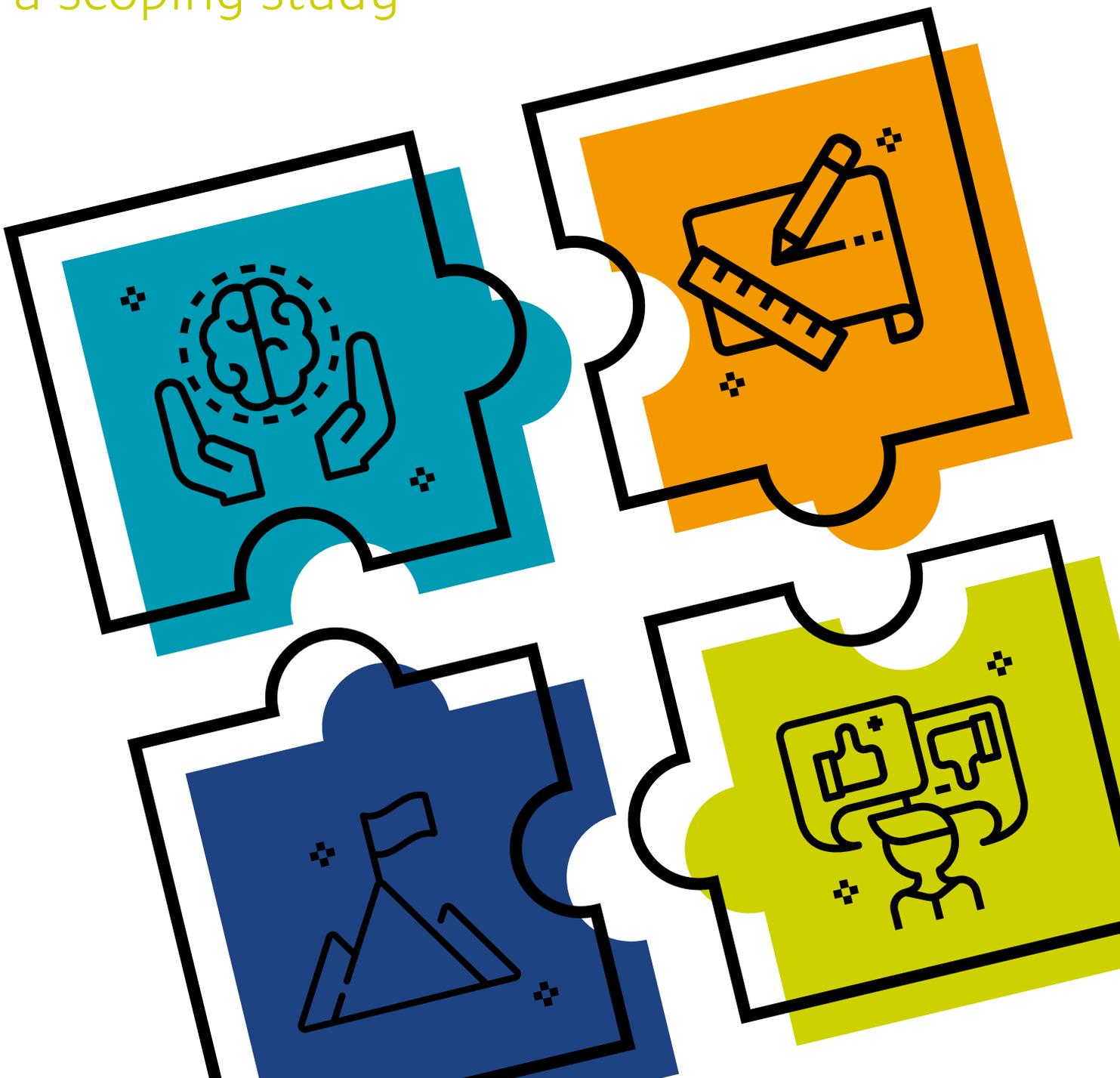


Entrepreneurial soft skills for the future:

a scoping study



02 CONTENTS

- 03 Executive summary
- 05 Acknowledgements
- 06 The changing world of work and implications
- 11 What soft skills do young entrepreneurs need now and in the future?
- 22 What do we know about building soft skills?
- 25 What do we know about assessing soft skills?
- 28 Reflecting on Youth Business International practice
- 32 Looking forward
- 33 Recommended reading



Fuelled by the mass adoption of digital technologies, the globalisation of markets, and demographic shifts, the world of work is rapidly changing.

From crowdfunding platforms to ecommerce, and from global supply chains to the gig economy, new opportunities are opening up for young entrepreneurs. However, there are also new risks and challenges. Equipping young people with the skills they need to thrive in today's digital economy and in the future should be a priority for us all. Successful young entrepreneurs create jobs and shape local economies. Young people equipped with entrepreneurship skills are better able to navigate the challenges of our rapidly changing job market.

To thrive in today's digital economy and in the future, young entrepreneurs need not just 'hard', business and digital skills, and sector specific technical knowledge, but also the 'soft' skills that shape how an individual interacts with others and achieves their goals. There is growing consensus on the importance of soft skills but limited guidance on what they are or how to develop them.

Youth Business International (YBI) is a global network of expert organisations supporting underserved young people to turn their ideas into successful businesses, creating jobs and strengthening communities. Through our work in over 50 countries, we have seen the pivotal role that soft skills can play in entrepreneurial success.

We commissioned this scoping study to guide us in developing a new soft skills training provision, and to contribute to the wider debate. It draws on an extensive literature review; a survey and interviews with YBI members; and interviews and informal conversations with entrepreneurship experts outside of YBI.

The report first outlines the trends reshaping the world of work and implications for young entrepreneurs. It then presents a framework for the soft skills that young entrepreneurs need. It is followed by key learning on how to best develop and assess soft skills. It closes with next steps for YBI's work in this area.

Key findings

There are three main trends impacting the way we work: technological, social and techno-social. These trends are creating new challenges, from digitalisation to demographic and environmental. To be successful now and in the future, young entrepreneurs will need not just to strengthen their existing soft skills but to develop new ones.

YBI's new entrepreneurial soft skills framework outlines four categories of skills: intra- and interpersonal; create and solve; information, opportunity and risk management; and growth mindset. This is coupled with a recognition of the increasing need for strengthened digital skills, moving from digital literacy to digital fluency.

New models and approaches are being used to develop soft skills amongst young people. This is generating valuable learning. However, there are critical gaps, including limitations in measurement and a lack of robust evidence of impact. These gaps must be addressed if we are to make real progress.



