (in the case of social enterprise-specific programmes) or 'venture'. At least from the programmes that we explored in this project, support for freelancers, particularly in the digital and creative sectors where most of our young people worked, was extremely limited.

We were expecting to find some evaluation data for these programmes. In fact, the evaluation data was extremely limited and entirely from organisational annual or impact reports. 6 programmes had some evaluation data publicly available.

Evaluation data focused on:

- Reach: number of participants reached by various programmes. The programmes providing evaluation data were on the larger side, with a minimum of 820 participants (Young Enterprise start-up) to a maximum of over 11,000 (UnLtd). For most organisations, no age breakdown was provided, although other DEI data was published and mention was made of programmes with specific target groups (eg Black changemakers).
- Skill development: including leadership skills, entrepreneurialism, financial skills and confidence. Three organisations provided some information on whether participants stated they had developed skills, with data collected through participant self-reporting.

Insights: What interventions or systems need to be in place for young people facing multiple barriers to pursue and get the most out of self-employment?

- Case studies: all organisations where evaluation data was available had case studies or stories of successful participants. However, these were primarily marketing case studies rather than evaluation case studies.
- Business launch or sustainability: one organisation provided the percentage of businesses still trading after five years, and some others provided the number of new businesses launched.

Support needs identified by young people and/or support providers

1. Practical knowledge: legalities, finance, taxes

Both young people and support providers identified that a gap in practical knowledge of how to run a business was a key challenge for young people starting out in self-employment. Self-employment was seen by young people as a 'whole ecosystem' with several challenges to navigate that required access to practical information. Taxes and managing finances were particularly difficult to navigate.

"It can be a nightmare when it comes to banking and tax. I just, I got an accountant this last year... I don't have time to figure out what I need to figure out to communicate this to HMRC"

"Like the absolute nightmare and pain of late invoices. Oh my gosh. Chasing invoices is something that I just don't think people prepared me for".

Not only was it difficult to make sense of the information, it was often difficult to find sources of support and guidance.

"You know, for instance there are workshops going on about, you know, how to do your taxes as a self-employed person. But then when you are starting off, how do you even hear about those, those types of, or workshops?"

Support providers also acknowledged that practical support on finances and taxes was particularly important for young people facing multiple barriers.

"What we also hear from young people is that they don't feel ready and prepared when they're leaving work. They don't really understand their own wages if they were to go into a traditional route for employment. So actually they don't really understand tax, they don't really understand the finances, they don't understand mortgages or budgeting or any of those other areas too. So it can feel like quite a jump for them as they leave education to start up on their own if they, if they've had no experience of it too. So there's definitely some kind of financial blockers for young people just in terms of knowing what loan is, how they might pay it, what the interest rates are and how they might work".

Insights: What interventions or systems need to be in place for young people facing multiple barriers to pursue and get the most out of self-employment?

Support providers suggested that some young people might find the array of terminology related to self-employment inaccessible and off-putting.

“[For] often marginalized groups the language is prohibitive. It doesn't welcome people, you know, people just don't understand it. And that's just an instant turnoff, right? Because it feels like you've fallen at the first barrier”

They therefore actively concentrated on providing practical support, usually under the heading of 'capacity building' (a phrase not used or recognised by young people).

“So a space and place where ... they have resources to go and get information that they need. If they do have a question about something legal or someone says their copyright infringement and you know you panic cause it's not a word you've not heard of before... I think all of that starts with having more conversations about self-employment too and people don't have enough tools to know what it is and to know where to get help. We don't talk about it enough from a careers and education perspective to begin with”.

Gaps in access to practical knowledge and information can have serious implications for young people starting businesses as one young person states below:

“It's exactly the lack of information. You know, without the information it's very difficult to make the right decisions. So you end up making a lot of mistakes”

Self-employment, of any kind, carries risk. Those with more crucial resources - money, time and social capital - are better placed to withstand those risks and therefore perform more successfully within their form of self-employment if barriers are met. Additionally, when young people come from backgrounds where there is little financial cushion for mistakes, this can put them in a very difficult and risky position. Therefore, equitable access to information for young people starting out in self-employment is essential to making sure that young people have an equitable chance of success.

2. Social capital: networks, mentoring and role models

Social capital refers to the connections and social resources available to an individual, from which they benefit both socially and often financially. Access to networks or mentors provides opportunities to individuals both directly and indirectly.

It is generally agreed that young people who face multiple barriers lack social capital or find it more difficult to access the privileges of it. This was certainly recognised by support providers.

“I guess firstly there's something around access to networks and social capital. So lots of people from more privileged backgrounds have more opportunity and not in all cases, but in some cases have, you know, more capital, social capital in terms of collections and access to guidance and support”

Insights: What interventions or systems need to be in place for young people facing multiple barriers to pursue and get the most out of self-employment?

Case study: Going back to university to re-engage with knowledge

One young person had struggled for some time to find the knowledge that they needed to succeed in self-employment. They had struggled to find that knowledge online or in a form that gave them confidence to act on it. Having chosen not to attend university at the age of 18 in order to focus on their business, they had decided four years later, at the age of 22, to go back to university to study business management.

“I couldn't find it anywhere [knowledge and research]. I didn't ever want to go to university. I just thought that you know, you can do it [self-employment] without getting a degree and all of these things. Because once you go university it's more of a thing where once you have that degree... you can't really broaden if you want to get into something else... So I personally never thought that university would be my thing but I can't find any resources or anything like that anywhere else”

“I did some research on the course itself.... so business management, they'll talk about marketing and all that type of stuff and I have no idea what to do in terms of that type of stuff. So it would help me and would increase my business. It just feels like it would've been helpful to get some type of, I don't know from where, but it's just some type of information beforehand. Because I feel like I have done two years worth of research and the amount of information that I've received from the two years doesn't seem to add up”

Having searched fruitlessly for information and support to help them develop their business, they had found that returning to university, despite their reluctance to do so, was the best option left to them in gaining the knowledge that they needed to develop their business. This is a major decision to take with clear financial as well as time implications.



Insights: What interventions or systems need to be in place for young people facing multiple barriers to pursue and get the most out of self-employment?

Networks

Young people did struggle to find networks and recognised that they needed to build social capital. Many of them had actively developed their own networks and had benefited from doing so.

