



ybi | Youth
Business
International

Responding to the Needs of Young Entrepreneurs

Youth Business International's
COVID-19 Rapid Response & Recovery
Learning

Introduction

2020 has been an extraordinary and difficult year for all of us as COVID-19 has swept across the globe. For millions of young entrepreneurs aiming to beat the odds and build a successful business the challenge of unexpected lockdowns, social distancing, disrupted supply chains and catastrophic economic shocks could end their dreams. Many were forced to quickly react or risk failure. *How can my business survive? What can I do to pivot? Is there a way to thrive?* Meanwhile millions of young people who aren't yet entrepreneurs -many facing job losses and an uncertain future- started questioning *"can I and should I be an entrepreneur"*.

Helping young people through this crisis is crucial; as with the 2008 recession, the economic impact of COVID-19 will disproportionately affect young people and women¹. Recent assessments by the ILO predict that almost 25 million jobs could be lost worldwide² and already young people are reporting significant losses with two out of five under 30 reporting a reduction in their income since the start of the pandemic³.

Youth Business International (YBI) with support from Google.org and Accenture, is leveraging our 20 years of experience and that of our 70 members and delivery partners across 65 countries to rapidly respond to meet the needs of entrepreneurs. We are adapting and scaling our existing services, as well as adding new services and ways of working to our approach. To date we have reached over 130,000 entrepreneurs during the pandemic, to help them protect their businesses.

This paper highlights what has been implemented to date and pulls together learning and recommendations for best practice in response and recovery in 2021.

What really matters?

The YBI network has found the following components to be the critical ways for Entrepreneurship Support Organisations (ESOs) to support entrepreneurs facing this ongoing crisis:

Stimulate and support the **business pivots** that are essential for **survival and growth**.

Prioritise **emotional resilience**.

Enable **digital solutions** that offer the promise of survival and new ways of working.

Invest in and develop fully **inclusive outreach and programmes**.

¹ Facing the Job Crisis: <http://www.oecd.org/employment-outlook/2020/>

² International Labour Organization, COVID-19 and the world of work: Impact and policy responses, 18th March 2020.

³ International Labour Organization, Youth & COVID-19: Impacts on jobs, education, rights and mental wellbeing: https://www.ilo.org/wcmsp5/groups/public/---ed_emp/documents/publication/wcms_753026.pdf.

WHAT ENTREPRENEURS NEED

Survival and growth hinge on effective business pivots

Business models and products rapidly lose market relevance in response to spending fluctuations and shifts in client demands. Entrepreneurs must make rapid ongoing pivots to their businesses, yet many struggle to identify and leverage new market opportunities.

Actions

To support entrepreneurs to pivot their businesses, the YBI Network is providing:

- Technical webinars and training on strategic planning, crisis business and financial management, understanding clients during times of crisis and product development.
- Mentoring and advisory support to identify and implement business options.
- Business clinics and hackathons to bring entrepreneurs together to share experiences and ideate new solutions.

Impact

Of the 37,000 entrepreneurs who have received in-depth support from the YBI Network, over 24,000 have reported that they have increased their technical business skills and nearly 13,000 have made significant adaptations to strengthen their business model during the ongoing crisis.

Key pivots include creating new products to respond to COVID-19 needs, repurposing core offerings and add-on services, reaching out to new markets, switching to or including high demand products, and innovating services and pricing models to remain market relevant.

Key pivots

Repurposing core offerings and creating add-on services

Rebecca Page, a pattern designer and creator of UK home sewing brand Rebecca Page Ltd, has seen a huge growth in her online sewing community: “We’ve done a mini pivot from producing clothing patterns to providing more crafty things like home sewing kits, where people can easily sew bags and toys at home.” With support from UK delivery partner Hatch, Rebecca has established online tutorials for clients and has leveraged social media to engage more with those in isolation to build a sewing community.

Reaching new markets

Palesa Mashinini, like many entrepreneurs, lost her market because of the crisis. Supported by German YBI member KIZ, Palesa identified the opportunity to expand from business-to-customer sales to business-to-business sales, which has provided a new thriving market to tap.

Innovating services and pricing models

Morgan Schaafsma, in Australia, worked with YBI member Many Rivers to take her creative art business online. With a 30-day art challenge format hosted on Facebook, a ‘pay what you think’ approach to course costs, and a focus on building an online community, Morgan found that she was able to maintain a steady income.

Insights

Entrepreneurs are in various states of pivots – many pivoted in the early stages of the pandemic, others may have made a series of pivots over the period, whilst others have not needed to pivot. The level and necessity of pivot will be driven by individual business models, the local and national context, and their level of access to financial support.