Next steps

Over the next two years, YBI will use the framework outlined in this report to develop, test and refine a new soft skills training provision. We will work closely with members and the young entrepreneurs they support. In time, we aim to scale the new service across our global network.

In parallel, we are also evolving our digital skills provision. As noted in this report, the shift from digital literacy to fluency places new demands on young entrepreneurs. We are exploring what this means in practice through two new initiatives and will share learning in due course.

We welcome the opportunity to connect and collaborate with others working on this important agenda.

*To be successful now
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to develop new ones.*



This report was prepared by Branka Minic and commissioned and edited by YBI. YBI would like to thank the following individuals and organisations for their support with this report:

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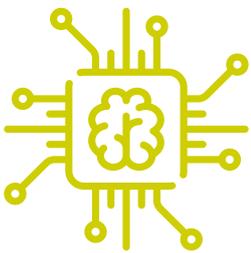
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There are three types of trends impacting our world: technological, social and techno-social. There is also a meta-trend, extending across all other trends, the acceleration of the pace of change. These trends are universal.

Technological trends

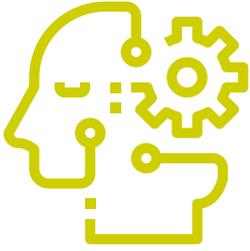


Digitisation

A seemingly endless volume of digital information, from text to pictures and sounds to video, is increasingly permeating all areas of life. The Digital Universe is the measure of all digital data created, replicated and consumed in a single year, and is expected to reach 40 trillion gigabytes by 2020 – 300 times more than in 2005.

What does this mean for young entrepreneurs?

Such an abundance of information can bring confusion, stress and challenges in achieving a competitive advantage. Succeeding in this information-intense world demands new skills such as media literacy, analytical and systems thinking, critical judgement to evaluate the reliability of data sources, and the ability to direct, focus and maintain attention.



Automation

Automation of production processes and delivery of products and services, along with disruptive technologies such as robotics, artificial intelligence, machine learning and 3D printing, are gradually eroding the requirement for manual and routine tasks and jobs. This is paving the way for more 'human-centred services' focused on creativity, empathy and other qualities that robots do not possess.

What does this mean for young entrepreneurs?

While these innovations open up new prospects for entrepreneurship, they also accentuate competition between businesses. Automation can bring the cost of production down, but the technology required is often expensive. This dissuades small firms from investing, making them less competitive as their products and services remain priced comparatively highly. Young entrepreneurs need to continuously acquire new knowledge and skills, and become even more adaptive, agile and resilient so that they can shift quickly to new opportunities.



Hyperconnectivity

Hyperconnectivity is the increasing interconnectedness of people, organisations and objects resulting from mobile technology, the internet and the Internet of Things. Today everything from doorbells to cars boast an element of hyperconnectivity. According to the Cisco Visual Networking Index, there will be 12.3 billion mobile-connected devices by 2022¹. For businesses, this offers a constant stream of granular information on everything from production to customer satisfaction.

What does this mean for young entrepreneurs?

Technological innovation has led to a constantly changing business landscape. This means that business owners are unable to accurately predict market trends and make medium- and long-term plans as they once did. Young entrepreneurs will need to become familiar with adaptive planning – continuously adjusting in response to changing information. Hyperconnectivity also creates constant interruptions through data, signals and sounds. Practicing mindfulness, which helps to direct, focus and sustain attention, will be key in helping entrepreneurs manage distractions.

¹ Cisco Visual Networking Index: Global Mobile Data Traffic Forecast Update, 2017–2022. Cisco. 2019.

Social trends



Demographics

The working world is facing a host of demographic challenges. An aging population, coupled with decreasing birth rates, is creating challenges in developed countries while a burgeoning youth population is creating different pressures in developing countries. Meanwhile, unemployment and underemployment remain a challenge for young people around the world. Many economies are already unable to create enough jobs to meet demand, while many jobs are being replaced by automation and digital technologies.

What does this mean for young entrepreneurs?

Demographic changes present opportunities and challenges for entrepreneurs. Shifting social drivers have created more prospects for women, and a changing economy has made freelancing, self-employment and entrepreneurship more accepted. However, this means we are likely to see increased competition for resources and support such as venture financing, mentorship and business incubation. Young entrepreneurs need to be more innovative and service-oriented to remain competitive. Increased competition can lead to stress, which they must find ways of managing.



Network society

The world of work has seen a significant shift from local, face-to-face interactions, to virtual relationships between individuals, groups, and organisations conducted over digital networks. Businesses are no longer confined to a single workplace, and remote working, distance learning, freelancing and task-platform work are all increasing. High growth companies, such as Uber and Airbnb, have leveraged this network society to rely on a relatively small, internal workforce, while engaging millions of users over digital platforms.

What does this mean for young entrepreneurs?

Social networks make it easier, faster and cheaper to engage customers, investors, partners, suppliers and workers. Online communities can help provide market validation for a business idea, while crowdfunding sites such as Kickstarter and GoFundMe are a valuable source of financing. However, to best respond young entrepreneurs will need to be agile, drawing on their emotional and social intelligence while carefully managing their online reputation. Brand storytelling on social platforms will become the go-to communications and marketing strategy.

Techno-social trends



Globalisation

Technology, the cross-border trade of goods and services and the continual flow of people, investment and information means the world's economies, cultures and societies are more interdependent than ever before. Products, projects and knowledge require collaboration between multiple organisations in multiple nations, and global value chains form an integral part of doing business.

What does this mean for young entrepreneurs?

Globalisation presents a range of opportunities for entrepreneurs, not least a significantly larger potential customer base and wider access to valuable resources. There is growing demand for products and services developed and distributed globally but adapted to the local market. Operating globally means small firms must both raise their operating standards and adopt a global mindset – young entrepreneurs must understand the complexities of the global environment while also demonstrating sensitivity towards other cultures and the ability to operate in diverse cultural settings.



Environmentalism

Environmental concerns are increasingly taking centre stage on the global agenda, and an organisation's green credentials are no longer viewed as an attractive 'bolt-on' but rather an integral part of its business strategy. Consumers are also adopting sustainable lifestyle practices. Technologies such as renewable energy and electric vehicles are helping take environmentalism mainstream. The workforce stands to benefit too, with the most recent ILO report predicting that some 40 million jobs could be created by 2030 due to green economy policies².

