IDENTIFYING STORIES ABOUT VERY YOUNG ENTREPRENEURS (VYES)

Anzisha Fellows Survey Report

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July 2019
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INTRODUCTION AND METHODOLOGY

One of Anzisha’s (www.anzishaprize.org) strategic priorities is to raise awareness and share knowledge about very young entrepreneurs (VYEs), including how they came to be entrepreneurs, the contributions their businesses/ventures/enterprises make and the support structures that have enabled them in the entrepreneurship journey. Anzisha has embarked on a research-led process to identify a series of stories or messages that ‘will speak of experiences that shift mindsets and create realistic and positive representations of youth entrepreneurship.’1 The focus of the research is on highlighting key behaviours/decisions and support structures that resulted in positive outcomes for young entrepreneurs, as well as showcasing the contributions made by VYEs. A selection of stories will be written up as case studies and shared with Anzisha’s audiences in multiple formats to raise awareness about very young entrepreneurs so encouraging other young people to consider this career option and encouraging the broader entrepreneurship ecosystem to better support very young people.

The research process began with a desktop review of existing research, globally and in Africa more specifically, on very young entrepreneurs, with a focus on their experiences, stories and key moments of behaviour change. Based on this desk top research, ten hypotheses about VYEs and their journeys were identified. The ten hypotheses are:

1. Very young entrepreneurs who have successfully accessed finance/investments have done so by choosing to invest in relationships with their supporters.
2. Very young entrepreneurs who have pursued agriculture have chosen an unpopular path but have reaped the rewards.
3. Very young entrepreneurs who have chosen to pursue entrepreneurship have been able to do so through the support of their parent/s.
4. Broader social networks including friends and extended family provide support and different kinds of capital to VYEs, contributing to their success.
5. Mentors and/or coaches make a positive difference to the trajectory of very young entrepreneurs.
6. Very young entrepreneurs who are choosing to employ their peers are positively impacting the youth unemployment gap in Africa.
7. Very Young Entrepreneurs can solve real-world problems because they are often more willing to try new solutions.
8. Very Young Entrepreneurs often start businesses to empower marginalised communities, have a strong sense of social responsibility, and so contribute to social change.
9. Entrepreneurial education is critical to the success of VYEs, but VYEs often succeed despite their experience in traditional education.
10. By starting young, VYE’s are able to grow their businesses over a longer period of time and consistently scale to fit market demand.

This report builds on the desktop research to examine the results of a survey about entrepreneurship experiences that was distributed to the 102 Anzisha Fellows. The survey was designed to gather qualitative data about VYE’s stories and to gather specific feedback on the ten hypotheses identified through the desktop research. The surveys, consisting of ten questions, were distributed using a SurveyMonkey web link via WhatsApp and email over the month of April 2019. The survey was deliberately kept brief in order to increase the response rate, the intent being that at least ten respondents would then be selected for in-depth follow-up interviews from which case studies, focused on moments of behaviour change, will be developed.

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1 Anzisha Story Research Brief
FINDINGS

DEMOGRAPHICS

A total of 24 Anzisha Fellows responded to the survey, giving a response rate of 24%. Of these, 16 responded to the English survey, seven to the French survey, and one to the Portuguese survey. Respondents’ ages varied between 17 and 28 years old, with an average of 23 years. The largest proportion of respondents fell into the 23-25 years age group. Slightly more female than male Fellows submitted responses.

Respondents represented 15 African countries. The greatest number of respondents were from Nigeria and Uganda – with four each.
RESPONDENT VENTURES

Respondents’ ventures covered diverse sectors from agriculture to education and manufacturing. This included an NGO that creates educational board and card games for school children, a business that farms greenhouse snails for cosmetic products, and an agricultural technology business that allows individuals to own farms by purchasing a section of the business’s farmlands. Other businesses included a coffee shop, clothing manufacturer, as well as food production and clean energy companies (See Appendix One for a summary of sectors and businesses represented). One respondent reported having two ventures. The largest proportion of ventures were in the agriculture sector, followed by retail/manufacturing.