“I used to think, I didn’t know any, any millionaires and have any networks until I just went outside and started to speak to people and actually network. So we can always, look at it like, oh like this is the way, this is how things have been laid out. [However] once you actually dabble into other things and say instead of buying things like clothes or fast food, I’ll actually put money into going to a networking event [you’ll meet new people].”

“In London there’s a lot of businesses here. There’s a lot of people who own businesses that know about business and other things like that. So I would say what I’ve personally learned from literally going into shops, I’ve gone into shops, spoke to owners, and they’ve given me other business opportunities or linked me up with people who can benefit my brand.”

Networks were an important source of practical information and support, especially within specific industries or identity groups.

“I’m in a kind of collective group of people who do this 3D modelling stuff and we kind of help each other... So it’s kind of a group thing where I get advice from them. When I was starting out, I obviously didn’t know where to get commissions from, I didn’t know how much to charge per piece, I didn’t know what the value of my work was. But having all these people together in one single collective, in one group, it’s very easy to communicate with them and be like, hey like do you know how much I should be charging for this?”

“I have been part of, I guess it’s like a membership called Real Work. So it’s a membership for women who are self-employed freelancers running their own business. And that started in like 2020 I think. So that for me it is probably where I’ve had the most support because it’s just a group of women who all are doing really different businesses and are all at really different stages, but we have a slack and then weekly [virtual] meetups. Here you can ask anything from like what should I name my business to how much I charge this client - honestly there is a range of questions and answers and knowledge and expertise in that group is incredible”

Networking is a key way of building social capital. The social capital that young people already have through their local and identity-based networks as well as professional networks is an important asset, and opportunities to build further social capital are valued highly, especially where young people may not have easy access to these opportunities. Important to note, networking is no longer always a physical activity but has moved began moving to the online space. The idea of building a pool of networks, shifts away from the ‘hero entrepreneur’ approach, which traditionally valued individualism and independence.

Insights: What interventions or systems need to be in place for young people facing multiple barriers to pursue and get the most out of self-employment?

As well as the practical and direct benefits of collaboration, young people were also keen to build relationships that would form as support mechanisms which they significantly valued. This further aligns with the view that ‘new entrepreneurship’ resonates more to the experiences of this group of young people than ‘old entrepreneurship’ (David 2010) as there is a deep value in entrusting a part of your success to others. Therefore, in this instance, the entrepreneur values the support of those around them. The young person below reflects on this idea:

“We all add value to each other if we know people that do other things besides what we already do and we can build a community that way”

In this instance, support was built from the learning gained from those around the young person. Similarly, below, a young person explores the value that networks have provided them:

“I’d love to work with other people. I actually try to look for other, other young people to work with and network with. Because one, an entrepreneurial journey can be very lonely and so to meet people that are also on the same journey as you in their respective fields can be very helpful and you can help build a community around it. But also if I’m already good at something and if someone else is good at something, that I’m not good at, then they add value to me if they’re a part of my network”

Ultimately, the narrative about community building is evident amongst the young people we spoke to. Networking was described as

“nerve wracking because you’re speaking to someone you don’t know, but at the same beautiful because you find out interesting things about people and some people are genuinely willing to help you if they’re able to”.

For some, building networks helped to alleviate the loneliness and isolation that can come with being self-employed.

Additionally, some young people also drew on finding informal and accessible advisors. Many drew on their friends and family for support, both to help them navigate information and for practical support as highlighted below:

“At the moment there’s not anywhere that I specifically look [for support] but, friends and family have pointed me in the direction of places that I can look and when I’m ready to, I definitely will take that advice on”

“One of my mum’s family friends has an accountant because they’re also self-employed and they gave me his number and I did call him last year in January and I asked for some help, regarding taxes and when I have to do my own self-employment tax and whether he could do it for me. So I think that’s the only official help I’ve ever received”

Insights: What interventions or systems need to be in place for young people facing multiple barriers to pursue and get the most out of self-employment?

The role of family and friends was also picked up in the Future Founders (2019) survey, in which young people were considerably more likely to consider starting a business if they had family who had done so successfully. Given that not everyone has the same access to family and friends with the skills and networks to support them, this further reinforces the need to ensure that those who do not have such access have alternative networks that they can draw from.

Social media was also a key tool of support mentioned by the young people we spoke to. The young person below reflects on the benefits of social media within their self-employment journey:

“I was part of this Slack network of like they would send different opportunities in and also just seeing what is on LinkedIn and like learning how to search. I went on TikTok and learned like how to search for like self-employment for example and how to do this, that and the other. You can also see what interests you following different organizations like on Instagram”

Additionally, the findings from WOTC, who conducted social media scanning as a part of this project, help solidify how young people take tips and advice from social media. In the entrepreneurship space, a range of more seemingly authentic voices such as Steven Bartlett and Patricia Bright provide insights into the challenges and realities of entrepreneurship. To the young people we spoke to, ‘authentic’ meant individuals who had genuine lived experience overcoming barriers to reach successful self-employment.

Within the freelance sector, social media such as TikTok has been used as an educational tool whereby conversations can be had in the comment sections on videos. WOTC describe social media, in this context, as a ‘problem solving tool’ whereby challenges shared are challenges halved. They found that conversations surrounding invoicing, understanding the true realities of freelancing, how to build a steady stream of work, when/when not to do work for free, access to templates and balancing work/life were pervasive talking points in this area. One young person talked about how they use TikTok to gain ideas and inspiration.

“I would say TikTok has helped but I have only recently just been seeing other people who have started up their own brand from nothing. And I’m basically taking tips from them but I’m not speaking to them so I just get to see what they’re doing and then I just basically reinterpret to myself”.

Social media therefore became a mechanism to gain advice, although the young person recognised that this advice may need to be approached with caution. They ‘reinterpret’ the information to suit their own situation - this suggests an active, rather than passive, approach to social media. People can be, and often are, highly intentional about how they use social media - following specific individuals, creating or looking into particular hashtags to curate the information that they receive, and then reinterpreting that information for their own situation and needs.

Insights: What interventions or systems need to be in place for young people facing multiple barriers to pursue and get the most out of self-employment?

