Outline

Changes on the Labor Market and Entrepreneurship

• Generational change
• 21st century skills
• Youth unemployment
• Rising importance of entrepreneurship

Entrepreneurship Promotion Programs

• Unemployment \(\rightarrow\) self-employment programs
• University entrepreneurship programs
• Action items Greece

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• Who we are
• What we do
War for Talents & Youth Unemployment

**Youth Unemployment**

- Governments face critical challenges to **reduce unemployment**
- Disproportionately affects **youth** and **women** (ILO 2012)

"Around the world, there is growing recognition of the need to strengthen policies and investments involving young people … Youth can determine whether this era moves toward greater peril or more positive change. Let us support them develop into productive and powerful leaders." (Ban Ki-Moon)

**War for Talents**

- Is this just a myth from the 90s? Yes and No…
- One in three employers have difficulties finding qualified personnel (Manpower)
Youth Unemployment

Some more facts

• 2010: 75 million young people unemployed (UN World Youth Report, 2012)
• Particularly high in developed world

Some reasons

• Skill mismatch
• Lack of experience / credentials
• No clear perspective on personal vision
• Lack of available jobs for young people to gain experience
• Increase of productivity and automation in manufacturing
• Baby Boomers remain in their positions and want to / have to work longer
The Generational Change (Europe)

The GI and Silent Generations (1901-1945)
• Life before TV / WW I and WW II
• Respect hierarchy

The Baby Boomers (1946-1964)
• Work on typewriter / revolutions
• Distrust authority

Generation X (1965-1982)
• Work on word processor / tough economic times
• Don’t trust anyone

Generation Y (1982-1990)
• Work on computer / growing up in stability
• Environmentally conscious / Dual-income parents

Generation Z (1991 – present)
• Virtually connected / exposed to a global competition
• Worried about the future / seek security / reduced loyalty

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The Generational Change (Greece)

The Paradox (US Census Bureau)

Older generations will retire rapidly after 2015 without sufficient youth inflow

One of the highest rates of youth unemployment

Does that mean that all we have to do is wait 3 years to solve youth unemployment? That would be too easy…
What will future anthropologists say about the generation Z?

- **Speed and convenience:** always connected, act quickly and reflect little
- **Little Privacy:** Low barrier to talk about private things online
- **Social skills / virtual life:** Global virtual friends replace real ones
- **Shift of basic skills:** Many children under 18 cannot write/read cursive
- **Education:** High levels of education (academization)
- **Exposure:** to overwhelming amounts of information: Desensitization
- **Global mobility:** willingness and possibilities to move around
- **Nationality:** Sense of nationality will decrease due to blurring integrity
- **Single life:** Divorce rates increase, loyalty towards others becomes obsolete
21st Century Skills

We need to assess whether our students “possess 21st century skills like problem-solving, critical thinking, entrepreneurship and creativity”

(Barack Obama, 2009)
21st Century Skills

“The illiterate of the 21st century will not be those who cannot read and write, but those who cannot learn, unlearn, and relearn”

Alvin Toffler
Schools don’t prepare for the job market

**Schools teach...**
- abstract, theoretical
- organized by discipline

**Work is...**
- concrete, specific
- organized by projects
Schools don’t prepare for the job market

Do you have a career service at your university and are you happy with it?
Survey across Europe (50k students)

Study by the Futurework Forum, 2010
So what should we teach and do…

…in an era of rising youth unemployment, an increasing knowledge – skill mismatch and an intensified global competition?

What about …
Entrepreneurship

Important driver of economic prosperity and social well-being
SMEs (once startups) account for more than 60% of employment (Eurostat 2010)
Healthy Entrepreneurial Ecosystems

**Human Capital**
- Talents
  - Knowledge
  - Mindset
  - Culture
  - Creativity
  - Diversity
  - Skills

**Social Capital**
- Network Access
- Connectivity
- Openness
- Density

**Financial Capital**
- Amounts of Funding
- Access to Funding
- Smart Capital

**Infrastructure**
- Government / Policy / Laws / Regulatory
- Educational Institutions
- Physical Infrastructure
- Startup Support

