



Prince's Trust

THE YOUNG ENTREPRENEURSHIP REVIEW

A report from The Prince's Trust
2019-2021

The Young Entrepreneurship Review:

Foreword

The Young Entrepreneurship Review finds a clear gap between those young people who want to run their own business and those who go on to do so.

This Review from The Prince's Trust, in consultation with 18 to 30-year olds, analyses the entrepreneurial landscape for young people and identifies the barriers to self-employment, with a view to making the UK the best place to start and grow a business.

The findings and data for the Review were collected in 2019 and early 2020, before we knew that a global pandemic would impact our lives. Although the coronavirus crisis has been felt by us all, we know that young people are among the hardest hit and are significantly more likely to be unemployed than other age groups.

At The Prince's Trust we have seen that in times of economic uncertainty, entrepreneurship can equip young people with the tools and attributes to adapt to a changing labour market.

In the years following the 2008 financial crisis, for example, as the number of people working as employees fell, self-employment rose. Recent research from The Trust has found that 44 per cent of 16 to 25-year olds feel the coronavirus pandemic has made them more interested in entrepreneurship and 46 per cent think running their own business would give them "more job security" in the current economic climate.

Therefore, as we seek to overcome a period of rising joblessness and economic instability, it is more important than ever that the best possible support is in place for young people wanting to start their own business.

It is crucial that government, employers, educators and charities work together to remove the barriers to self-employment, so that young people can progress from entrepreneurial ambition into reality.

The uncertainty ahead will bring huge challenges, but if young people are supported now with the confidence, skills and finance they need to go boldly into entrepreneurship, they will build capabilities for work and be able to play a vital role in the recovery of our economy.

Jonathan Townsend, UK Chief Executive of The Prince's Trust

Background & Methodology

The Young Entrepreneurship Review was conducted by the following methods:

- An online survey by YouGov of 1,722 young people in England aged 18 to 30, including 476 self-employed or business owners and 711 potential entrepreneurs. The figures were weighted and are representative of adults aged 18-30 by gender, region, and age.
- Interviews with over 200 key stakeholders from the public, private and third sectors to gain insights into the issues facing young potential entrepreneurs and how to support them.
- Focus groups with 40 young entrepreneurs in London, Leeds and Plymouth who were in the process of setting up, or had already started, their own businesses.
- A survey of over 100 business mentors who volunteer with The Prince's Trust to provide advice, support and guidance to young entrepreneurs.
- Analysis of self-employment trends from the Office for National Statistics and on entrepreneurship from the Global Entrepreneurship Monitor.
- A Steering Group consisting of leading entrepreneurial experts who provided invaluable feedback on the emerging findings and proposed recommendations:
 - Tom Blomfield, CEO of Monzo Bank Ltd
 - Tskanya Fraser, Founder of TSKENYA
 - Fiona Murray, Associate Dean of Innovation at MIT Sloan School of Management
 - Pippa Murray, Chief Squirrel & Founder of Pip & Nut
 - Ben Towers, young entrepreneur

The Review was commissioned in 2019 by the Department for Business, Energy and Industrial Strategy.

Executive Summary

The Young Entrepreneurship Review finds that 53 per cent of 18 to 30-year olds in this country dream of setting up their own business.¹ However, data from the Office for National Statistics finds that only 7.8 per cent of 16 to 30-year olds are reported as self-employed.²

The rates of entrepreneurial activity among young people in the UK have more than doubled since 2000³, yet many still remain trapped between wanting to run their own business and actually starting one.

The findings of this report identify the barriers to young people that contribute to the gap between their entrepreneurial ambitions and their action to enter self-employment or run their own business. The findings are categorised into three key barriers: **access to finance and support, confidence and expectation, and networks.**

Access To Finance And Support

A lack of clarity on funding options available for young people, and a reluctance to borrow money, makes finance a considerable barrier for young people wanting to enter into entrepreneurship.