What does this mean for young entrepreneurs?

All business owners must show concern for both environmental and social sustainability in their business practices. Appropriate green measures can boost competitiveness, reduce expenses and help avoid potential legislative penalties. There are many opportunities, however to leverage them young entrepreneurs will need new knowledge and skills.

² ILO World Employment and Social Outlook 2018: Greening with Jobs. ILO. 2018.



The meta-trend: change acceleration

The rapid acceleration of technological and social changes cuts across all other drivers of change. Consider the invention of electricity in 1873. It took decades for electricity to become widely adopted. Now, look at smartphones, which only took a few years to reach millions of users.

Exponential progress, an abundance of data, connections and platforms, economic and political instability, increased interdependence, cyber threats and a multitude of other changes are occurring simultaneously around us. This is creating volatile, uncertain, complex and ambiguous environments – the ‘VUCA’ world. To best respond, young entrepreneurs must further enhance coping skills such as adaptability, resilience and attention management.



WHAT SKILLS DO YOUNG ENTREPRENEURS NEED NOW AND IN THE FUTURE?



The world of work is changing rapidly, and so the skills young entrepreneurs need are also changing.

Young entrepreneurs must continually build and evolve their skills to meet the demands of new opportunities and challenges. It is increasingly recognised that these skills include not just 'hard' business skills and sector specific technical skills but also 'soft' skills.

In this section we explore what soft skills are and why they are important, outline our new entrepreneurial soft skills framework and consider the changing nature of digital skills.

What are soft skills?

Although there is no consensus on exactly what constitutes soft skills, various experts do agree that they can be described as a set of competencies, behaviours, attitudes, personal qualities, motives and thought processes that enable young people to perform well and achieve their goals, work well with others, and effectively navigate their environment.

Soft skills are therefore interpersonal skills such as team building, time management, delegation, conflict resolution and stress management. The definition has been expanded over time to include being resilient, curious, taking risks, being adaptable and creative or innovative. Unlike technical knowledge and skills, soft skills often are more a matter of attitude and behaviour.

There is growing evidence that soft skills are critical to business performance. Furthermore, soft skills have wider benefits for young people. Many young people combine running a business with other income-generating activities. They may also be juggling education or training. Soft skills can help young people negotiate these multiple, sometime unpredictable, pathways.



Demonstrating the impact of Personal Initiative Training: World Bank

Personal Initiative (PI) training was designed by psychologist Dr. Michael Frese to develop behaviours associated with a proactive, entrepreneurial mindset, rather than teaching basic business skills. PI training aims to coach small business owners how to be self-starting, future-oriented and persistent. It includes how to anticipate problems, look for new opportunities, and plan ways to overcome obstacles.

In 2012 a World Bank team conducted a Randomized Control Trial comparing traditional business training and PI training in Togo. Both training courses were delivered for 36 hours through three, half-day sessions per week in April 2014, followed by a trainer visiting the businesses once a month over the following four months. Business outcomes were tracked for over two years after the training.

The evaluation found that in addition to higher profits and increased use of standard business practices, business owners who received PI training introduced more new products to their businesses and were more likely to diversify into a new product line than those in traditional training. They also borrowed more and made larger investments. PI training was particularly effective for female-owned businesses, for whom traditional training has often been ineffective. PI training is now being implemented in programmes in Mozambique, Mauritania, Ethiopia, Jamaica, and Mexico.



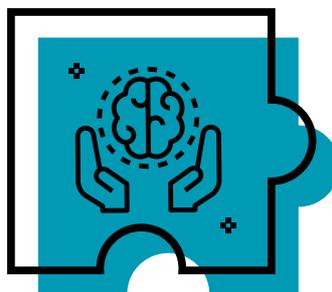
Identifying the soft skills young entrepreneurs need

Drawing on extensive research, we have developed a framework outlining the soft skills that young entrepreneurs need to thrive now and in the future.

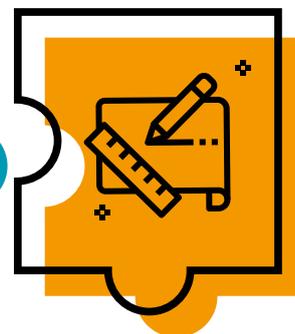
To do this we:

- identified nine different skills frameworks related to youth, or youth and adult, success as entrepreneurs;
- combined these frameworks to generate a list of 66 different skill constructs;
- merged skills into logical groupings, reducing to 12 skill groups;
- compared these 12 skill groups to recent research on skills for the future workforce, with a particular focus on Accenture's New Skills Now framework³;
- further merged skills into four groups: intra- and interpersonal; create and solve; information, opportunity and risk management; and growth mindset;
- reviewed the new framework alongside our trend analysis, enabling us to identify the particular skills that young entrepreneurs will need to strengthen or develop.

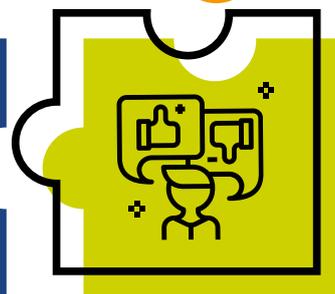
**Intra- and inter-
personal skills**



**Create and
solve skills**



**Growth mindset
skills**



**Information,
opportunity and risk
management skills**



³ New Skills Now: Inclusion in the Digital Economy. Accenture. 2017.

Our entrepreneurial soft skills framework

Skill Group	Today's Skills	Future Skills
Intra- and inter-personal skills	Positive self-concept	Mindfulness (new) Self-awareness and self-realization (amplified)
	Communication skills	Business Story-telling (new) Negotiating networks, crowds and movements (amplified)
	Social and interpersonal skills	Working with networks, crowds and movements (new) Empathy and compassion (amplified) Emotional/social intelligence and influence (amplified)
Create and solve skills	Planning, organizing, executing and management	Adaptive planning and management (new) Time management (amplified)
	Higher-order thinking skills	Systems thinking (new) Complex problem-solving (amplified)
	Creativity and innovation	Co-design (new) Co-creativity and innovation (amplified)
Information, opportunity and risk management skills	Opportunity seeking, recognition and assessment	Building and managing online reputation (new)
	Information seeking and management	Complex information management (amplified)
	Coping with ambiguity, uncertainty and risk	Wellness management (new) VUCA coping skills (amplified)
Growth mindset skills	Persistence, tenacity and resilience	Grit (new)
	Flexibility and adaptability	Agility (new)
	Future orientation	Active learning skills (new) Motivation to continuously learn (amplified)

Intra- and inter-personal skills

These skills enable individuals to interact, build relationships and demonstrate self-awareness. They can be divided into three sub-groups: self-skills such as positive self-concept; communication skills; and social and interpersonal skills such as collaboration and networking.