Mentoring

Mentors within self-employment are significantly valued, specifically for those who are from marginalised backgrounds and face significant barriers. Our literature review highlighted that many of the organisations mapped in this research offered a degree of mentorship for their users. Nevertheless, from the pool of both interviewees and the peer-researchers, only two had benefited from mentorship provided by those organisations. The young people we spoke to had frequently found their own mentors and built relationships on their own accord, though some admitted that they had struggled to do so and had not been able to find quality mentoring.

Not all young people made a clear distinction between mentoring and coaching, and it was not always clear where young people were paying for mentoring and where this was not the case. These varied from more formal to less formal mentors. Less formal mentors were individuals considered as ‘friends’ and ‘supporters’ rather than there being a monetary transactional value to the relationship. This is explored below:

“Mentorship is support that’s definitely helpful. Like it’s a mentor that showed me that you need to submit to the process and to make mistakes. What a mentor also did was show me how to not make as many mistakes as he did, but he still told me you’re gonna have to make mistakes to be able to get to where you wanna go”

“Mentoring has been like the best thing. I’m still currently being mentored by someone and a lot of the opportunities that I’ve got are through him and it’s been putting me onto better stuff”.

“I have a business coach. I’ve worked with her for like a year and a half. [Over this time I’ve] become much better at [my work]”

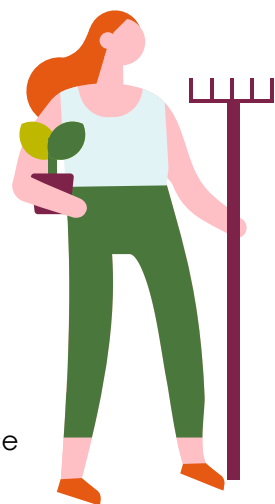
Nevertheless, there was recognition amongst the young people about the credibility of certain mentors based on past experiences and the need to verify that mentors did have the skills and knowledge that they claimed to have.

“For example, I had a mentor that has been exposed as a scammer., I never paid him for any sessions until I met him in person. And once I met him I spoke to one of my other mentors who said, yeah this guy doesn’t know what he’s talking about. And then I went with that mentor and I actually learned quite a lot of things. So things like you can always filter yourself”

“My first mentor, I actually met him through a friend who already was receiving mentoring from him. I did my own background research but [they were] already verified. But then for my second mentor I had to do due diligence and with such things you learn because in your industry you know what works for you and what actually is correct”



Insights: What interventions or systems need to be in place for young people facing multiple barriers to pursue and get the most out of self-employment?



Overall, making the distinction between trustworthy and untrustworthy mentors is challenging to do, specifically, in self-employment where the onus of due-diligence is often on yourself. Finding what is considered good advice and avoiding poor advice was something the young people we spoke to had to learn along the way, as mentioned above in the quotes. In fact, often enough, they are having to take matters into their own hands and learn the hard way. Additionally, with the rise of the digital age, both great advice and exploitation are easier to find and harder to tell apart.

Role Models

While mentoring was a key part of the majority of support providers' offerings, they did not talk extensively about the benefits of mentoring or how best to offer mentoring. One support provider saw mentoring and role modelling as closely connected.

"In the UK, successful people don't tend to get the recognition that they necessarily deserve in the same way they might do in America.. But that means necessarily young people aren't seeing relevant successful role models in the spaces and places... So there's, there's certainly a piece around.. connecting people with a relevant role model entrepreneur or an inspiration to them"

Additionally, and in relation to this, a 2021 report by the Princes Trust, identified that 46% of young people stated they would feel more inclined to start a business if they felt more confident. Much of this confidence was associated with being able to see successful entrepreneurs who resembled them. Our research also highlighted very similar findings. One organisational representative talked about how important it was to ensure that entrepreneurship spaces felt accessible to all.

"A lot of young people particularly from marginalized backgrounds, feel like they're imposters, when they go into these spaces because it's like, is this space for me? And generally it's, you know, most spaces have been created by white men, so it's not necessarily accessible and comfortable for everyone"

Spaces created by representatives who do not mirror those from underrepresented communities can impact how the latter see themselves within the space.

There were some further interesting points discussed by various people from different organisations - all of whom had differing reasons as to why role-models within the space is incredibly important. The quotes below explore this further:

"I would focus on role models. One of the more successful programs that the [organisation] ran, [was] operating in schools and was intended to help young people from the Islamic community to develop entrepreneurial skills and, and to start up businesses. And one of the things that really helped the young people, in schools, was we brought in inspirational guest speakers from the business community who were from the, the Muslim community. And they, came into the schools, they talked to people, they shared their own stories of, making it and, and having successful businesses."

Insights: What interventions or systems need to be in place for young people facing multiple barriers to pursue and get the most out of self-employment?

"We feel that relatable role models can be a barrier for young people. So to have an aspiration to go into self-employment, that needs to come from somewhere. It might come from a passion, but it might come from being able to see someone like yourself that has become an entrepreneur and see that that is possible for you in your future. But there is definitely a lack of relatable and relevant role models for young people"

"You would definitely find more young men that would consider entrepreneurship as a future for themselves than young women. And again that relatable role models was a barrier for, for young women"

Amongst the young people there was a reflection that majority of those who have become visibly successful as self-employed have been male. Throughout our focus group, the young people were even subconsciously describing male figures when talking about self-employment, in particular entrepreneurship. The likes of Mark Zuckerberg and Bill Gates were names that were discussed amongst the young people, though often in a light that was not so positive. These two names in particular resembled the 'traditional' entrepreneurship which was male dominated and lacked ethical value. Therefore in pursuit of role-models, the young people were conscious to 'look up' to those who not only were representative of them, but also subscribed to the same values as them too.

3. Financial support

In our literature review, we identified that finances was a key barrier. Financial risk can often feel debilitating for a young person who is battling other societal and economic challenges, specifically in self-employment. The young person below reflects on the impact the cost-of-living crisis has had on finances:

"I feel like probably the cost of living, that's the main [thing] that would probably get in way, especially in this day and age, everything is so expensive. So you know, just trying to live and then also trying to build up a brand or a business"

We identified in our literature review that the financial risk associated with self-employment can also pose as a significant challenge for a young person who has regular bills. Self-employment may make it difficult to plan with a less regular paycheck than traditional employment. Here a young person reflects:

"You still have bills to pay right. At the end of the day, it's about being able to keep going... somehow you find yourself into traditional like employment again, you know, working from paycheck to paycheck and that's, that's, that's a very dangerous thing because then you're not working necessarily to get closer to your objectives"

Insights: What interventions or systems need to be in place for young people facing multiple barriers to pursue and get the most out of self-employment?