- 60 per cent of young people say they would like to start their own business but “don’t have the funds”
- More than three quarters are “scared to take on debt,” with many relying on personal income or sacrificing business growth instead of borrowing money

Young people from low-income backgrounds need financial support in the early stages of entrepreneurship. Without the right support, those with no financial safety net may be put off from pursuing their business idea before getting started.

- 87 per cent of young people think you need some “money in the first place” to become an entrepreneur
- The majority of self-employed claimants of Universal Credit are not eligible for welfare support beyond their first year of trading.

Figures relating to self-employment help to clarify the landscape and identify trends, but statistics specific to young entrepreneurs are difficult to find.

- Organisations that support entrepreneurs rarely provide data specific to entrepreneurs under 30, as data is often collected without age metrics.

¹ All figures, unless otherwise stated, are from YouGov Plc. Total sample size was 1722 adults aged 18-30. Fieldwork was undertaken between 3rd - 25th September 2019. The survey was carried out online. The figures have been weighted and are representative of all England adults aged 18-30 by gender, region and age.

² Office for National Statistics (2020) Young people in self-employment, England, 2019 to 2020. Available at:

³ GEM UK Adult Population Survey (APS) 2002-2019: from 4.2% in 2002 to 9.17% in 2019

Confidence & Expectation

Young people believe confidence is key to becoming an entrepreneur. However, many say that an absence of self-confidence, and no role models to look up to, is holding them back.

- 46 per cent said “confidence in my own ability” would make them more likely to start a business
- Young people consulted through focus groups reported very few entrepreneurial role models that they can draw inspiration from; in particular, any who reflect the diversity of UK entrepreneurs

Networks

Feeling as though you don't know the “right” people can alienate and isolate young people wanting to start their own business. Mentors and peer-to-peer networks offering guidance and advice are as important to young entrepreneurs as financial support

- 80 per cent of young people think you need industry contacts to start a business
- 36 per cent said “having a mentor to provide me with advice and guidance” would make them more likely to start a business
- In focus groups as part of the Review, young people reported a preference to informal, peer-to-peer networking as opposed to formal business networks



Recommendations Summary

- 1.** Many young people are sceptical about borrowing from banks and are reluctant to take on debt. The Review recommends the banking sector innovates its financial products and partnerships to provide better support to young people. This could include providing lower interest rates, more grants, and partnerships with organisations that offer wrap-round support in conjunction with funding.
- 2.** Organisations should enhance support for unemployed young people to transition easily from welfare to self-employment. By extending the period of financial welfare while young people set up their business, and offering increased early-growth support, government can work alongside a range of organisations to make entrepreneurship a more accessible employment option for the increasing number of jobless young people.
- 3.** All organisations generating data around entrepreneurship must ensure to track age metrics so that trends, successes and gaps in how young people access business support services, can be identified and addressed.
- 4.** Relatable and representative entrepreneurial role models are critical for young people to recognise self-employment as a viable option for them. Business support organisations must showcase diverse young businesspeople as a step towards inspiring diversity in the next generation of entrepreneurs.
- 5.** Mentorship is a vital and flexible tool for young people to learn and progress in entrepreneurship. Business support organisations, and other organisations looking to support youth entrepreneurship, must find effective ways to connect experienced entrepreneurs with young people looking to start their own business.

Shannon's story

Bristol-based bespoke shirt-maker and tailor Shannon, 25, from Bristol, said she knew nothing about business when she decided she wanted to start out on her own. In January 2019, she was working part-time but wanted to start her own shirt-making business.

“When I became self-employed I didn’t know anything about business. Someone I knew told me about The Prince’s Trust Enterprise course and I ended up going into The Prince’s Trust centre in Bristol and signed up for the four day Explore Enterprise course.”

While Shannon did the course, she set up a crowdfunding page to help raise money to support the business and got a website made to start attracting customers.