The continuing nature of the COVID-19 crisis means that entrepreneurs need to build their own capacity to identify and implement pivots. Services must build their long-term coping strategies and ability to pivot themselves.

Recommendations

- Create dedicated spaces for entrepreneurs to ideate and think creatively away from their businesses. We recommend services such as hackathons and business clinics.
- Equip staff, advisors, and mentors with up-to-date information and advice on how to best support entrepreneurs through rapid and potentially ongoing pivots.



Khin Maung Zin is supported by YBI Delivery Partner ONOW. Khin Maung's business helps factory workers who are on tight budgets meet their basic needs by providing a one month credit system. When COVID-19 hit he started receiving bespoke business coaching to help him keep his prices competitive and work out credit plans for his customers who were out of work.

Digital solutions that offer the promise of survival and new ways of working

Entrepreneurs have not always optimised technology and digital approaches in their businesses. COVID-19 has led to a scramble amongst entrepreneurs to rapidly digitalise their operations and increase their online presence to ensure that they remain relevant.

Actions

To support entrepreneurs to find digital solutions, the YBI Network provided:

- Technical equipment, such as laptops, smartphones, data credit, and earphones to underserved entrepreneurs to close the digital gap.
- Digital literacy training to those who had limited digital capabilities.
- Webinars and trainings on e-commerce strategies, social media campaigns, digital marketing and advertising, and website design.
- Advisory and mentoring support on how to adapt digital approaches.

Impact

One of the most significant adaptations noted by the nearly 13,000 entrepreneurs who have made changes to their model was the digitalisation of their business and their increased digital presence.

"I saw the light of hope again. I immediately changed my business plan and prioritised online marketing, linkages, and selling. Now, I am very active on social media and I can promote my business. It helped to keep the wheels on my business during COVID-19."

Momin Dewan, founder and owner of the leather goods manufacturer Samu Leather, is being supported by B'YEAH, YBI's member in Bangladesh.

"We are developing a new digital strategy for our business, including offering online talks with authors and readers, and introducing an e-commerce platform."

Alice Angelotti and Anita Ballabio, proprietors of the independent bookshop Libreria Coteccia, Italy, who are being supported by Italian member, MicroLab.

Insights

Access to technology can be significantly impacted by location, gender, and wealth. The level of digitalisation can be slower for underserved entrepreneurs, such as women, refugees and other migrant groups, and those in rural locations. In some situations, digital literacy training and tech products (laptops, smartphones, credit) were provided to entrepreneurs to enable them to engage with digitalisation at the most basic level.

The key steps taken by entrepreneurs to digitalise their businesses were: investment in creating or updating websites, strengthening of social media and e-marketing products to retain and attract customers, new forms of e-payment, and developing new sales and distribution channels. These changes are long-term investments which can be sustained throughout and beyond the crisis; allowing entrepreneurs to run their business in new ways, creating opportunities and increasing their long-term resilience to future shocks.

Many YBI members had to rapidly digitalise their services at the onset of COVID-19. Similarly to entrepreneurs, not all network members are proficient in digital approaches; additional training and capacity strengthening are needed to address gaps for members.

Recommendations

- Don't assume homogenous skills levels amongst entrepreneurs. Build digital trainings and resources that reflect the spectrum of digital skill and progress - this takes more time and resource but ensures all entrepreneurs can progress with digitalisation.
- Entrepreneurs are reliant upon Entrepreneurship Support Organisations (ESOs) to have the skills and knowledge to support them to digitalise. ESOs must assess their own capacity to deliver and invest in capacity strengthening, resource building, or personnel and partnerships where gaps are identified.



Renny Agfhany's bed linen business had been doing well, but when COVID-19 hit Indonesia and people began limiting their non-essential spending to a minimum, she was forced to temporarily shut her business down. She soon changed her business model completely to sell frozen foods with support from YBI's delivery partner YCAB Foundation, who have provided her with training on how to manage her finances better. She now also plans to improve her digital skills.

Support to build emotional resilience

The pandemic has significantly affected entrepreneurs' wellbeing and ability to cope, with young entrepreneurs being more likely to be affected by psychological issues, such as stress, anxiety, and loneliness than other age group⁴.

Actions

To support entrepreneurs' emotional resilience, the YBI Network is providing:

- Ongoing mentoring support.
- Training on soft skills, such as communication, negotiation, and grit.
- Peer-to-peer events and spaces, such as business clinics and social media forums, to share experiences with those going through the same challenges.
- Helplines at the height of the crisis (March-July 2020) to provide emergency advice and up-to-date information to keep entrepreneurs informed. As demand has reduced with time, many of these helplines are being pivoted towards customer service support.