Today: Positive self-concept

Tomorrow



Mindfulness (new)

Mindfulness is associated with self-reflection and deliberate attention management. It includes the ability to dynamically focus thoughts and manage distractions. It can be improved through practice and meditation. There is evidence linking regular meditation with improved cognitive functions, such as intelligence and creativity.



Self-awareness and self-realisation (amplified)

While self-awareness describes a conscious knowledge of one's own feelings, motives and desires, self-realisation represents the next level in intra-personal skills development: the fulfilment of possibilities through character and personality traits. These skills are closely related to mindfulness and can be developed through guided meditation.

Today: Communication skills

Tomorrow



Business storytelling (new)

The ability to communicate a compelling story, engage an audience and drive them to a desired action is a powerful new strategy for positioning a product or service in a highly competitive market. Successful leaders and managers are often good storytellers, using this skill to communicate their vision and inspire their teams.



Negotiating networks, crowds and movements (amplified)

Negotiations can be complicated when they take place virtually and involve groups of people. Young entrepreneurs must be able to understand the different signals from their networks and focus their style of influencing accordingly.

Today: Social and interpersonal skills

Tomorrow



Working with networks, crowds and movements (new)

Leveraging connections will be increasingly essential for young entrepreneurs, who will need global and cultural literacy and an aptitude for authentic collaboration to do so. Successfully working with networks, crowds and movements will help entrepreneurs to quickly and cost-effectively validate their business ideas, improve design solutions, outsource tasks, find funding, mentors and partners, and engage with peer groups, customers and investors.



Empathy and compassion (amplified)

Empathy and compassion are both recognised traits in successful leaders, and research has shown that it is possible to increase one's capacity for empathy. Both skills involve the ability to understand another person's thoughts and feelings. Empathy requires taking on the emotions of someone else while compassion does not. This can distort decision making. Young entrepreneurs need to learn to make decisions objectively which requires skill and discipline.



Emotional/social intelligence and influence (amplified)

Where emotional intelligence is the ability to recognise, control and properly express one's emotions and to handle social relationships judiciously and empathetically, social intelligence is the ability to demonstrate this understanding in others. Both are key in entrepreneurship, which involves managing a range of professional relationships.



Create and solve skills

These skills enable individuals to engage in creative problem solving. They can be divided into three sub-groups: planning, organizing, executing and management; higher order thinking; and creativity and innovation.

Today: Planning, organising, executing and management

Tomorrow



Adaptive planning and management (new)

In a fast-changing world overflowing with information, entrepreneurs must develop the ability to process and make sense of an abundance of data, leverage new facts to act with strategic clarity, and quickly adapt business plans to new circumstances.



Time management (amplified)

As the pace of change is accelerating, and the demand for efficiency and quality is increasing, young entrepreneurs need to further develop their sense of urgency, and their time-management skills, especially in the face of competing priorities both off and online.

Today: Higher-order thinking skills

Tomorrow



Systems thinking (new)

Where traditional analysis breaks down structures into separate elements, systems thinking is the holistic process by which the entire structure is considered in relation to larger structures. Factors young entrepreneurs must consider when thinking systemically include global influences, collective intelligence and environmental issues.



Complex problem-solving (amplified)

Our evolving world means that young entrepreneurs will face challenges comprised of multiple parts, with a huge range of possible approaches, resources, collaborators and outcomes. Complex problem-solving skills are the developed capacities used to solve novel, ill-defined problems in real-world settings, taking these factors into account.

Today: Creativity and innovation

Tomorrow



Co-design (new)

Co-design is the ability to create solutions, products and services with others. It includes the ability to collaborate while innovating. It can involve design-based thinking and often requires imagination, curiosity and courage.



Co-creativity and innovation (amplified)

To co-create is to involve end users in developing ideas, products or services, often using social media, online communities, workshops, discussion groups and/or in-depth interviews. Being able to co-create effectively could give young entrepreneurs a competitive advantage in a marketplace.

Information, opportunity and risk management skills

These skills enable individuals to identify and leverage opportunities. They can be divided into three sub-groups: opportunity seeking, recognition and assessment; information seeking and management; and coping with ambiguity, uncertainty and risk.

Today: Opportunity seeking, recognition and assessment

Tomorrow



Building and managing online reputations (new)

This is closely related to working with networks, crowds and movements. Managing an online reputation involves creating a digital presence, cultivating followers and continuously delivering valuable content to them, while identifying opportunities along the way. Young entrepreneurs must be aware of the 'social etiquette' involved in communicating with their networks.

Today: Information seeking and management

Tomorrow



Complex information management (amplified)

To be able to make well-informed business decisions, young entrepreneurs will need to access complex information systems, formulate meaningful enquiries, interpret responses, extract relevant facts to unlock insights, and share conclusions with their team, customers and other stakeholders. These combined competencies represent complex information management skills.

Today: Coping with ambiguity, uncertainty and risk

Tomorrow



Wellness management (new)

The modern workplace puts increasing focus on self-care. Entrepreneurs must adopt and promote healthy habits, and practice personal and collective stress management techniques in order to cope with the pressure of work.



VUCA-coping skills (amplified)

VUCA stands for volatility, uncertainty, complexity and ambiguity. Coping with these challenges and being able to take calculated risks is critical for young entrepreneurs. VUCA-coping skills rely on optimism, grit, stress tolerance and adaptability.

Growth mindset skills

These skills enable individuals to be resilient and to continually learn and adapt. They can be divided into three sub-groups: persistence, tenacity and resilience; flexibility and adaptability; and future orientation.

Today: Persistence, tenacity and resilience

Tomorrow



Grit (new)

Grit is passion and perseverance in pursuit of a long-term achievement, with no concern for rewards or recognition along the way. Researchers have demonstrated that grit is a better predictor of success than academic grades and other traditional measures.

Today: Flexibility and adaptability

Tomorrow



Agility (new)

Agility is the ability to quickly change a course of action while maintaining control. Young entrepreneurs must be able to re-engineer themselves and their businesses as needed, while maintaining focus, passion, and value alignment.