“The Enterprise course was so helpful, it taught me about the financial side of the business. It’s all very well having an idea but if you’re not savvy with money or don’t know how to do your accounts the business won’t work. Things can go very wrong if you don’t keep on top of your books.”

“The Prince’s Trust also gave me a mentor to support me. I still speak to her regularly as she’s so supportive. It makes such a difference.”

When the pandemic hit, the risk of coronavirus was greater for Shannon who has Crohn’s disease, and for some time she had to shield. However, Shannon wanted to continue working to support key workers.

Using a crowdfunding campaign, Shannon raised money to buy material which enabled her to make nearly 2,000 scrub bags for NHS workers and she distributed them to local hospitals.

“It was amazing to be able to do this but on the business side, things were very quiet. I wasn’t able to qualify for the self-employment support as I hadn’t been full-time self-employed for long enough. I’d applied for universal credit but I wasn’t getting enough to pay for many of my business costs.”

Shannon had been using an overlocking sewing machine from her grandmother which was over 60 years old. However, during the crisis it had broken beyond repair and she ended up having to turn business away because she didn’t have the tools. That’s when she received an email from The Prince’s Trust.

“I received an email that said I might qualify for funding from The Trust. As I read on, I was so pleased to find out that I was eligible and, from speaking to someone at The Trust, I was able to get a £760 grant.”

“I was really, really happy as it meant I could buy a new overlocker which is absolutely crucial to my work. I can now start taking on more orders. I’ve already had a few orders of shirts which I can make a start on!

“It’s a really nice feeling to know that you’ve got support through all of this. Particularly as I’ve been poorly with Crohn’s but I still want to work.

“I recommend The Prince’s Trust to many people. The support is great and I know that I haven’t even utilised all the support that’s available.”

Report Findings

STATE OF YOUNG ENTREPRENEURSHIP

Intention versus Action

The Young Entrepreneurship Review finds a clear entrepreneurial spirit and ambition in young people in England. Over half (53 per cent) of 18-to-30 year olds “dream of setting up [their] own business,” 63 per cent have seriously considered setting up their own business, and over a third (37 per cent) have an idea that they think could be used to start a business.

Despite this entrepreneurial intention, analysis of the Annual Population Survey by ONS shows that that only 7.8 per cent of 16-to-30 year olds in employment in England reported as self-employed in 2019⁴. Only a small proportion of young people with entrepreneurial intention are progressing into entrepreneurial action.

Figures also find that 48 per cent of young people say they envy their friends who are their own boss, and 65 per cent say they would consider being self-employed but “don’t know where to start.”

The below findings demonstrate why young people feel they have not progressed from entrepreneurial intention into entrepreneurial action:

“I would be more likely to start my own business if I:

...had more confidence in my own ability” - 46%

...received a grant for start-up funding” - 44%

...had a mentor to provide me with advice and guidance” - 36%

...had business or enterprise training or education” - 27%

Entrepreneurial Activity

The Global Entrepreneurship Monitor (GEM) is a barometer of levels of entrepreneurship in 50⁵ economies, including the UK. The main indicator is Total early-stage Entrepreneurial Activity (TEA), which is the percentage of working age population (18-64 years old) who are either nascent entrepreneurs (within the first three months of entrepreneurial activity) or new business owners (with an enterprise of up to 3.5 years old).

⁴ Office for National Statistics (2020) Young people in self-employment, England, 2019 to 2020. Available at: <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/adhocs/12069/youngpeopleinselfemploymentengland2019to2020>