The fear of self-employment, is based on the instability and precarious nature of self-employment which one young person explores below:

“I feel like everyone’s had to do things that they don’t wanna do to be able to make money. You may have a goal but the route to your goal may have to change in the meantime just to make ends meet. Like whatever you have to do to make things work, you kind of just have to do it, especially as an entrepreneur if it was all the responsibilities on you to get it done”

Young people facing multiple barriers may also not be able to rely on friends and family for financial support in the way that other young people do.

“We found in our census that people with protected characteristics were most likely relying on no [financial] help at all. [Rather] their parents were offering friendly ears and support, it wasn’t often finance that they were able to offer the young person”

There was a recognition that the financial struggle of being self-employed and/or an entrepreneur is part and parcel of the career. Making ends meet, meant potentially having to compromise certain personal values. Despite financial struggle, many sought to continue with their self-employment job as that was their ultimate goal. Several young people were also very sceptical about financial support that was presented as a ‘handout’ in any way. They were concerned that accepting financial support would undermine their independence and hard work. We explore this further in our discussion of targeted support in section 4c.

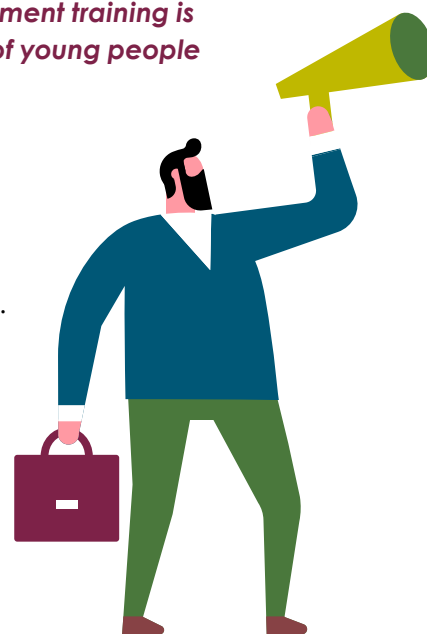
Having said that, ‘funding’ was still seen as a key aspect of the support that young people need to make it in self-employment. Support providers saw funding as a key aspect of ‘levelling the playing field’ for young people facing multiple barriers.

“The first part of that design has to be about the financial support and financial management for young people too. Those from those marginalized backgrounds can’t rely on family to kind of to fund and support and particularly those most like from marginalized groups. So I think it starts with the financial support and ... good financial management training is where it starts. Its what levels the playing field and builds the confidence of young people that that they can survive and and thrive in that place”.

4. Mindsets: confidence and resilience

Support providers saw developing confidence as a key need for young people. They were concerned that young people found it difficult to deal with rejection and that this could have a detrimental effect on confidence.

“The first traditional barriers of business is getting knocked back. It is really quite painful and [the young person can] become disenfranchised very quickly”



Insights: What interventions or systems need to be in place for young people facing multiple barriers to pursue and get the most out of self-employment?

“Whereas if you’re bit older, you know, you’ve had people say no to you plenty of times, you, you, you kind of are prepared to ask the question. You don’t just kind of run away and hide and go, Oh, oh this is bad idea”

The link between confidence in your business idea and having the financial resources and capital to weather a few knock-backs is salient to note. This framing of rejection from organisational representatives appears to be rooted in a view that the entrepreneur requires the characteristics of resilience, bravery and independence all which conform to the ‘hero entrepreneur’ approach. Several support providers focused heavily on developing young people’s confidence.

However, young people from certain backgrounds may have the confidence in their idea, but when faced with setbacks they do not have the resources in place to support them to step over that obstacle. As a young person, starting off, ‘grit’ and ‘entrepreneurial spirit’ cannot suffice to take you to the finish line.

By contrast, the young people themselves, perhaps because they saw themselves as being relatively successful in their businesses, prided themselves on their mindset and resilience. They saw themselves as being ‘strong-minded’ and able to deal with rejection.

“You’re gonna get rejected a lot, you’re gonna have a lot of doubt about yourself and whether or not you’re gonna be able to do. But, the responsibility is literally on you to get everything done and if you don’t get it done, that’s your pocket not being filled... I also think that I learned that don’t be so hard on yourself and be willing to adapt to your plan. Like life doesn’t happen as it is in stories or books or or movies. You kinda have to be willing to be fluid and like go with the waves sometimes obviously you can keep the same goals but it might be a different path than the one you envision to get there basically”

Rejection and hardship for this young person was framed as a positive. There is a recognition that the path to self-employment and/or entrepreneurship, is not direct and clear. However confidence and in this instance mindset, can aid in finding the positives in what would be a direct barrier faced by a young person. Again, this idea of resilience and finding solutions to your problems was self-evident amongst the young people we spoke to who are already facing multiple barriers. In fact, one young person saw their youth as an asset.

“I feel like the only person really stopping you from doing what you need to do is yourself. I understand, of course we all have responsibilities but I think right now, I’m young, I have the opportunity to basically build my life. I’m building my life from scratch. It’s not like I’ve built like a massive career and it’s all gonna come tumbling down if I make one bad decision. So I think that I’m the only person stopping me from doing whatever wanna do”

Insights: What interventions or systems need to be in place for young people facing multiple barriers to pursue and get the most out of self-employment?

The young people we spoke to were fully aware that there were barriers to success, and that those barriers depended on their background and characteristics, but felt that their mindset would enable them to overcome those barriers.

“Of course there’s going to be certain barriers, especially depending on your socio-economic background. But for me personally, because I’m so kind of like strong minded and I know that this is exactly what I want to do. The way I see it is that we’re quite lucky that we are in a time whereby there’s a lot of opportunities. Yes there are barriers but there are opportunities”

Despite being aware that people from certain backgrounds may face more barriers, several young people saw these barriers as inherent to the self-employment journey and felt that their only option was to work hard, learn and keep going. The ‘hero entrepreneur’ qualities of grit and resilience were, for these young people, key to overcoming these barriers.

“The only way to find success is to put in a long and consistent grind to lose money to make mistakes so that you can learn from them. And that process is not a pretty one but it’s not supposed to be. [The process] is supposed to filter out all of the weak ones and then so the people that make it are the ones that are supposed to be there. You can tell from their work rate and their resilience that they have that they’ve had to do that whole process”.