The survey asked participants to indicate how many people they employ. Numbers of employees across the 24 responses ranged from two up to 143. These numbers include permanent and temporary direct employees. The mean number of employees was 15, and the mode (most common number of employees) was six. When asked how many of their employees were under 25 years of age, responses ranged from none to 36, with a mean of 7 and a mode of 3. Altogether, these 24 young people employed a total of 370 people with 170 (46%) of these being under 25 years of age. Although the sample size is small, this is an encouraging finding about the employment potential created when very young people become entrepreneurs.
REASONS FOR PURSUING ENTREPRENEURSHIP

Respondents were asked why they became entrepreneurs and whether they could identify a key moment where they decided that they wanted to pursue entrepreneurship. This qualitative data was coded thematically, with key themes from the responses summarised in the graph below. Note that percentages sum to more than 100 because several VYEIs provided more than one reason.

The most common responses (58%) focussed on VYEIs’ attempts to stimulate social change or to be a ‘change-maker’ within their community or society, followed by 50% noting that they
wished to solve a specific problem – often a problem identified within their communities. Various nuances were evident within these categories. For example, some young people wanted to pursue entrepreneurship to focus specifically on women’s empowerment:

I went natural in 2014 and couldn’t get the right hair care products for my natural hair. This inspired me to find a solution to a problem I have identified in my community. I became an entrepreneur because I wanted to solve problems in my communities and at the same time impact the lives of young women and girls.

In my country, the city and the countryside are very different. In the city, the woman stands out, she is independent... But in the countryside, the woman is made to obey, to execute, she does not have the right to claim the abuses that she is subjected to, and does not even have the right to work ... I know that I will not change anything in their husbands, fathers and brothers, but I can change the lives of their children and allow these women to assert themselves and become independent within their families and surroundings. So, I thought of starting my own business [because] I value the role of women. [I want] to open [their minds] to employment in respect of their know-how, their level of education and their social conditions and to make their children the men and women of tomorrow.

One Fellow explained that after seeing the high rate of unemployment in his country, he wanted to be proactive and do something that could potentially create change in his society and for himself. Others noted that they had been exposed to obstacles in their communities, which led them to wanting to make a change. Examples included:

[I developed the idea for my business] after seeing how my late grandma defied the odds of stigmatisation and marginalization due to her leprosy... and cultivated food crops on a piece of land to feed her children and grandchildren. I am therefore on this path to economically empower persons with disabilities and rural women just as grandma to earn decent livelihoods...

I became an entrepreneur because I wanted to be the difference in my society and community... I think entrepreneurship is way beyond just transacting business; it's more of solving problems in your society and championing change journeys that people can be inspired by. Entrepreneurship is the path I have chosen to follow because of how it inspires disruptive narratives...

... I have run small entrepreneurial projects as a young person even when I did not know that I was practising entrepreneurship. But I decided to use these skills at a deeper level when one day I saw people buying sawdust from my father’s furniture workshop in our rural home. There and then I had to come up with a better solution to lack of access to affordable forms of clean cooking energy – a problem that I faced first hand while growing up. I had to challenge the status quo. I put a stop to my poultry business and electronics retail to focus on finding a better way to use the sawdust waste. Since then, I'm interested in waste. I have dreams of building the second waste to energy incinerator in Africa and build a system that ensures that waste doesn’t end up in landfills in the first place.

It is my [desire] to fight poverty first in my family and from there in all my community that inspired me to undertake entrepreneurship... I wanted to help parents pay for school supplies or other needs.

These responses align well with the hypothesis that VYEIs often start businesses to empower marginalised communities, have a strong sense of social responsibility, and so contribute to social change. As the desktop review notes, literature suggests that what sets young people apart from older generations is their propensity for ‘social entrepreneurship’ to tackle social and economic challenges in different areas of society. Therefore, in addition to the financial benefit of starting a business, the literature indicates that being of service to society by solving problems is a priority for many VYEIs. The statements above provide further indication that social entrepreneurship is a significant aspect of respondents’ entrepreneurial journeys and that they actively seek out ways to

combine entrepreneurship with social change, or that they see entrepreneurship as a vehicle to participate in that change. The data thus show a commitment among Fellows to find ways of overcoming prevalent problems that they had observed. Some of additional examples include:

In school we were taught that entrepreneurs solve problems around us for a profit, so after experiencing a personal problem — a situation where I couldn’t obtain and afford Mushrooms for my diet around my community because they were imported — I realized there was an opportunity and it was only through entrepreneurship that I could solve this problem… When I began earning money from my mushroom business, I decided to continue with my entrepreneurship journey to solve multiple agricultural problems.