Impact

Over 70,000 entrepreneurs have accessed helplines and advice centres with over 20,000 entrepreneurs supported with mentoring and advisory inputs. From this latter group, 87% feel they have improved how they cope with the uncertainty they face during the ongoing COVID-19 crisis.

Insights

A good mentoring relationship can be the difference between business success and failure - especially during this crisis. Entrepreneurs have found this vital because they feel accompanied as they navigate the technical and emotional challenges of the pandemic. This works best when implemented for at least three months with continued regular engagements.

Entrepreneurs are also drawing strength even from short engagements, such as calling advice helplines. In many cases, these have been the first source of advice and comfort for many entrepreneurs during the crisis. In an increasingly digital era, the 'voice at the end of the line' is vital for the wellbeing and mental health of entrepreneurs.

Peer to peer support and learning is vital. This approach has been fostered through business clinics, hackathons, and support groups - often hosted on social media. These forums allow entrepreneurs to discuss their experiences and connect with people going through similar challenges.

Recommendations

- Don't rush mentoring support. Plan for these relationships to last a minimum of three months and be based on regular engagements.
- Invest in dedicated services which build and improve soft skills amongst entrepreneurs.
- Identify referral routes for those entrepreneurs who may need professional mental health support and ensure customer-facing staff and volunteers are all trained in appropriate safeguarding techniques and understand reporting procedures.
- Invest in strengthening the capacity of mentors to deal with the emotional fallout of the pandemic that entrepreneurs are experiencing.

4 OECD Policy Responses to Coronavirus (COVID-19): Youth and COVID-19: Response, recovery and resilience: <http://www.oecd.org/coronavirus/policy-responses/youth-and-covid-19-response-recovery-and-resilience-c40e61c6/>

“Growth and Performance Skills (GPS) training is really good! In this situation, I was almost helpless. Because of the Coronavirus, I could not keep my business open, but still had to pay salaries to my employees. It was too hard for me. But after this training I can make a proper plan for my business and have actually already started doing it”.

Jahan Khursida, participant, YBI's GPS training.

“The most beneficial support I have received from ONOW is having an in-depth very close relationship with a personal coach for my business. Having a pair of ears to listen to the problems I am dealing with, supporting me to get a clear way to move forward means everything to me and my family. I have learned showing compassion to customers in this crisis from ONOW.”

Khin Maung Zin, an entrepreneur supported by delivery partner ONOW in Myanmar.

“Adie fully supported me. From the first week of isolation, when my adviser called... It touched me that she offered help. Adie have been there every step of the way.”

Chaima Doya, an entrepreneur supported by YBI member Adie in France.



Basel Al-Sililati arrived in Sweden as a refugee from Syria in 2014. Supported by his family and two friends, he opened Almalek, a Middle Eastern restaurant - but when COVID-19 struck, his profits fell almost 90%. With the support of YBI's Swedish member NyföretagarCentrum, he started offering a take-away and catering service. The organisation has provided Basel with access to business support opportunities and ways to adapt his business plans, as well as help from an Arabic-speaking counsellor who has helped him to access finance by liaising with the banks on his behalf.

Outreach and programmes that are fully inclusive

Responding to the needs of underserved entrepreneurs, such as young people (18-35 years), women, rural-based entrepreneurs, and refugees and other migrant groups, is essential. These groups are more likely to have reduced access to entrepreneurial support and services and are at risk of being left even further behind during a protracted pandemic.

Actions

To improve inclusivity, the YBI Network is providing:

- Several projects dedicated to specific underserved groups including women and young people.
- Recruitment, marketing, and impact materials that showcase diverse and underrepresented groups.
- ‘Watch again’ services to allow entrepreneurs to engage with webinars and talks as many times as they need and in line with their schedules.
- Services and products translated into relevant languages.
- Equipment, such as phones, laptops, and credit to those who have limited access and means to engage with digital services.
- Local and national level lobbying and advocacy to create systemic change to entrepreneurial services and structures, such as access to finance, which young people, women, and refugees and other migrants have more limited access to than other groups.

Impact

So far, 16,000 women, 8,600 young people, and 6,700 refugees and people from other migrant groups⁵ have been reached with webinars, trainings, mentoring and advisory support.

Insights

The visual representation of programmes must reflect the diversity of the target groups. If underserved groups cannot see themselves reflected in the recruitment, marketing, and impact materials of an organisation they feel less confident in accessing its services.

Advisors, coaches, and mentors often play an intermediary role for some refugee and migrant entrepreneurs. Advisors have been present on calls with banks, local authorities, and with landlords to advocate and support young entrepreneurs where language or confidence may be a barrier.