Once again, that idea of being strong willed and having that mindset to pull through barriers, that are already ‘supposed’ to exist, is an interesting reflection. The young people we spoke to are from underrepresented backgrounds with many facing barriers to opportunities. They subscribed to the narrative that hard work pays off. The barriers faced are ‘tests’ throughout the process, there to filter out those who are less hungry and less resilient. This underplays, perhaps, the fact that these barriers, challenges and knock-backs are structurally more problematic for young people from underrepresented groups. Therefore ultimately, without support, these individuals may be unable to sustain self-employment not because they are the “weak ones” but rather they have been “filtered” out as a result of societal, economic and social barriers.

Some young people noted that the barriers they faced in self-employment might also exist in other career paths, especially for those from underrepresented backgrounds.

“The way I see it is that there’s no career path that doesn’t have barriers in it. You’re gonna have to overcome barriers and especially if you’re gonna be self-employed. You have to be willing to like kinda accept that when you choose this path”

Young people from certain backgrounds have had to advocate for themselves due to already facing multiple other disadvantages:

“I feel like just making sure to advocate for myself whenever I feel like I need to and making sure where they are listening to me and I’ll make sure you listen to me”

Insights: What interventions or systems need to be in place for young people facing multiple barriers to pursue and get the most out of self-employment?

Overall, there was an acknowledgement that barriers, mistakes and challenges are part of the process which young people are keen to address along the way. The quote below, from a young person, captures the essence of this sentiment:

“You’re gonna make mistakes but you, you have to learn from them and quickly... if I could speak to myself 10 years ago, five years ago, I would say definitely being young and self-employed is taxing, but just gotta keep on going”

Characteristics of high quality support provision

Targeted support needs to be handled carefully

Most organisations that we spoke to targeted their support provision in some way, whether geographically within areas of deprivation or to particular demographic groups such as Black and Asian or disabled entrepreneurs. This was rooted in an understanding of inequalities within the entrepreneurship space: that certain groups have less access to startup capital, investment or resources to start and maintain a business. The following is one example of a targeted programme.

“We actually running a project at the moment which is called X. And that’s where we are targeting the project in those communities where they are the most disadvantaged according to the [national criteria] for this. So those young people were set up and run their own business and are supported in an in depth practical hands on experience of learning and developing those skills. And then once they’ve done that we will then look at running an employability masterclass with them”

Organisations were generally positive about the value of targeted support programmes.

“I do believe there’s value in like really targeting programs. I do believe that really targeting that support and having funds that really enable [underrepresented groups] ... shows those young people that we care. [And that we recognise] they aren’t getting the same opportunities as other people”

However, young people were much less positive about targeted support. They were concerned that it could delegitimise their hard work and independence, especially as they may already have had to overcome several barriers to get started. The quotes below suggest that some of the associated problems with targeted support may be that it focuses on the ‘individual’ rather than the barriers associated with place, resources, inequality and so on. Targeted programmes should therefore seek to focus in on and address root causes of issues that underrepresented communities may face.

Insights: What interventions or systems need to be in place for young people facing multiple barriers to pursue and get the most out of self-employment?

“You shouldn’t just give people support based on the area that they’re from. Like you should give it to them based on how good they are, how hungry they are. There should be something that you measure it by besides the area that they’re from. Otherwise they might take it for granted, which I’ve seen happen. It’s even happened to me”.

“[Targeted support] implies that people from certain backgrounds don’t have the ability to work things out for themselves without the extra support. You know what I mean? Which I don’t think is true. So I would just say, and as well I don’t, I can’t speak for every occupation like I like I keep saying but at least with trading you could be born into the richest family. But trading is a skill no matter how much money you start with. If you can’t trade and you can’t risk manage... you’re gonna lose all your money regardless of how much you start with. That’s just how it goes. So I think everyone should be given support but equally. I feel like everybody should prove almost that they’re worthy of the support in the first place. So I think it should be a case by case basis and it should be based on merit rather than purely on background”

Several young people pointed out how competitive the environment is for young self-employed people. As mentioned above, some young people saw this as a way to ‘filter out all the weak ones so that the people who make it are the ones that are supposed to be there.’ In such an environment, being in receipt of, or seen to be in receipt of, extra support might create a perception that an individual or business is too ‘weak’ to make it on merit.

While young people did see funding as a key need, some also experienced targeted support, especially financial support, as paternalistic. At the same time, there are clear inequalities in terms of access to startup or venture capital, with women and racialised minorities significantly less likely to access such funding.

There is more to explore in terms of the reach and effectiveness of targeted support, and how far it is experienced as paternalistic or tokenistic by those young people that access it. In particular, it is worth exploring:

- The impact of how targeted support is communicated to young people and those around them
- The impact of who offers the support
- Whether there are approaches to offering targeted support, especially financial support, that are not experienced as tokenistic or paternalistic.



Insights: What interventions or systems need to be in place for young people facing multiple barriers to pursue and get the most out of self-employment?

Co-designing with young people

Several organisations talked about plans to co-design support with young people. This appears to be a new direction for some, who talked about it either as a recent move or an aspiration for the future.

“We’ve recently appointed two young trustees... I think that’s the right terminology... so that we can learn from young people and have that voice on our board of trustees as well. That’s been vital for us”

Representatives of organisations saw the value in co-designing support with young people, to ensure that it responded to their needs and aspirations, rather than assuming what these might be.

“It comes back to ensuring you’re investing the time and energy and resource into understanding the audience and the communities that you’re looking to support so that they have an insight into it. They have a kind of input into it and ultimately then able to make an informed decision as to whether or not they engage in those interventions”

It was important that mentoring, training and advice was relevant to young people’s backgrounds and situations.

“When you’re talking about marginalized groups, don’t put a middle aged white man on saying, look, he started his business when he was 17. It... resonates with nobody. It resonates with, it resonates with white males, it doesn’t resonate with anything else”

Long-term support

Organisational representatives were sceptical about the effectiveness of short-term initiatives, noting that businesses take time to get off the ground. Their view was that more embedded, relational and long-term support was more effective in supporting young people.