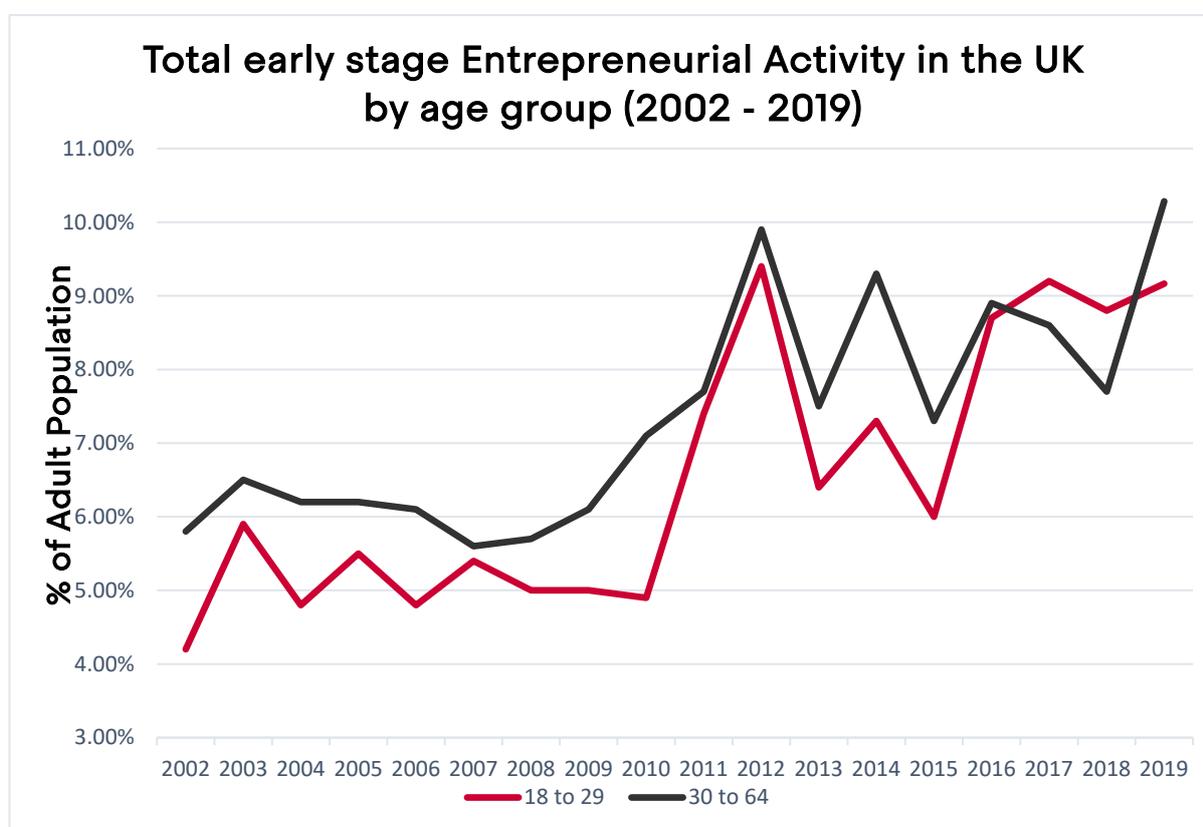
⁵ 50 sovereign nations in 2019

Their most recent findings, summarised below in Figure 1, illustrate the increase of young entrepreneurship since 2002, with a sharp rise between 2018 and 2019.

Previous recessions indicate that young people turn to entrepreneurship in the wake of economic downturn. Similar patterns may follow as the economy begins to recover from the coronavirus pandemic.

Recent research from The Trust has found that 44 per cent of 16 to 25-year olds feel the coronavirus pandemic has made them more interested in entrepreneurship and 46 per cent think running their own business would give them “more job security” in the current economic climate.

Figure 1: Total early-stage Entrepreneurial Activity in the UK by age group (2002-2019)⁶



International Comparison

Total early-stage Entrepreneurial Activity for UK 18-24 year olds was 9 per cent in 2019, faring well against many European countries such as Spain, with 4.97 per cent, but falling short of Ireland and the United States, with 14.23 per cent and 15.8 per cent respectively⁷.

The findings of this Review are intended to help inform future decision-making, with a view to making the UK the best place to start and grow a business.