Today: Future goals, optimism and motivation

Tomorrow



Active learning skills (new)

Learning is vital for entrepreneurs, as is the ability to unlearn and relearn as necessary. Active learning is related to metacognition, the awareness and understanding of one's own thought processes. As such young entrepreneurs must take responsibility for their own professional and personal growth, and proactively find new sources of, and approaches to, knowledge.



Motivation to continuously learn (amplified)

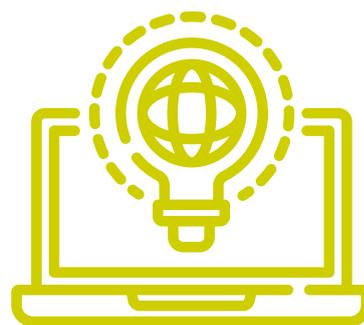
Along with active learning skills, young entrepreneurs must maintain a high level of motivation to continuously learn. Doing so, even in bite-size increments, is essential for remaining relevant and competitive in business.

Digital skills

With increasing digitalisation and the automation of traditional business practices, technology and data related skills are important for everyone – including young entrepreneurs. Digital skills range from basic to more advanced. They can be viewed as encompassing a combination of behaviors, expertise, know-how, work habits, character traits, dispositions and critical understandings. This highlights the interconnectedness of digital and soft skills.

Current trends demand a move from digital literacy to fluency. This requires not just understanding how to use digital tools but being able to create something new with them. The International Telecommunication Union defines three levels of digital skills: basic such as email and navigating apps; intermediate such as simple coding and graphic design; and advanced such as artificial intelligence and big data.⁴

The level of understanding young entrepreneurs need will depend on their sector, market and region. However, young entrepreneurs with advanced digital skills are well-positioned to leverage new digital technologies to improve business operations, develop new business models, gather business intelligence and/or engage with customers and stakeholders.



Blending digital, business and soft skills training: Digital Opportunity Trust

Founded in 2001 in Canada, the Digital Opportunity Trust (DOT) operates in 25 countries and aims to create a youth-led movement of social innovators with the tools, knowledge and networks to create opportunities and transform their communities. Promoting locally relevant, digital technology as an accelerator of positive social impact is central to DOT's model.

In Ethiopia, DOT works with entrepreneurial, unemployed college and university graduates. These young people receive training in digital, soft and business skills. They are supported by mentors as they develop and launch their business. They are expected to act as “digital champions” in their local communities, delivering training in digital skills and business innovation through structured placements at local Business Development Service Centers run by DOT, community organisations or with local partner organisations.

A recently conducted impact evaluation of a DOT programme in Ethiopia targeting female entrepreneurs found increased levels of confidence and motivation amongst participants and a significant, positive impact on profits.



⁴ Digital Skills Toolkit. International Telecommunications Union. 2018.



Soft skills cannot be learned from a book. They are applied skills that require experiential, active learning opportunities.

Developing soft skills requires exposing young entrepreneurs to new ideas and behaviours, and learning them requires appropriate levels of challenge, practice, feedback and reflection. Trainers who provide support, coaching and encouragement are critical as young entrepreneurs learn and demonstrate these skills.

There is an increasing number of models and approaches being used to develop soft skills. In this section we share some of the key learning and good practice.

Training content

As with any effective intervention, a soft skills training programme must be designed with the local context in mind. Content must also be tailored to specific cohort and individual needs. Finally, shifting workplace trends must be considered to build a programme that equips young entrepreneurs with the skills they need to succeed now and in the future.

Training methodology

Approaches to training entrepreneurs have evolved over time, giving way to four clearly defined frameworks for understanding entrepreneurship.

Personality traits approach

Early researchers believed that the key to successful entrepreneurship lies in a person's inherent characteristics, and through traits such as achievement motivation, a propensity towards risk, extraversion and proactivity, they can be differentiated from non-entrepreneurs. These personality traits are relatively stable over time and can be associated with entrepreneurial intention to start a business, and with entrepreneurial success. Soft skills, however, can be enhanced within a relatively short amount of time through training and experience.

Process approach

This approach focuses on what entrepreneurs do, rather than who they are. This popular concept was spearheaded by Low and McMillan⁵, who defined entrepreneurship as “the identification, evaluation and exploitation of opportunities.” As such, entrepreneurship training is delivered with a linear progression of processes, such as: identifying an opportunity > developing the concept > gathering resources > developing a business plan > implementing the plan > managing the firm.

Cognition approach

Other researchers have noted that entrepreneurs have specific ways of thinking and making decisions. For example, Saras Sarasvathy’s theory of effectuation looks at the way entrepreneurs view the world, how they learn, and their overall mindset.

In the early 2000s, Sarasvathy studied a sample of expert entrepreneurs from diverse backgrounds and found that they used effectual logic more often than causal logic. Under causal logic, entrepreneurs set goals and then acquire resources to achieve their goals, as opposed to effectual logic, where entrepreneurs first consider the resources that are available, and then form goals that are realistic and achievable.

This approach to teaching entrepreneurship has been implemented in both formal education and in youth training programmes. In the YBI network, it is used by Aliança Empreendedora in Brazil, IdeiaLab in Mozambique, Youth Business Spain and the consortium of Youth Business Trusts in the Caribbean islands of Barbados, Jamaica, and Trinidad and Tobago.



Engaging youth to develop and deliver contextualised life skills training: Restless Development

Restless Development is a youth-led development agency working through 10 hubs across the world to deliver holistic, integrated programmes addressing the issues identified by young people and their communities.

In Northern Uganda, Restless Development is delivering life skills training as part of a broader programme that aims to increase the number of young people in secure employment. The 40-hour training curriculum is based on research conducted by a team of youth researchers. It was co-developed and tested by Restless Development’s network of peer educators who continue to deliver it. Groups are kept to 25-30 youth. Sessions use local scenarios, story-telling and case studies to explore key concepts.

Delivered in the local language where possible, sessions are interactive and can be adapted to varying levels of literacy. Peer educators are trained to deliver the curriculum, receive a detailed facilitator’s manual and meet regularly with Restless Development staff to reinforce skills learned.

⁵ Entrepreneurship: Past Research and Future Challenges. Journal of Management, 14, 2. Low and McMillan. 1988.

Method approach

The method approach is a newer approach to entrepreneurial education. It stipulates that entrepreneurship cannot be viewed as a process because process is predictable – with known inputs and outputs. Advocates believe that entrepreneurship should be taught through a body of practices. Heidi Neck, Patricia Greene, and Candida Brush teach entrepreneurship at Babson College through a set of five practices that inspire their students to action: the practice of play, empathy, creation, experimentation and reflection.⁶



Top tips

There are a few, widely recognised good practices that should be taken into account.