Recommendations

- Reaching and effectively supporting underserved groups may cost more and potentially take more time; ensure that budgets and workplans realistically reflect the change process for underserved groups.
- Continue to assess the true cost of working with these groups and share this data with peers and donors to increase awareness.
- Listen to what underserved entrepreneurs need and what works for them. Invest in real-time segmented data collection and empowering feedback mechanisms.
- Set clear achievable goals and budgets for improving internal capacity on developing inclusive outreach and support. Be realistic in your current capacity and what can be achieved; use any improvement as a building block to the next stage.

⁵ This figure is likely to be consistently underreported across our Network due to the legal restrictions that many countries face in their attempts to collect personal data.

IMPLICATIONS FOR RECOVERY

2021 and beyond

Entrepreneurs will continue to need guidance on how to pivot businesses to the changing context, digital solutions that offer the promise of survival and new ways of working, and continuous building of emotional resilience and personal development.

The only way we build strong services is through continuous engagement and listening to the entrepreneurs we work with on what they need and what services are working for them. This is most effective when it is collected in real-time and segmented to reflect the diverse demographics and needs of entrepreneurs.

The YBI Network will continue to integrate the following elements into our work and we believe other entrepreneurship support organisations should too.



Anja Beer, supported by German member KIZ. “My entire business model is based on personal contact and consultation hours. More than 90 percent of my previous income has been lost through COVID-19. I didn’t know how to reach my customers online and that’s why I contacted Soforthelfer.org. They helped me to explore new digital paths and also gave me a personal boost through their experience.”

YBI's Recommendations for Continued Response & Recovery



Enable survival and growth through business pivots

- Build dedicated spaces for entrepreneurs to ideate and think creatively away from their businesses. We recommend services such as hackathons and business clinics.
- Capacitate staff, advisors, and mentors with up-to-date knowledge and advice on how to best support entrepreneurs through rapid and potentially ongoing pivots.
- Assess whether additional or different services are needed to support pivots for social enterprises. Provide disaggregated services where necessary.



Invest in digital solutions that offer the promise of survival and new ways of working

- Don't assume a homogenous skills-level amongst entrepreneurs. Build technical inputs that reflect the spectrum of digital skill and progress; this takes more time and resource but ensures all entrepreneurs can progress on their digital pathway.
- If prioritisation must take place, always focus on those with the most limited digital presence.
- Entrepreneurs are reliant upon ESOs to have the skills and knowledge to support them to digitalise. ESOs must assess their own capacity to deliver and invest in capacity strengthening, resource building, or personnel where gaps are identified.



Prioritise emotional resilience

- Invest in dedicated services which build and improve soft skills amongst entrepreneurs.
- Identify referral routes for those entrepreneurs who may need professional mental health support and ensure customer-facing staff and volunteers are all trained in appropriate safeguarding techniques and understand reporting procedures.
- Invest in strengthening the capacity of mentors to deal with the emotional fallout of the pandemic that entrepreneurs are experiencing.
- Don't rush mentoring support. Plan for these relationships to last a minimum of three months and be based on regular engagements.



Invest and develop fully inclusive outreach and programmes

- Listen to what underserved entrepreneurs need and what works for them. Invest in real-time segmented data collection and empowering feedback mechanisms.
- Set clear achievable goals and budgets for improving internal capacity on inclusivity. Be realistic in your current capacity and what can be achieved; use any improvement as a building block to the next stage.
- Reaching and effectively supporting underserved groups costs more and take more time; ensure that budgets and workplans realistically reflect the change process for underserved groups. Continue to assess the true cost of working with these groups and share this data with peers and donors to increase awareness.



About Youth Business International

When young people become entrepreneurs, they unlock income generation, job creation and economic growth. Yet for too many young people, starting a business feels out of reach, exclusive and unavailable to them.

YBI supports young people around the world to start, grow and sustain businesses, leveraging entrepreneurship to create decent work and drive inclusive economic growth, whilst transforming livelihoods and strengthening communities.

Our global network acts as a platform for members to exchange ideas, knowledge and insights, and to collaborate in a way that catalyses entrepreneurs' success and multiplies impact.

Our efforts are particularly focused on disadvantaged young people, equipping them to build the skills, confidence and connections they need to beat the odds and become successful business owners. By operating at the crossroads of business and social development, we support the entrepreneurs that are shaping the future, working to solve some of the greatest challenges of our time, and creating opportunities - not just for themselves but for us all.

This report was made possible through YBI's partnerships with Google.org and Accenture.

Google.org supports YBI's Rapid Response and Recovery Programme, enabling YBI members and delivery partners in 32 countries to provide a package of support to underserved micro, small and medium businesses to respond to the COVID-19 crisis.

Accenture, a long standing partner, supports YBI's innovation agenda and front-line support for the network, including programmes such as the Digital Accelerator, SOS Mentoring, and Growth and Performance Skills Training.

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