⁶ GEM UK Adult Population Survey (APS) 2002-2019

⁷ GEM Adult Population Survey (APS) 2019

KEY BARRIERS TO ENTREPRENEURS

ACCESS TO FINANCE AND SUPPORT

Loans: a blessing and a curse

At the start of 2020, lending to UK small businesses remained lower than before the 2008 financial crisis. This report finds that **more than three quarters (76 per cent) of young people are scared to take on debt**, with many young entrepreneurs relying on personal income or sacrificing growing their business instead of borrowing money.

This highlights barriers in both the supply and demand for finance, with banks reluctant to lend to those with unproven credit history, and young people choosing to avoid external finance.

The findings in this report show a clear need for financial support among young people interested in entrepreneurship, with 60 per cent saying they would like to start their own business but “don’t have the funds” and 87 per cent saying that to start a business “you need some money in the first place.”

The reasons young people tend not to consider external finance are often due to lack of information about their available options. Over a quarter (27 per cent) of young people surveyed agreed with the statement “**mainstream banks don’t lend to people like me,**” and 24 per cent agreed that “there are no financing options for me.” 80 per cent had never applied for a loan from a mainstream bank at all, and 84 per cent had never applied successfully.

Young people also perceive interest on loans to be a hurdle. Committing to repayments in the early stages of running a business can feel counter-intuitive, and paying interest on top was often reported in focus groups as feeling irresponsible.

*“[Repaying interest] is an added pressure that I don’t need. I have known people who have taken loans out and it went badly for them. It never interested me.”
(Daniel, London)*

“You feel like it is a bit safer to use your own money – you are not putting yourself in a position that will be harder to get out of.” (Angela, London)

“We waited until we had that money and then we reinvested it. We’re not massive risk-taking people. It’s helpful to be realistic... maybe slightly pessimistic.” (Rosy and Jenny, London)

Recommendation 1: Innovation in funding

The interviews and research undertaken as part of this review suggest that young people are often sceptical about borrowing from banks and reluctant to take on debt. The Review therefore recommends the banking sector innovates its financial products and partnerships with a focus on the needs of young people, with a view to unlocking the next generation of entrepreneurial talent. This could include providing lower interest rates, more grants, and partnerships with organisations that offer wrap-round support in conjunction with funding.

Due to a reluctance to take out loans, this report finds that grants in particular are more appealing to young people. Forty-four per cent of young people surveyed said that “receiving a grant for startup funding” would make them more likely to start a business. Offering more grant options and lower interest rates can help to support young people access the finance they need at the start of their entrepreneurial journeys.

From Welfare to Self-Employment

55 per cent of young people “don’t know how to finance [their] business idea”

87 per cent of young people think that “having some money in the first place” is needed to become an entrepreneur. This perception is particularly alienating to those without savings or financial support.

The Department for Work and Pensions (DWP) and Jobcentre Plus (JCP) are vital in making self-employment a viable option. They have the capacity and potential to offer inspiration, guidance, and skills to unemployed young people who have entrepreneurial ambitions, as well as a crucial financial safety net during the outset of their venture.

The DWP’s New Enterprise Allowance (NEA) has had some success in providing financial support to young people who need it in their early stages of entrepreneurship. The Review heard from organisations who would like to see it go further: IPSE and Community recommend that the duration of NEA support is extended, and that work coaches are incentivised to raise awareness amongst eligible participants.⁸

A significant proportion of young entrepreneurs from low-income backgrounds are likely to require the financial safety net of Universal Credit during the nascent period of their venture. The Prince’s Trust and NatWest found in 2016 that welfare benefits were vital to many young entrepreneurs when starting out⁹.

Universal Credit was designed so that a Minimum Income Floor (MIF) – most easily described as an assumed level of earnings – can be used to calculate a self-employed

⁸ Making self-employment work for disabled people, IPSE and Community, 2019

⁹ Trust in Business, The Prince’s Trust and NatWest, 2016

claimant's Universal Credit Award. Following a 'Start-up Period' of one year, this assumed level of earnings (approx. £1,300 a month, in most circumstances¹⁰) determines whether a self-employed claimant is eligible for financial support, and then the level of that support.