Design

- Integrate soft skills training into a broader curriculum, rather than as separate, standalone workshops or modules, as this delivers greatest impact.
- Soft skills are best addressed in combination with one another, rather than in isolation.
- All stakeholders (young people, trainers and partners) should be engaged in co-creating training content and methodologies.

Delivery

- Training should closely mirror real-life environments. For example, simulation activities such as role play and market analysis through potential customer interviews are useful practices.
- Technology should be leveraged to lower costs and improve the quality of the training.
- Post-training support such as mentoring, counselling, refresher workshops and peer-to-peer networks help young entrepreneurs to reinforce and refine new knowledge and skills.

As with any effective intervention, a soft skills training programme must be designed with the local context in mind. Content must also be tailored to specific cohort and individual needs.

⁶ Teaching Entrepreneurship: A Practice Based Approach. H. M. Neck et al. 2014.



There are limitations to current tools and approaches. Balancing the methodological challenges can be difficult and trade offs must be made.

Why is assessment challenging?

Measurement of soft skills interventions can be used for a number of different purposes, including informing participants of their progress; supporting programme improvement; monitoring the progress of a particular cohort; and evaluating the overall effectiveness of an intervention.

Lack of clarity on concepts and terminology relating to soft skills has posed a challenge. The holistic nature of skills formation also makes it very difficult to separate out programme effects on the development of specific skills. Evaluations more typically measure results indirectly by examining effects on higher-order outcomes.

Furthermore, soft skills are particularly difficult to assess because they do not represent a clear transfer of knowledge. Unlike with technical or business skills training, measuring entrepreneurial mindset requires

one to understand how a programme influenced a participant and not just facts. Innovative assessment tools are needed.

Tackling this requires starting with clear training goals and learning outcomes. While it may be difficult to measure improvement of an intangible skill such as creativity or complex problem solving after a relatively short training course, it is possible to assess the development of its component parts if the learning outcomes have been clearly defined.

Types of Assessment

A recent USAID-funded study⁷ of soft skill measurements classified assessments into four groups: self-reports and self-ratings; reports and ratings by others; performance assessments and simulations; and mixed-method assessments. The research identified five, high-scoring individual assessments.⁸

⁷ Measuring Soft Skills and Life Skills in International Youth Programmes: A Review and Inventory of Tools. Galloway et al. 2017

⁸ The Child and Adolescent Wellness Scale, the Anchored BFI Tool, Big Five Inventory, Knack, and Responses to Stress Questionnaire

Self-reports and self-ratings

Paper-based or online questionnaires that ask participants to rate themselves are particularly common. They are inexpensive and easy to administer, however they also carry the risk of participants manipulating the results or interpreting the same skill in a different way, known as reference bias. There are new ways to strengthen the quality of these tests.

Anchoring vignettes

These illustrate various skills levels with hypothetical people and situations, and provide a series of responses to choose from. Only one of the responses is correct. Participants may be asked to rate the vignettes on the same scale used for self-reporting.

Forced choice methods

This type of test provides two or more choices describing skills or behaviours and ask participants to choose the one that best describes them. It is important that the most desirable choice is not made obvious to the respondent.

Situational judgement tests

These tests provide participants with a longer description of a situation associated with a soft skill and ask them to choose a response from a series of options. There is not necessarily one correct answer. They can be used to assess characteristics such as creativity and innovation.

Reports and ratings by others

Alternatively, paper-based or online questionnaires or observational checklists may be completed by trainers or other programme staff. Knowing a young person well within a specific cohort and observing them across different contexts contributes to the quality and objectivity of these assessments, as does the inclusion of parents, peers or mentors.



Self-assessment of entrepreneurial mindset: Network for Teaching Entrepreneurship

The Entrepreneurial Mindset Index (EMI) is a self-assessment tool developed by the Network for Teaching Entrepreneurship (NFTE) to assess the attitudes, behaviours and beliefs associated with being an entrepreneur. It comprises of six domains consisting of Likert Agreement scale items and two domains consisting of situational judgement tests. The EMI is being used in schools in the United States and abroad.

Research conducted by NFTE in 2016-17, using a variety of statistical tests, found that the EMI was a reliable and valid tool for measuring entrepreneurial mindset.¹¹ The research also explored the conditions that promote EMI growth. It found evidence that growing entrepreneurial mindset may have a positive effect in enabling youth to see entrepreneurship and self-employment as a potential career path and something that can be learned and developed.

Performance assessment and simulations

This form of assessment involves observing participants in carefully designed situations, with highly controlled conditions that mimic real life situations. Many employers use work-based sample assessments to evaluate job candidates, combining those results with other types of assessments.

Digital technologies, such as virtual reality, gamification and artificial intelligence are bringing innovative approaches in this area. The Knack app, for example, is a suite of three games designed to measure soft skills in a fun and engaging context.



Mix-methods assessments

This involves a combination of the above approaches, with results triangulated to decrease measurement errors.

Choosing an assessment tool

Key considerations when selecting a particular assessment tool or approach include evidence of validity and readability; ease of administration, time and cost; and previous application.

As noted, there are limitations to current tools and approaches. Balancing the methodological challenges can be difficult and trade-offs must be made. While many tools can be used for formative assessment, few have been validated for programme evaluation purposes. Further work is required to develop the tool and approaches needed to build a robust evidence base.



Engaging market stakeholders in youth skills assessment: The Acceleration Group

Alejandro Crawford and Sonia Ganess from the Acceleration Group recently introduced the Ecosystem Model for Credentialing Entrepreneurs, applicable in developed and developing economies.

This is a framework for assessing young entrepreneurs by engaging market stakeholders, such as potential funders or clients, in the process of assessing youth skills.

In the model, youth participate in qualifying events as they take on market-specific challenges and opportunities and are judged by market stakeholders such as accredited, local community based organisations. A new digital platform, Rebel Base, has been developed enabling young entrepreneurs to engage beyond the local ecosystem as they take part in a system of digital challenges, ratings, and badges.

REFLECTING ON YOUTH BUSINESS INTERNATIONAL PRACTICE

In April 2019, YBI surveyed its members to better understand their skills training. 40 members responded. Of these, all except one member reported delivering training in technical skills and just under half reported delivering training in digital skills. 33 members reported delivering some form of soft skills training, with a variety of practice shared. Below we share a snapshot of the soft skills training delivered across the network, followed by five YBI member case studies.