I decided to become an entrepreneur when I realized that I had the capacity to bring, thanks to my knowledge and my experiences, a solution to the problem of post-harvest losses for small farmers. As a key moment, I realized shortly after when I entered the market for my products, I did not get discouraged even though some customer distributors rejected my products. I still wanted to continue working, because I knew I was impacting the lives of a certain number of people, and I kept faith, I believed in myself.

Others explained that the desire to innovate was what drove them to pursue entrepreneurship:

I always dreamed of becoming an inventor — even from a young age. Since I saw computers at age nine, I always wanted to create something very unique that people would remember me for.

Many existing services and solutions are archaic, I was confident that by leveraging technology innovations, problems would be solved a lot more efficiently. This prompted my journey into entrepreneurship.

These responses support the hypothesis that VYEs have the potential to solve real-world problems because they are often more willing to try new and untried solutions. The desktop research suggested that young peoples’ inexperience is their greatest asset — they are less likely to be discouraged from trying new solutions for fear that they will not work and are more likely to enter an industry asking questions where others have previously relied on unquestioned assumptions. Indeed, the examples above point to the same sense of innovation and willingness to extend oneself beyond traditional confines. This is a particularly noteworthy trait in an entrepreneur, since entrepreneurship often requires improvisation, unconventional thinking, and a willingness to disrupt norms and enter/create new markets.

Some respondents (21%) indicated that they wanted to pursue entrepreneurship because they were affected by the problem of unemployment, or they wanted to create employment within their contexts. Examples of these responses can be seen below:

At a very tender age I started thinking of owning several things just because I’d love to see them grow and be big. Something that solved a need was my first goal and employment was my second. I didn’t think of money or wealth at that age really because I was too young and my parents catered for me. So between ages nine and eleven, I had a notebook that contained all my businesses and even their names. By [age twelve] I was involved in activities that were exposing me, and by sixteen I was doing something tangible.

… I want to be an entrepreneur, for exchange with other countries, [and for] giving jobs to others. Entrepreneurship helps me broaden in the world.

I want to build something that’ll impact South Africa, create jobs and also exist after I’ve ceased to.

These responses align closely with the hypothesis that VYE’s who are choosing to employ their peers are positively impacting the youth unemployment gap in Africa. According to the African Development Bank, of Africa’s estimated 420 million youth aged between 15 and 35, a third are unemployed and discouraged, a third are vulnerably employed, and just one in six are in wage
Employment. Unemployment is just part of the problem, with underemployment posing additional challenges for more than half of employed youth in low-income countries. The examples above suggest that some VYEAs are acutely aware of the issue of unemployment and are taking steps towards correcting this issue. Their employment numbers reported above suggest the same.

Others (17%) noted the influence of education in one way or another – some through negative experiences with education, and others through positive experiences. Examples of positive experiences with education are noted below:

…I realized there was an opportunity to take up and it was only through entrepreneurship that I could solve this problem. This propelled me to utilize the skills I had learnt from school, apply them and close the gap.

I always wished to invent a solution to fight malaria but I didn’t know how inventions are found. I had knowledge to develop something but I thought I needed a lot of money at once. When I got to know about what Social Innovation Academy does – the empowerment of youths to become social entrepreneurs – I decided it is the right place for me. The SINA model supported me and I decided to be an entrepreneur to use the resources I can access to start.

On the other hand, a Fellow noted that he was expelled from school because his father had had a bad harvest that year, meaning that he was unable to pay school fees. As a result, he had to find work. He eventually decided to fight against the issue that had led to his expulsion from school and to create cassava and corn plantations and share the proceeds from the harvest.

These responses echo the hypothesis that entrepreneurial education is critical to the success of VYEAs, but VYEAs often succeed despite their experience in traditional education. Research suggests that successful entrepreneurial ventures can be significantly aided by good entrepreneurship education at all levels of schooling. Kew et al highlight the importance of schools in Sub-Saharan Africa promoting entrepreneurship as a viable career path as well as incorporating entrepreneurship education. The responses above suggest just how valuable entrepreneurial education could be, as well as indicating that VYEAs are often forced to overcome difficult circumstances where this kind of education is not an option.

In addition to the above, two respondents (8%) indicated that they had wanted to become self-reliant or independent. They saw entrepreneurship as an opportunity to do so. For example:

I decided [to become] an entrepreneur to be self-reliant. In Nigeria today, many graduates are unemployed and this gave me a mindset of becoming self-reliant and an employer of labour rather than a job seeker.