Research studies suggest this means **a significant majority of self-employed claimants are therefore not eligible for welfare support beyond their first year of trading**. The Mone Review found just 29 per cent of businesses would be earning over £1,000 per month after the first year of trading.¹¹ The RSA found that the average monthly earnings for the self-employed are £308 in the first year of trading, and £665 in the second.¹² The OBR estimates that the MIF in 2022-23 will overwrite the actual income for around two thirds of self-employed UC claimants. And on average, those affected are assumed to lose around £3,000 relative to what they would receive if the MIF were not in place.¹³

Therefore, it is possible that potential entrepreneurs who don't have a financial safety net may be deterred from persevering with their business before they have had sufficient time to build it.

The Minimum Income Floor is suspended due to the COVID-19 pandemic, removing the assumed level of earnings. It is due to be reintroduced gradually from June 2021.

As the Minimum Income Floor is reintroduced, numerous stakeholders have told the Young Entrepreneurship Review that any future Start Up period should be extended to at least 24 months, include an enhanced level of business support, and a tapered introduction of the MIF.

Stakeholders also suggested the Government could build on the success of the New Enterprise Allowance programme, including through raising greater awareness amongst eligible young people.

Recommendation 2: An enhanced pathway of support for the unemployed moving into self-employment

Organisations should enhance support for unemployed young people to transition easily from welfare to self-employment. By extending the period of financial welfare while young people set up their business, and offering increased early-growth support, government can work alongside a range of organisations to make entrepreneurship a more accessible employment option for the increasing number of jobless young people.

¹⁰ These circumstances are dependent on the level of work expectation. There are several circumstances in which the MIF would be lower than £1,300.

¹¹ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/511542/boosting-enterprise-in-more-deprived-communities.pdf

¹² <https://www.thersa.org/discover/publications-and-articles/rsa-blogs/2016/10/the-self-employed-rich-poor-or-something-more>

¹³ <http://obr.uk/wtr/welfare-trends-report-january-2018/>

Data gaps

The level of self-employment in the UK has increased rapidly in recent years, from 3.3 million people (12 per cent of the labour force) in 2001 to 4.8 million (15.1 per cent) in 2017¹⁴. Figures relating to self-employment help to clarify the landscape and identify trends, but **statistics specific to young entrepreneurs are difficult to find**.

Side-hustles and the gig economy¹⁵ may not be fully captured in official statistics. Henley Business School estimated in 2018 that 25 per cent of all adults had a side-hustle and that this was even more prevalent amongst younger groups (34 per cent of 16-24-year olds and 37 per cent of 25-34-year-olds) and predicted that these proportions would continue to rise¹⁶. The impact of the Covid-19 pandemic is likely to significantly increase these numbers further.

One major barrier in understanding which support services are most useful to young entrepreneurs both inside and outside of the gig economy is an absence of relevant data. Organisations that support entrepreneurs, such as Growth Hubs and Local Enterprise Partnerships (LEPs), rarely provide data specific to entrepreneurs under 30, as the majority of data is collected without any age metrics. If this information were regularly reported on, a clearer understanding of the behaviours of young entrepreneurs could be established, and used to identify any gaps in how services are connecting with this demographic.

In consultation through this Review, Growth Hubs and Local Enterprise Partnerships have agreed to review the metrics that they collect and ensure age is included, with a view to building a national understanding of how young entrepreneurs access their services.

Recommendation 3: Collect data on the use of business support services by age

If all organisations generating data around entrepreneurship can track and collect age metrics, it would enable trends, successes and gaps in how young people access business support services to be identified and addressed.