Over half of the training programmes have been running for less than three years.



Duration of soft skills training varies, from one hour to 40+ hours.



Cohort size also varies, however over half have cohorts of between 16 and 30 young people.



Apart from one member, all use an experiential learning approach. The training is delivered by staff, project partners, outside consultants and/or volunteers.

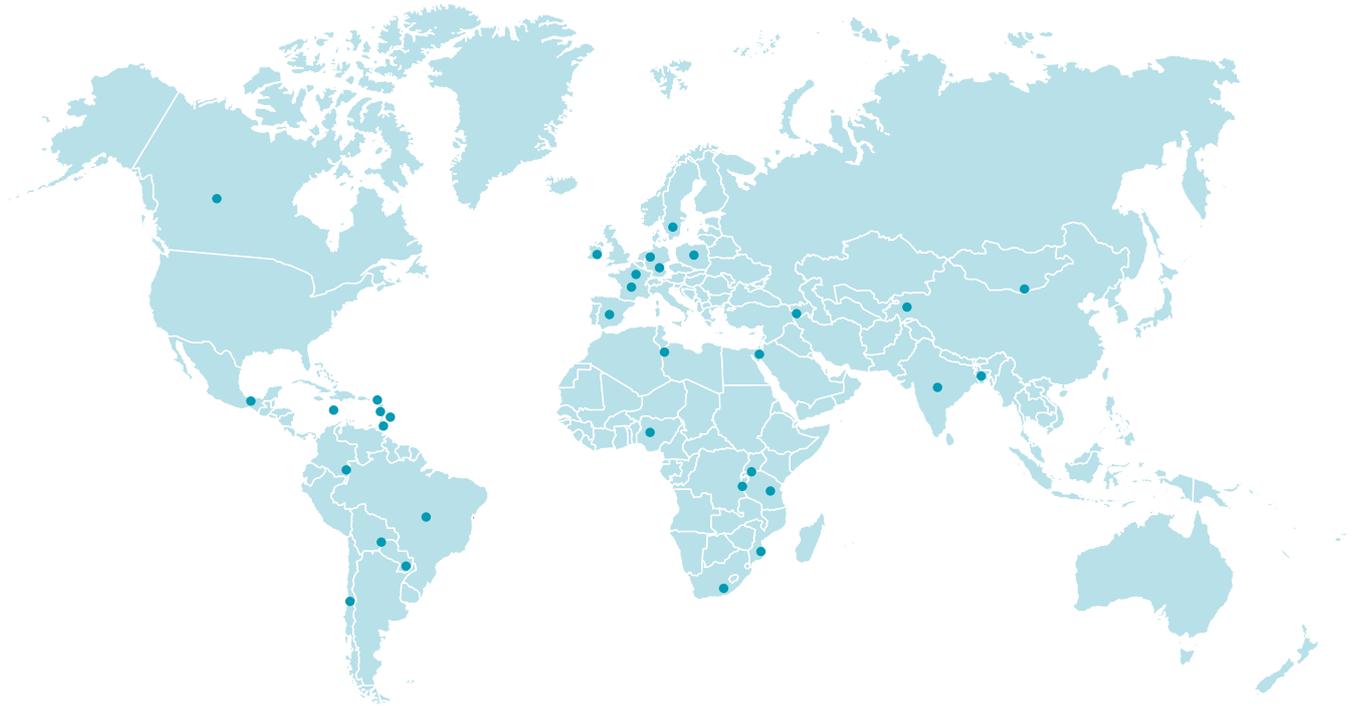


Almost all members integrate soft skills training into a broader curriculum. Six members deliver a standalone soft skills training programme.



Training programmes focus on a range of soft skills. Communication, goal setting, self-confidence, planning, creativity and opportunity seeking were the most frequently reported.

YBI members currently delivering soft skills training



The Tanzania Entrepreneurship and Competitiveness Centre



The Tanzania Entrepreneurship and Competitiveness Centre (TECC) is a public-private academia partnership, founded in 2013. It offers training, business development services and finance links to aspiring entrepreneurs and established business owners.

In TECC's youth programme, skills training is delivered to cohorts of 30-35 young people over six weeks. There is a total of 10 training days of six hours each. Training is delivered through TECC's partners and master trainers are available as mentors to support delivery.

TECC has adopted the International Youth Foundation's 'Passport to Success' curriculum. This covers 10 areas: self-management, self-confidence, respecting self and others, team work, communication, creativity and innovation, resilience, decision making, conflict management, and critical thinking and problem solving. TECC integrates selected lessons on soft skills into their business management training. Each lesson consists of a short orientation to the topic, group exercises and discussion, and individual reflection.

According to Anna Manoti, TECC Manager, the life skills component has had a noticeable impact on young people's mindset and behaviour – particularly in terms of how they communicate and manage stress. She notes that young people often report feeling "transformed" personally and professionally.



 www.tecc.or.tz

 [/TECCtz](https://www.facebook.com/TECCtz)

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Youth Business Spain



Youth Business Spain (YBS) is a private, non-profit foundation and network of NGOs supporting entrepreneurs across Spain. Started in 2014, YBS targets unemployed, low-income youth.

The YBS soft skills training curriculum draws on research such as David McClelland's Achievement Motivation Theory. 'Compe10cias LED' covers 10 areas: opportunity seeking and initiative, persistence, information seeking, fulfilling commitments, taking calculated risks, goal setting, efficiency and quality,

planning and monitoring, persuasion and networking, and independence and self-confidence.

Cohorts of 25 young entrepreneurs and aspiring entrepreneurs are introduced to each of the skills through an interactive, four-hour session. Each skill is linked to between eight and 10 activities and facilitators select two or three for their participants to do individually or in groups. Session content and delivery approach are tailored to cohort requirements. Facilitators receive two days of training.

YBS Manager Ana Hernandez has seen a significant change in young people's attitudes. She reflects that this often includes a "moment of enlightenment" when a young person sees and accepts the need to align their behavior to that of a successful entrepreneur.



🏠 www.youthbusiness.es
📘 [/youthbusinessspain](https://www.facebook.com/youthbusinessspain)
🐦 [@ybspain](https://twitter.com/ybspain)

Manq'a Bolivia



Manq'a Bolivia is a not-for-profit organisation established in 2013 that sets up and runs cooking schools that train low income young entrepreneurs and aspiring entrepreneurs as chefs. The schools focus on locally-produced, organic ingredients, boosting local demand and promoting healthy and sustainable consumption.