“I think quite often people go on courses or have interventions and either it doesn’t sit right or it’s not very embedded like we were saying before. So quality for me is about some idea of longevity and that being impactful... Many programs around young people are just like treadmills”

“It’s not just about one-off support, it’s about like touching base and ... embedded support rather than like tokenistic. I think that’s one of the big issues around youth work, self-employment and the government training programs and stuff. It’s like how embedded is it? What kind of longitudinal value do you put on the work that you do now? Is it just about getting this outcome or are there embedded outcomes in the future that you also want to hit?”

Insights: What interventions or systems need to be in place for young people facing multiple barriers to pursue and get the most out of self-employment?

“

Yeah, I mean I think something that is quality for me is something that can be trusted and something that young people can trust in.

And I think that's probably one of the other barriers that young people have who potentially come from marginalized groups is that they've had their trust broken a lot. It can often happen.

Yeah, it's about setting expectations and delivering on those. I think, you know, making something that's very accessible and has a good 360 degree like view of the person, but that it doesn't set false hopes and that it meets expectations and that those are clear.

”

Organisation Representative



Conclusions and recommendations



Conclusions

There is a strong business case for investing in youth self-employment. For those who seek to become self-employed, especially from backgrounds where they have faced multiple barriers, this is a possible route to pursuing their passions, finding freedom and flexibility in work, and securing a reasonable income. We are seeing through multiple sources of evidence that young people from marginalised backgrounds do actively consider self-employment for a variety of reasons - and it's therefore vital we better understand how to ensure their work is of a good quality and invest to make sure they are not further disadvantaged based on their choice of employment. We acknowledge there are still gaps both in our knowledge of youth self-employment and in the support available to young people.

What we know and don't know about self-employment for young marginalised people

National datasets on the labour force, while useful, have very low observations for young people who are self-employed. Therefore, we cannot draw conclusions from these national datasets on the backgrounds of these young people, the occupational categories and types of roles they are in, or what their needs are. Qualitative and participatory research, as well as specific surveys, are necessary approaches to fill in the gaps in the national picture.

Our participatory research sample included fewer young people than might have been expected undertaking platform-based work or working in the largest occupational categories for self-employed people such as construction and personal service (beauty therapy, hairdressing etc). Instead, these young people were involved in the creative and digital sectors and saw themselves predominantly as freelancers rather than entrepreneurs.

While we know that new trends, such as cryptocurrency, social media influencing and 'loophole finding' are salient on social media, we do not know how many young people are actually involved in these forms of self-employed work, and whether these are their main jobs or side hustles. We therefore do not know how important, or how sustainable, these opportunities will be for young people, especially those facing multiple barriers.

Conclusions and recommendations



The young people that we spoke to were not primarily driven by financial considerations in pursuing self-employment, nor had they pursued self-employment as a last resort having not been able to find other options. Rather, self-employment was for them either a way to pursue their passions, or a way to find a level of freedom and flexibility that they had not been able to access in other workplaces.

The young people we spoke to were influenced by a mix of 'old entrepreneurship' and 'new entrepreneurship' ideals. They were often keen to collaborate and support others, had strong views about the ethics they wanted to uphold in their businesses and saw wellbeing, relationships and recognition as markers of success rather than financial success at all costs. They were sceptical of the values of high profile 'old entrepreneurship' role models such as Elon Musk. At the same time, several saw the world of self-employment as one in which you sank or swam according to your own merit, hunger and resilience. They were proud of their ability to succeed in a highly competitive world.

What we know and don't know about interventions to support young people into or in self-employment

We know surprisingly little about the effectiveness of interventions to support young people into, and in, self-employment. There was little practitioner literature available and no published evaluations of even large-scale interventions. Given the level of investment across the private and voluntary sectors in support for self-employment and entrepreneurship, there is a strong business case for robust evaluation of this support.

What we do know is that the majority of interventions were focused on entrepreneurship, while there was comparatively little available for emerging freelancers in the creative and digital sectors. This might also be a gap worth exploring further.

The young people we spoke to found that mentoring and being part of networks had been most impactful for them personally. Those that had had effective mentoring or had been part of strong networks valued them very highly. However, some had had experiences of being 'scammed' by potential mentors, and had found the need to do their own 'due diligence' because there was no formal information or accreditation for mentors. They also pointed out the difficulty of finding practical, accessible information on starting and running a small business, particularly in relation to the legal and taxation aspects of this.

There were some mismatches between the young people's views on what worked and that of the organisations that supported them. Mentoring was less strongly emphasised by organisations than by young people. By contrast, young people were wary of targeted support if it was experienced as a 'handout' or 'paternalistic,' while organisations strongly endorsed targeted support. However, young people did see financial support as an important aspect of the support they wished to receive, so long as it was not done in a way that delegitimised their talent or hard work.

Conclusions and recommendations

Finally, and perhaps most importantly, young people were very keen on being involved in co-designing support for other young people, based on their own experiences. Some were already actively supporting others to 'get their ideas off the ground' and others were keen to support those starting out because 'you never know what might come of it.'

What we know and don't know about participatory research

Working with young people as peer researchers noticeably enhanced the quality of the research. Not only did they conduct interviews with their peers and organisational representatives with great skill, they also shaped both the design and analysis of the interviews, contributing key insights throughout the process.

Participatory research, in order to live up to its name, must also be non-extractive and be of benefit to the young people who are engaged as peer researchers. Their feedback on page 9 of this report shows that they did benefit from the experience, especially from the connections they made with others in the same situation.

However, we could have done more to ensure that young people were more closely involved from start to finish. Our peer researchers had many demands on their time and although we held sessions in the evenings to ensure they could attend, not all of them were able to participate in all the sessions. The research questions were also already set by the time the young people came on board, whereas in an ideal situation peer researchers would be involved right from setting the research questions.

We were also aware of how long it takes to build trust in a participatory research process and ideally would have liked more time at the start of the research period to build relationships, support young people to get to know each other and us, and create spaces for more open conversations. Future participatory research projects should invest more time at the start of the process to develop relationships, especially if the cohort of young people does not already know each other and are not part of an existing network. We could also have worked with the young people, many of whom have incredible creative talents, to develop more creative outputs from this research, including perhaps documentary film outputs as well as visual arts or other outputs.

Participatory research is an integral part of the research landscape. While there are particular advantages to participatory approaches in discovery research, it has value at any point where nuanced insight is needed, and where outsiders may not be able to truly reach or engage with participants. This project, alongside the 'Alternative Futures' report (ClearView Research 2021), illustrates some of the possibilities of participatory research, but these possibilities are far from exhausted.