¹⁴ Office for National Statistics (2018) Trends in self-employment in the UK: Analysing the characteristics, income and wealth of the self-employed. Available at: <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/articles/trentintheuk/2018-02-07>

¹⁵ There is no formally agreed definition of the gig economy, and the legal rights of its workers remain in dispute. Recent case law has found gig workers to qualify for worker status, while companies have sought to categorise them as self-employed on the basis that they serve their own clients and are not obliged to work. Whilst the gig economy can offer flexibility and independence, young people in particular are at risk of becoming trapped in its sometimes low-paid and unstable work. The surrounding debate is summarised in a House of Commons briefing paper in March 2018: Pyper, D., Seely, A., Brown, J. and Powell, A. (2018) Employment status. House of Commons Library, Briefing Paper CBP 8045. Available at: <https://researchbriefings.parliament.uk/ResearchBriefing/Summary/CBP-8045>

¹⁶ Henley Business School (2018) The Side Hustle Economy. Available at: https://assets.henley.ac.uk/defaultUploads/PDFs/news/Journalists-Regatta-Henley_Business_School_whitepaper_DIGITAL.pdf



CONFIDENCE AND EXPECTATION

“I had a mental block about my appearance - ‘you are a big black guy with a gold tooth.’ [I was] apprehensive that when speaking to a client they may stereotype me, but now I’m more confident in own skin, and can talk to anyone.”

(Emmanuel, London)

The majority (91 per cent) of young people believe that confidence is necessary to become an entrepreneur, and just under half (46 per cent) say that they would be more likely to start a business if they were more confident. This report found over half (52 per cent) of young people have “never been taught about running [their] own business,” and over a quarter (27 per cent) said that “business or enterprise training or education” would make them more likely to start a business.

Outside of formal education, confidence can be built through engagement with the many effective business support services operating across the country, which can also aid in setting realistic expectations. **The future of many of these services is uncertain**, as many benefit from European Regional Development Funding, and young entrepreneurs report that navigating this landscape is complex. It is difficult to identify local, relevant and accessible services, particularly if you are new to entrepreneurship and unsure of the type of support you need¹⁷.

Review partners also raised the issue of the recent proliferation of online scams designed to appeal to young people as get-rich-quick schemes. The credibility of online courses and advice can be difficult to verify.

“I listen to podcasts and follow people online who offer advice, but not just anyone. There is so much advice online, you need to check that it is well reviewed, and has a good evidence base.” (Jake, Plymouth)

Some of the language surrounding entrepreneurship – including the word ‘entrepreneurship’ itself – can contribute to the portrayal of self-employment as an inaccessible choice. Almost half (49 per cent) of young people disagree that they would describe themselves as entrepreneurial, and only 8 per cent of the ‘self-employed, business owners and side-hustlers’ who responded to our survey identified with being ‘an entrepreneur’.

Young people claim to have **very few entrepreneurial role models** whose progress and career paths they can draw inspiration from. Accurate representation that reflects the diversity of UK entrepreneurs is difficult to find – though the UK has significant numbers of young entrepreneurs from all different backgrounds and communities, other young people aren’t aware of them, which undermines their perception of entrepreneurship as a viable career choice.

¹⁷ Findings supported by the Mone Review (2016): Boosting enterprise in more deprived communities

“When [clients] see a young girl, they expect someone older - I can see it in people’s faces. Once I get going, confidence comes.” (Grace, Plymouth)

Forty-six per cent said “confidence in my own ability” would make them more likely to start a business. The focus groups discussed how being able to identify successful individuals from communities similar to your own is a critical element in building self-belief and confidence. Representation is as fundamentally important in entrepreneurship as in any other area of life, and can clearly demonstrate that self-employment is a viable option to those who might not otherwise recognise it as such.

Some participants in our focus groups reported having experienced discrimination in their work based on their gender and race. Overcoming additional barriers presented solely because of an individual’s protected characteristics are important considerations for business support services, with the precedent for openly discussing inequalities established by The Rose Review in 2019.