For me entrepreneurship is the only way to freedom I like to be free.

These statements suggest that for these two respondents, entrepreneurship is a valuable mechanism of ensuring their independence.

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RESPONSES TO HYPOTHESIS STATEMENTS

In order to verify the relevance of the ten hypotheses identified from the desktop review, survey respondents were asked about the extent to which they agreed or disagreed with statements representing each of the hypotheses. The graph below depicts the percentage of respondents who said that they either agreed or strongly agreed with each of the ten hypotheses. Although there are differences across the specific hypotheses, for all but two hypotheses, more than 70% agreed/strongly agreed with the statement.

The results indicate that 100% of respondents agreed/strongly agreed that entrepreneurial education is important, that VYEs often focus on improving lives in their communities and that VYEs are willing to try out new solutions. We also see that most reported that mentors/coaches are important, and that young people often choose to employ other young people. A total of 84% agreed/strongly agreed that agriculture provides opportunities for young entrepreneurs. The two statements (hypotheses) that respondents tended to agree less with were those related to support of parents and support of social networks and extended family. While for the latter (social networks and extended family) more than half (62%) did agree/strongly agree with this statement, only 46% agreed/strongly agreed that they had chosen to pursue entrepreneurship through the support of

**Respondents who agreed/ strongly agreed with hypothesis statements**

- Many VYEs are successful despite not learning much about entrepreneurship in traditional schooling. 75%
- Entrepreneurial education is important for successful young entrepreneurs. 100%
- VYEs often focus on improving the lives of people in their communities. 100%
- VYEs are willing to try out new solutions to common problems. 100%
- VYEs often choose to employ other young people in their businesses. 88%
- Mentors/coaches provide important forms of support for very young entrepreneurs. 96%
- Broader social networks including friends and extended family provide important forms of support for very young entrepreneurs. 62%
- VYEs who have chosen to pursue entrepreneurship have been able to do so through the support of their parents. 46%
- The agriculture sector provides opportunities for young people who want to become entrepreneurs. 84%
- VYE's who have successfully accessed finance/investments have done so by building relationships with their supporters. 71%

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their parents. One Fellow explained that his parents initially were actively against his entrepreneurial ventures, but once he became successful, they were very supportive. This somewhat ambivalent role of parents, as reported by the young entrepreneurs surveyed, highlights the importance of Anzisha’s work in raising awareness among parents of the potential entrepreneurship opportunities bring for their children and the importance of their active support.

**KEY TAKEAWAYS AND CONCLUSION**

Survey respondents came from diverse backgrounds, began their entrepreneurship journeys differently and ran ventures across several different sectors. There were also similarities in their experiences and motivations. The responses of very young entrepreneurs showed the relevance of most of the hypotheses identified in the desk top review. Important though was the nuance that emerged regarding the role of parents and the role of social networks and extended family in the journeys of these young people. While the available literature points to the importance of parents, we see that more than half of the young entrepreneurs who completed the survey, did not agree that their parents’ support was critical in their own success. It may be necessary to consider changing the wording of this hypothesis to place greater emphasis on the need to raise awareness among parents and social networks/extended families about the potential of entrepreneurship for young people. This is a key component of Anzisha’s work, and these results provide evidence to support Anzisha’s focus on both young entrepreneurs and the broader ecosystem in which they function. Moving forward, it will be important to explore what sorts of support young people most need from their parents and what support they are likely to be provided. This should be explored in the follow-up interviews.

Responses suggested that galvanising social change was one of the most prominent motivators for pursuing entrepreneurship, which aligns well with research that demonstrates the growing popularity of social entrepreneurship, especially among younger entrepreneurs. Respondents also demonstrated a desire to innovate and find workable solutions to problems that they had experienced first-hand. Respondents drew significant inspiration for entrepreneurship from their own contexts and obstacles that they or people close to them had faced. This is an important finding and something that Anzisha might like to emphasise more in its messaging.

The responses also provide initial evidence (though this should be treated with caution due to the small sample size) that young people are contributing to youth employment creation on the continent through entrepreneurship. Several respondents also made mention of wanting to be self-employed/independent or wanting to create employment for others. This is an avenue that is worth exploring further in VYE's personal stories during the follow-up interviews planned – why do they employ people under the age of 25 and how is this tackling youth unemployment in Africa?