Recommendations for further research

- 1. YFF to work with providers of interventions supporting self-employment to conduct rigorous evaluations of these interventions, including delineation of outcomes for different demographic groups and robust process evaluation to understand the impact of specific aspects of the interventions.**

The lack of publicly available evaluations of interventions supporting self-employment for young people was one of the most surprising findings of this report. Several of the organisations involved in such interventions have been providing them for years, with accumulated knowledge and insight. If this knowledge and insight is more widely shared, with a robust evaluation of what works, more young people will be able to benefit from high quality, evidence-informed support to find and sustain quality self-employment. This is particularly important for young people from marginalised backgrounds, given the complexities of targeted support.

- 2. YFF to expand participatory research in youth self-employment, to explore assets, needs and barriers across different regions, demographic categories and occupational categories.**

a Further research on young entrepreneurs and young self-employed people to be co-designed with young people and where possible to include a peer research component

Participatory research is both emancipatory for those participating and yields valuable insights into practices such as self-employment in which people display considerable agency. However, the scope of this piece of research has been limited, and there is significant scope for expansion, especially outside of London.

This report, alongside that produced by ClearView Research (2021), is a clear demonstration of the value of co-designing research about young people with them. Therefore, we recommend that co-design is strongly considered in all future research about young people, especially in entrepreneurship and self-employment where so much is under-researched.

- 3. YFF to expand research on platform-based working or update University of Hertfordshire research conducted in 2019.**

Platform-based working was a key gap in our research, and we know that it is growing quickly especially for young people. Quality in platform-based working can be highly variable. Therefore, it is a critical area for further research.

Recommendations for support for quality self-employment

- 1. YFF to work with providers to ensure that there is a clear, accessible, central hub for information for young people on starting a business, particularly legal and taxation information. This should be co-designed with young people.**

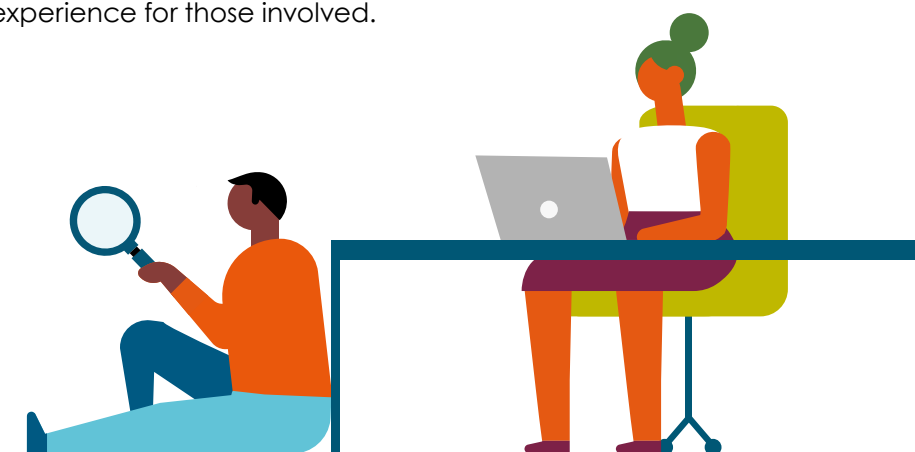
The young people we spoke to clearly identified a lack of access to key information on the legal and taxation aspects of starting a business as a major barrier to success for them. This builds on similar findings from ClearView Research (2021). It is important to co-design this with young people so that it truly meets their needs. As seen with this participatory research process, participatory processes (whether research or design) can be highly empowering for participants as well as yielding higher quality outputs.

- 2. YFF to co-design with young people a mentoring scheme for freelancers in the arts, digital and creative industries**

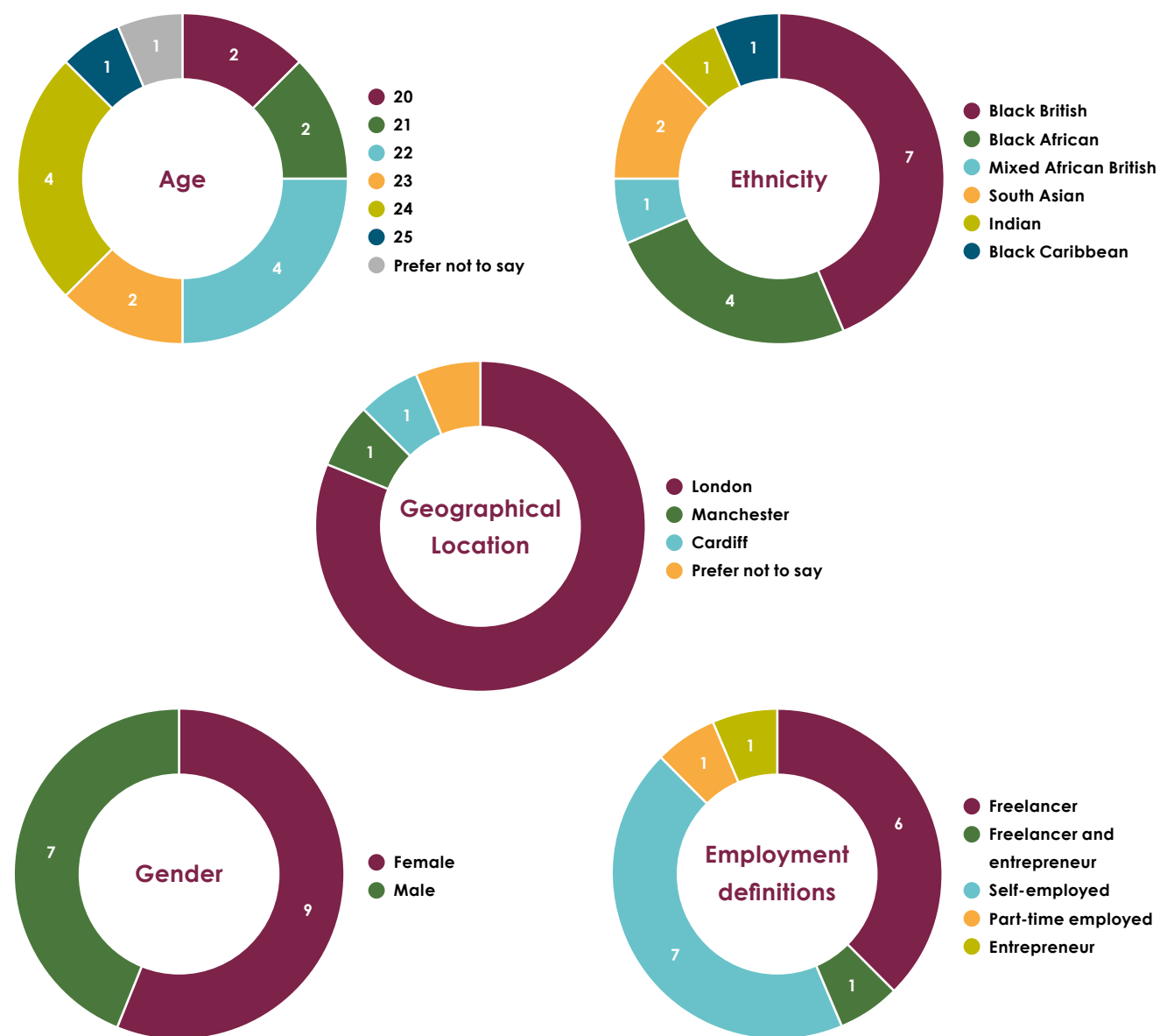
Our scan of interventions in the self-employment space identified a gap in support for freelancers rather than entrepreneurs. Neither the young people nor the stakeholders we spoke to identified any specific support for emerging freelancers in the arts, digital and creative sectors. While we do not yet know how many young people are self-employed within those sectors, the majority of our sample worked in these sectors and it is an emerging area of employment for young people.