“For my first year of my business, I had a picture up of myself on my website, and then I got a message, it wasn’t very nice actually and I had to remove my picture because I felt really uncomfortable... So, I don’t know if it’s a perception thing, is it youth, is it colour, I don’t know.” (Rumbi, London)

Recommendation 4: Role Models and Representation

Relatable and representative entrepreneurial role models are critical for young people to recognise self-employment as a viable option for them. Business support organisations must showcase diverse young entrepreneurs to inspire the next generation.

The Prince’s Trust has been working with Innovate UK to identify and empower diverse young entrepreneurs with creative and ground-breaking business ideas, and will continue this partnership with a specific focus on foregrounding and celebrating this diversity.





NETWORKS

*"I am surprised at how much help there is out there – there's loads. It's just finding the right place. I mean I never would have dreamt that I would have three well-known organisations helping me. I thought I'd be by myself."
(Jake, Leeds)*

Eighty per cent of young people think you need industry contacts to start a business. This belief can alienate young people from investigating entrepreneurship, because they may not think they know the right people to start up in business. Organisations that provide not only financial support in isolation, but **wrap-round holistic support**, are appreciated by young people because of their ability to facilitate connections with mentors, advisors and role models; 36 per cent said "having a mentor to provide me with advice and guidance" would make them more likely to start a business.

"The Prince's Trust loan was my first investment, and proved that I can use money wisely. It was such a great opportunity to not just have money, but also to receive help, support and mentoring." (Hayley, Plymouth)

Young people **tend to favour informal peer to peer connection** and specific mentoring programmes over more formalised networks, which can feel inaccessible to young entrepreneurs.

"A friend of mine runs [an informal network] that is centred around business networking but going out afterwards. It removes the barrier often created by the formality of networking and gets people in a comfortable space to chat." (Jonny, Leeds)

"I looked for business networks and went to one that was free. It's strange to go to a bar for a networking event [but] it was really, really useful to meet others and get introduced to people who I can call on and get advice. It's still paying dividends." (Hayley, Plymouth)

Recommendation 5: Expand mentoring options

Mentorship is a vital and flexible tool for young people to learn and progress in entrepreneurship. Many business support organisations, and other organisations looking to support youth entrepreneurship, are in strong positions to connect experienced entrepreneurs with young people looking to start their own business.

"I have to balance caring for three people and making a product. I felt like I had failed already, but I've been able to go back to my business mentor and get a new direction. I now know what I am going to do – I changed it to fit in with my responsibilities." (Chantelle, London)

Acknowledgements

The Young Entrepreneurship Review would not have been possible without the considered and insightful input of the young entrepreneurs who attended our focus groups across England throughout the Summer of 2019. Your perspectives, reflections and ideas have been vital in both establishing and pursuing our lines of enquiry, and any progress that the private, public and third sectors make in response to this Review is thanks to your honest and committed participation.

The Prince's Trust has also received remarkable support from multiple partners across the entrepreneurial community, consulting a significant number of stakeholders, each of whom generously contributed knowledge, feedback, challenge, insight and support. The Prince's Trust estimates that there are over 200 of these partners, and as such cannot list them all, but is grateful to every individual and organisation that generously gave their time and expertise.

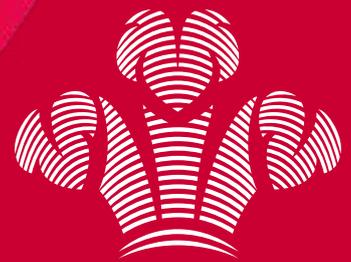
We would also like to thank our research partners. Professor Mark Hart, Dr Karen Bonner, Neha Prashar and Anastasia Ri provided updated GEM data and Bonnie Lewis, Mike Welsby and Esther Akleh-Amankwah of ONS provided further data and analysis of self-employed young people.

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The Young Entrepreneurship Review was conducted and written by Marc Craw, Emma Howard, Zach James, Moneeba Mahmood, Aaron Mo, Richard Rigby, Alban Stowe and Georgina Wiltshire.

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