**Company**
- Contribution GDP
- Innovation
- Survival
- Revenues

**Person**
- Life satisfaction
  - salary
  - health
  - Work satisfaction

**Society**
- Job creation
- Social stability
- Contribution GDP

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Entrepreneurship Promotion

Entrepreneurship and the Unemployed

- Multiple countries have implemented programs
- Little scientific knowledge to date
- Preliminary study in Germany in 2005
- International research project (EPFL): 2009 – 2013
  - Numerous European countries (unemployed founders and control group)
  - Questionnaire- and interview-based analysis
Entrepreneurship Promotion

Research Project: Entrepreneurship and the Unemployed

• Dedicated programs have a strong impact on the labor market
• Founders created their own and on average 2.2 additional jobs after 3 years
• Three year survival rates > 85%

• Micro financing hardly exists, however it would be greatly needed
• Most start their projects for intrinsic reasons
• Founders are more satisfied with their work and life, despite lower income
• Most founders have rated the programs as very helpful
Action Items Greece

Short-Term

• Understand ecosystem, install measurements / analyze programs (e.g. OAED)
• Develop customized u.e. → s.e. programs for youth (e.g. Belgium)
• Micro-financing programs (as part of ETEAN 2011)
• Incentivize talents to remain in Greece (stop brain drain)
• Support the bottom-up initiatives (StartupAthens, Loft2Work, …)
• Equip universities with functional career services

Long-Term

• Broad entrepreneurship programs to create an entrepreneurial culture
• Facilitate R&D and innovation for sustainable growth
• Public-private collaborations to put these measures in place
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A network of independent experts

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We work with governments and universities

Labor Market Research  Consulting  Training & Workshops

Investments  Coaching  Awards  Events  Knowledge

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Global Entrepreneurial Ecosystem Map

- Tracking of existing entrepreneurship support structures
- Approximately 60’000 – 100’000 data points are expected
- Project timeline: May 2012 – September 2013
- Government reports to assess status-quo and suggest a way forward
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China Entrepreneurship Development Programs

Our partner is a government organization that aims at assessing the effectiveness of existing entrepreneurship support programs in China.

Process:

• Mapping of existing support programs
• Analysis of successes and failures of those programs
• Empirical analysis of their effectiveness
• Propositions for improvements and implementation mechanisms
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King Abdullah University of Science and Technology
• Consulting in establishing an entrepreneurship center
• 4-step programs (Saudi Arabia and Switzerland)

1. Teaching / coaching venturelab teams
2. Pre-selection of seed fund finalists
3. Prepare seedfund finalists for pitch
4. Tech-to-market bootcamp (CH)
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South African Development Community (SADC)

In collaboration with CIYDA (NGO) and TIA (government) we are setting up government- and university-based entrepreneurship programs to help the younger generation create their own labor market.

Governments

- Mapping of entrepreneurial ecosystem
- Empirical analysis of effectiveness
- Propositions for improvements
- Support in implementing changes

Universities

- Roadshow of bootcamps
- Building entrepreneurship curricula
- Establishing speaker series
- Create seedfund programs
The easiest time to take a risk is when you have little to lose. The greatest entrepreneurial opportunities evolve during moments of crisis. Support those that want to break out!
Thank you for your attention.
Do not hesitate to ask questions!

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Youth Unemployment Global (%)

<table>
<thead>
<tr>
<th>Youth unemployment rates forecasts</th>
<th>2012</th>
<th>2017</th>
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</thead>
<tbody>
<tr>
<td>Global</td>
<td>12.7 %</td>
<td>12.9 %</td>
</tr>
<tr>
<td>Central and South Eastern Europe</td>
<td>16.9 %</td>
<td>17 %</td>
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<tr>
<td>Developed economies</td>
<td>17.5 %</td>
<td>15.6 %</td>
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<tr>
<td>East Asia</td>
<td>9.5 %</td>
<td>10.4 %</td>
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<td>Latin America &amp; the Caribbean</td>
<td>14.6 %</td>
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<tr>
<td>Middle East</td>
<td>26.4 %</td>
<td>28.4 %</td>
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<tr>
<td>North Africa</td>
<td>27.5 %</td>
<td>26.7 %</td>
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<tr>
<td>South Asia</td>
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<td>South East Asia &amp; the Pacific</td>
<td>13.1 %</td>
<td>14.2 %</td>
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<tr>
<td>Sub-Saharan Africa</td>
<td>12 %</td>
<td>11.8 %</td>
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