The young people we spoke to also identified mentoring as a key source of support that was of benefit to them especially when they were starting out. Therefore, this would be a good starting point for designing support for emerging freelancers.

Finally, as with the previous recommendation, co-design is an essential facet of ensuring the success of a new mentoring programme, as it will ensure that it meets the needs of emerging freelancers and is also an empowering experience for those involved.



Appendix: Interview participants and peer researcher demographics



Strengths and limitations

Within our demographics breakdown of the young people we engaged in this research project, we placed an emphasis on recruiting from ethnic minority backgrounds. There is a good representation of Black and less so, but still some Asian identifying young people. We recognise that there are many other groups of marginalised young people in the UK who are not represented in this sample.

Appendix: Interview participants and peer researcher demographics

Furthermore, due to our networks, our cohort of young people were heavily based in London. Further research would be needed to explore the journeys of other young people not based in the capital. We had a good age range of individuals throughout our specified age range of 18-24, with one outlier having recently turned 25 years of age.

Whilst we did also ask our participants about family income and class background, most did not feel comfortable disclosing this information, this emphasises the lack of trust many young people feel when taking part in research.

Our gender cohort was fairly well balanced, with slightly more young people identifying as female than male.

Most young people described themselves as 'self-employed' rather than as an 'entrepreneur.'

Types of self-employment:



Aside from other definitions, the young people that we spoke to identified mostly with their skillset. As you can see above, the way they described themselves professionally was around the type of self-employment and skills they had to offer.

Appendix: Stakeholder mapping

List of organisations:

Catch 22	Peter Jones Enterprise Academy
UnLtd	Barclays
TikTok	Forward
Prince's Trust	Bethnal Green Ventures
Twitter	Launch It
Depop	MakeShift Create
Girl Dreamer	Good Growth Hub
School for Social Entrepreneurs	Access UK
Young Enterprise	YouTube

These organisations were identified through using online search terms, including 'youth self-employment support' and 'entrepreneurship support for young people.'

TSIP also included organisations they were aware of supporting young people in this space from previous research projects. This is just a selection of organisations that provide support and interventions for young people seeking self-employment. There are other organisations that exist which did not emerge using our search terms. Importantly, there are many local organisations who are unlikely to show up at the top of an online search but that provide support at a micro level to young people in their local area.

Literature review

Key Search Terms:

Youth/Young People Self-employment, Youth/Young People's Entrepreneurship, Youth Entrepreneurialism, Youth Freelancers



References

David.R., (2010). **Universities and enterprise education. Responding to challenges of the new era.**

Dollinger, Marc, (2008). **Entrepreneurship, Strategies and Resources.** Marsh Publications.

Filion, L.J. (2004). "Two types of self-employed in Canada." Léo-Paul Dana (ed.), **Handbook of Research on International Entrepreneurship.** Cheltenham, GLOS and Northampton, MA: Edward Elgar Publishing Ltd. 308-330.

Institute of Fiscal Studies. 2019. **One fifth of self-employed sole traders don't survive one year.**

Meager, N. (2015). **Job Quality and Self-Employment: Is it (Still) Better to Work for Yourself?**

Office for National Statistics, ONS. (2019). **Young people expect high pay and leisure time from self-employment**

Schubotz, D. (2020). **Participatory Research. Why and How to Involve People in Research.** London: Sage.

The Entrepreneurs Network (TEN). (2019). **Future Founders Report.**

The European Magazine. (2022). **The year of the young entrepreneur.**

Thörnqvist, C. 2014. **Bogus self-employment in the European Union**

University of Hertfordshire. (2019). **A fairer gig economy.**

Youth Employment UK. (2021). **Youth Voice Census Report.**

Youth Futures Foundation., Clearview (2021). **Alternative Career Routes – the Rise of the Young Entrepreneur**

Youth Futures Foundation. (2019). **Ethnic disparities.**


Youth Futures Foundation. (2021). **Impact Report.**

Williams, C.C. and Horodnic, I.A. (2019). **Dependent Self-Employment: Theory, Practice and Policy.** Cheltenham, GLOS and Northampton, MA: Edward Elgar Publishing Ltd.

Get in touch:

www.youthfuturesfoundation.org

 [@YF_Foundation](https://twitter.com/YF_Foundation)

 [company/youthfuturesfoundation](https://www.linkedin.com/company/youthfuturesfoundation)

www.tsip.co.uk

 [@TSIPtweets](https://twitter.com/TSIPtweets)

 [company/the-social-innovation-partnership](https://www.linkedin.com/company/the-social-innovation-partnership)



TSIP

**youth
futures
FOUNDATION**