Manq'a students are trained in technical, vocational, business and soft skills over five and a half months.

Students attend classes Monday to Friday, in the morning or afternoon. The soft skills component is delivered once a week for five hours, using an experiential learning approach. Seven areas are covered: personal and social identity, self-awareness and managing emotions, motivation and perseverance, communication, conflict resolution, leadership, learning to learn, and learning to apply.

Manq'a recently conducted focus groups and interviews with young alumni to understand the impact of the soft skills training. Preliminary findings indicate that the business performance of young people who completed soft skills training is better than those who did not. As one Manq'a graduate reflects, "Manq'a helped me grow as a person and helped my business grow too".



🏠 www.manqa.org
📘 [/EscuelasManqa](https://www.facebook.com/EscuelasManqa)
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Enterprise Uganda



Enterprise Uganda was set up in 2005 as a public-private institution providing a comprehensive range of business development services to small and medium enterprises across the country. It has a focus on youth and women.

Enterprise Uganda bases its soft skills training on the UN Empretec model. It assumes everyone has an inner motivation to improve and divides this 'motive for action' into three categories: achievement, affiliation and power.

The curriculum covers 10 competencies: opportunity seeking and initiative, persistence, commitment, demand for efficiency and quality, taking calculated risks, goal setting, information seeking, systematic planning and monitoring, persuasion and networking, and independence and self-confidence.

Enterprise Uganda delivers soft skills training once a quarter to groups of 25-30 young people. It is a highly interactive, six-day training programme of 48 hours delivered by certified local trainers who are supported by a network of master trainers. This is followed by mentoring to support young entrepreneurs deal with real challenges they are facing.



 www.enterprise.co.ug

 [/EntUganda](https://www.facebook.com/EntUganda)

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

Dominica Youth Business Trust



Dominica Youth Business Trust (DYBT) is an initiative of the Commonwealth Youth Programme and the Government of the Commonwealth of Dominica. Started in 2004, DYBT provides technical, financial and social support to aspiring young entrepreneurs.

Skills training is a core part of the DYBT model and is delivered over four weeks to groups of 20-25 young people. The first week includes a five-day, residential retreat focused on personal development and achievement motivation.

Young people receive six hours of highly interactive lessons per day. Exercises, activities and games support the experiential learning approach. Six skill areas are developed: self-awareness, teamwork and communication, business planning, leadership, self-esteem, and risk taking. The remaining weeks of the skills training focus on business skills.

Trainers are youth development officers from the Ministry of Youth – professionals with degrees in counselling, social work, and related fields. DYBT coordinator, Kerry-Ann Remie, notes that the residential component enables the young people to connect and form networks that are valuable later as they set up or build their businesses.



 www.dybt.gov.dm

 [Dominica Youth Business Trust](https://www.facebook.com/DominicaYouthBusinessTrust)

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



Equipping young people with the skills they need to thrive in today's digital economy and in the future should be a priority for us all.

Successful young entrepreneurs create jobs and shape local economies. More broadly, young people equipped with entrepreneurship skills are better able to navigate the challenges of today's rapidly changing job market.

This study provides valuable insight into the key trends reshaping the world of work and the implications for young people. Soft skills are becoming increasingly important. Furthermore, young entrepreneurs must not only strengthen their existing soft skills but develop new ones – from mindfulness and adaptive management to systems thinking and complex problem solving.

As this study highlights, developing and assessing soft skills is no easy task. They are applied skills that require experiential, active learning opportunities. There are some widely recognised good practices

such as engaging personalised support services and integration into a broader skills development curriculum. However, the limited evidence base means there is much to learn.

Over the next two years, YBI will use the entrepreneurial soft skills framework outlined in this report to develop, test and refine a new soft skills training provision. We will work closely with members and the young entrepreneurs they support. In time, we aim to scale the new service across our global network. In parallel, we are also evolving our digital skills provision.

We will continue to share our learning, successes and failures. We welcome the opportunity to connect and collaborate with others working on this important agenda.

33

RECOMMENDED READING

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4. High-Growth Firms: Facts, Fiction, and Policy options for Emerging Economies. Grover Goswami et al. World Bank. 2019.
5. Personality Traits of Entrepreneurs: A Review of Recent Literature. Kerr et al. 2017.
6. Key Soft Skills for Cross-Sectoral Youth Outcomes. Gates et al. USAID. 2016.
7. Framing the Global Landscape of Entrepreneurship Education and Training Programs. World Bank. 2013.
8. Taking Stock of Programs to Develop Socioemotional Skills: A Systematic Review of Program Evidence. Puerta et al. World Bank. 2016.
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10. What Works in Soft Skills Development for Youth Employment? A Donors’ Perspective. Clare Ignatowski. The MasterCard Foundation and Youth Employment Funders Group. 2017.
11. Interventions to Improve the Labor Market Outcomes of Youth: A Systematic Review of Training, Entrepreneurship Promotion, Employment Services, and Subsidized Employment Interventions. Kluve et al. Cambell Systematic Reviews. 2017.
12. Measuring Soft Skills and Life Skills in International Youth Programs: A Review and Inventory of Tools. Galloway et al. USAID. 2017.
13. Measuring Entrepreneurial Mindset in Youth: Learnings from NFTE’s Entrepreneurial Mindset Index. Thomas Gold et al. NFTE. 2018.
14. An Ecosystem Model for Credentialing Entrepreneurs. Crawford et al. Acceleration Group and Global Center for Youth Employment. 2017.





ABOUT YOUTH BUSINESS INTERNATIONAL

Youth Business International (YBI) is a global network of expert organisations supporting underserved young people to turn their ideas into successful businesses, creating jobs and strengthening communities. Our vision is that youth entrepreneurship is recognised for driving sustainable economic development, and that all young people who want to set up a business are able to fulfil their potential. We believe in the power of a network approach, connecting our members across regions and globally to share expertise and collaborate on solutions to common challenges.



ABOUT ACCENTURE

Accenture is a leading global professional services company, providing a broad range of services and solutions in strategy, consulting, digital, technology and operations. Combining unmatched experience and specialized skills across more than 40 industries and all business functions — underpinned by the world's largest delivery network — Accenture works at the intersection of business and technology to help clients improve their performance and create sustainable value for their stakeholders. With 492,000 people serving clients in more than 120 countries, Accenture drives innovation to improve the way the world works and lives. Visit us at www.accenture.com.



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