The survey results necessitate further exploration of educational constraints that several respondents reporting facing, as well as the impact that entrepreneurial education could have on their lives and business prospects. The findings suggest that educational challenges can be both an obstacle and a driver for some, while entrepreneurial education specifically can act as a significant source of motivation.

The findings from this survey have provided useful insights into young entrepreneurs’ experiences. This understanding will aid in highlighting key moments of behaviour change in the entrepreneurial journey. Going forward, these findings can be used as a foundation to conduct a deeper analysis of VYE’s stories.
## APPENDIX ONE

<table>
<thead>
<tr>
<th>SECTOR</th>
<th>VENTURE DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education/ youth</td>
<td>An NGO that creates board and card games targeted at children in late primary and early secondary schools. Youth-led organisation that focuses on providing quality education to young people creating a self-employed and self-sustaining workforce</td>
</tr>
<tr>
<td>Agriculture/Farming</td>
<td>Snail farming for cosmetic products. Agricultural technology service that allows individuals to own farms by purchasing a section of the company's farmlands. Farmers then share the proceeds of their yields. Milk production and related products including yoghurt, cheese, and chocolate. Agricultural company that produces mushrooms and related products together with other farmers. Agri-food processing – transforming local agricultural raw materials that are collected from small farmers' cooperatives, into high quality finished food products. Agricultural company producing maize, cassava and locally bred chickens. Agricultural company that transforms agricultural waste into charcoal for cooking, produces leather, fabrics and locks with the pineapple leaves, and produces cereals, tubers, fruits and vegetables without the addition of any chemicals to fight against malnutrition and food poisoning.</td>
</tr>
<tr>
<td>Retail/ Manufacturing</td>
<td>Cosmetic company that creates organic hair care products for natural hair (kinky, curly, coily), which also work for transitioning and relaxed hair. Social enterprise that trains and employs the physically challenged and rural women to manufacture durable, versatile and fashionable clothing and accessories made of recycled tires, scrap fabrics, cotton threads, recycled glass and acrylic beads. Household cleaning products manufacturer Product production company Company that converts tyre waste into artificial grass aggregates, tiles, shoe soles, sports flooring and playgrounds. Enterprise that creates fashion accessories and decorative accessories hand-woven from new textile scraps.</td>
</tr>
<tr>
<td>Finance and Technology</td>
<td>Advertising company that leverages technology to connect brands with highly targeted and relevant audiences. Digital marketing agency that targets small business e-Merchant platform that enables businesses to buy or sell on credit. The platform allows businesses to procure, settle payments and secure financing that allows buyers to buy now and pay later, and for vendors to sell on credit and get paid early.</td>
</tr>
<tr>
<td>Food and Hospitality</td>
<td>Coffee shop Company that uses local tropical fruits and vegetables to create healthy drinks and smoothies. Company that organises children's parties including decoration, mobile playground, balloon sculpture, popcorn machines and a team for the care and control of children.</td>
</tr>
<tr>
<td>SECTOR</td>
<td>VENTURE DESCRIPTION</td>
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<tr>
<td>Social</td>
<td>A parent company birthed to create subsidiaries that identify &amp; solve problems in any locality. The company identifies pressing problems in different sectors of the economy, builds a team that has skills required to tackle the challenge on a pilot scale, and then finds a solution which becomes a subsidiary.</td>
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<tr>
<td></td>
<td>Company that creates everyday consumer products to fight Malaria, such as soap. The company also conducts awareness campaigns to inform rural communities about the causes and preventive measures of Malaria.</td>
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<tr>
<td>Environment and Energy</td>
<td>Clean energy company that recycles waste and converts it into forms that provide affordable clean energy solutions. Our flagship waste is biomass waste where we carbonize raw organic waste and use it to make affordable smokeless charcoal pellets. In addition to that we design machines that are used to recycle the waste in a more efficient manner.</td>
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</tbody>
</table>
|                             | Waste management company that uses creative solutions to develop products out of recyclable materials. The company partnered with the Anzisha Prize and key government Ministries to work with public and private sectors, communities, multinationals etc. on waste management approaches that:  
  - Are participatory and all inclusive;  
  - Are tailor made to local conditions;  
  - Are innovatively designed and low-cost equipment that are preferably developed locally in order to ensure availability of after sales services within the targeted region;  
  - Incorporate income generation; and  
  - Encourage the full involvement of local communities for job creation.                                                                                                                                                                                                                      |