

Does Entrepreneurship Training Work? Evidence from Three Programs

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Alleviating poverty is one of the central challenges facing the developing world. **An estimated 1.2 billion people live in extreme poverty** (e.g. an income of less than \$1.90/day). **One solution has been to help individuals find and/or create employment that provides them with a living wage.** This logic has given rise to a variety of initiatives aimed at helping youth develop necessary knowledge, skills, and attitudes to achieve this goal.



But does entrepreneurship training actually work?



This research project followed a **cohort of disadvantaged youth in Kenya, Tanzania, and Uganda** who participated in one of three entrepreneurship training programs through pre- and post-program surveys (n=2,203) and five years of interviews (n=230) to explore **what knowledge and skills they gained through participation, and what long-term impacts this might have had on their livelihoods.**

Findings

1 Youth generally learned the knowledge and skills provided by each of the three programs

- All youth reported increases in their knowledge of how to develop business plans and to find employment in their communities
- Youth also expressed greater confidence in their work skills, their ability to set and achieve goals, and reported with increased confidence that they had the skills employers were looking for
- Most youth (all except for those from Uganda) reported that group savings mechanisms helped them in the process of learning to save
- Most youth (all except for those in the formal, school-based program) reported being more satisfied with their lives

2 Youth appreciated a broad set of longitudinal outcomes, many of which were non-economic

- All youth reported that they were no longer idle and were better able to engage in the local economy
- Most youth engaged in mixed livelihoods, combining a variety of employment and self-employment to meet their needs
- Youth broadened and strengthened their social networks
- Youth's status in their families and communities increased
- These improved social networks and increases in status often brokered additional opportunities to improve youth's livelihoods and well-being

3 Youth faced continued constraints to getting out of poverty and remain vulnerable

- Increases in income were modest for most youth
- Youth faced new and greater responsibilities concomitant to their increasing incomes
- Continued structural constraints presented ongoing barriers to improved well-being, e.g.:
 - Unequal gender norms limited the types of well-paid work available to female youth and some faced gender-based violence in the work place
 - Youth often lacked the necessary credentials and/or school certificates to obtain better-paid and more stable work



What are the broader implications of this research?

Similar programs aimed at improving youth's entrepreneurship skills and livelihoods can offer useful benefits, but larger structural constraints (e.g. unequal gender norms, lack of secondary schooling, lack of credentials) remain formidable barriers to youth getting out of poverty.