

Education and Employment theme, My Generation

2nd preparatory report

Ulf Hägglund, European Minds





Introduction

One afternoon when I was coming home from work my son Oskar, at that time aged ten, was sitting with his cousin at the kitchen table, both very busy seriously painting, writing and cutting small paper cards. They must have produced more then 50 cards already, as they were all over the place, drying, waiting for further handling. I asked them what they were up to and got the answer immediately: "Dad, we are making Christmas cards! We are going to sell the cards ("...and dad, aren't they fantastic by the way..?") to get a little extra money to buy Christmas presents!"

I was at once both surprised and proud. This was the first time I had experienced any entrepreneurial activity at all coming from my son, and, despite the very uneven but charming quality of the cards, the idea had rather good timing. After all, Christmas was only three weeks away, and most likely there would be a good number of neighbours in desperate need of cards to send to friends and relatives. And furthermore these cards where truly unique... After a short coaching session they decided to sell the cards in bundles of five, with a red ribbon round each stack. Two euros each, this could be really good..!

They entered my kitchen again not even one hour later. Laughing, shouting, happy as....yeah, kids. Every single card was sold, and a very positive first impression of what creativity combined with entrepreneurial activity could bring was now implemented in their brain and thus, in their heart. Oskar has done business continuously since then. Not that I have supported all his ideas over the years, but at least he got my support for the most important one – his first.

The E and E theme – back to the grindstone

There are rough times...

Since 2008 we have been in a global crisis which has disproportionately affected young people. Youth unemployment figures were already higher than adult unemployment ones before the downturn, and now, in the wake of the crisis, youth unemployment rates have reached 25-30 % in some European countries. And even if, in some countries more than in others, there are positive signs of an economic rebound, the job creation taking place doesn't seem to be strong enough to turn the tide of youth unemployment.

To the world, to EU, to the network of My Generation; this is a matter of greatest concern, not a spectator sport. If we fail to take necessary action now, there is a vital risk that the situation of a great number of young people will become unsustainable, representing a threat to social cohesion. Not to mention the incontestable fact that the young people of today represent a valuable resource to economy, businesses and society and thus should be prioritized and listened to when discussing job creation and employment strategies, policy making, business development and labour maintenance etc. In Sweden, as in other developed countries, the number of net job opportunities in private companies hasn't changed over the last 60 years. It is not likely that the public sector will continue to grow the same way it has been during the same period, so if we want (all) people to have a job, we have to find ways to promote both job creation, job readiness as well as ways to match supply and demand – at the same time.

The My Generation project has been co-financed by





...so what can we do about it within the scope of My Generation?

The first E and E thematic workshop in Gothenburg offered an interesting mix of examples on how to promote young entrepreneurship, how to map, translate and display competencies gathered within informal and non formal learning situations and arenas, how to establish and nurture from co-operation between schools and business/employers and how to build successful local support structures in order to promote creativity and innovation. All the good examples, case studies and analysis are presented in the Workshop documentation, a massive Power Point presentation available at the MG webpage

(http://urbact.eu/fileadmin/Projects/My Generation/documents media/MG Educ and Empl Report 2009.ppt). The presentation offers valuable food for thought for anyone interested in the theme and in developing joint ventures in order to put in place sustainable, seamless transitions between education and working life.

In order to make best use of the upcoming workshop in Valencia, we should now challenge ourselves to go a bit further, to really think about what should be done and how we could do it. It is still very much about the same areas as in Gothenburg; entrepreneurial processes, job creation, job preparation, co-operation – but this time, let's think not only about good examples on single activities, ventures and projects. Let's also think and talk about strategies and policies, about connecting and what should be connected, about what works and what doesn't. Maybe there is no easy answer – but on the other hand, it isn't rocket science either. It has to be about sustainability, about long term strategies, about REAL and genuine co-operation. It has to be about taking the young ones for granted – and giving them the importance they deserve. It has to be about abandoning "...this is how we always have done..." attitudes and it has to be about building understanding and trust between all necessary actors. It is about outlining a chain of performance that has to start in early school levels and that will not end until... well, much later.

To get you going, I have tried to emphasize some examples, questions and ideas that could work as a starting point for the discussions and project work sessions in Valencia. Please do not bother being upset about missing structures, fragmented ideas etc, as they are only a reflection of my mind. In addition, I have also asked my colleagues in the expert team, Bob Arnkil and Eddy Adams, to provide an outlook from their national perspective regarding trends and areas of interest considering the E and E theme. Thanks for your valuable contributions, as always, guys. And finally, a special thanks to Andrea Moreira Santos, Rotterdam/10tacle, for her indefatigable work with the workshop programme and content! I wish I had that energy....

Hopefully the bits and pieces in this second preparatory paper on Education and Employment could inspire you to co-operate, to innovate, to plan and to act.

See you all in Valencia!

/ Ulf



the European Regional Development Funds, through the URBACT II Operational Programme.



Minding ones own business...

- The attitude towards (young) entrepreneurship; is it positive or negative? In general, in society, in our MG cities? Consequences? Policy implications; when youth unemployment is high the politicians push the "promote young entrepreneurs!"-button (as well as any other button available). Guess that is a gesture of panic rather then of strategic planning...
- We should also widen the image of entrepreneurship as well as of how enterprising can be expressed and set up (c.f. social enterprises, self employment, micro business etc). It's not a big deal to become an entrepreneur, and it shouldn't be a big deal to quit being one either...
- Honestly, how hard can it be? Entrepreneurial thinking and activities could be supported everywhere; at day-care, at home, at school, within youth work, sports, NGO's...
- ...but it takes a coherent, <u>sustainable strategy</u> concerning how the theme itself is promoted and connected as well as a kind of <u>"supportive mental and infrastructural framework"</u> that enables young people to be creative and entrepreneurial (see below the illustration from the My Generation Gothenburg report/ppt, slide 17). There's a checklist for each and every city that REALLY want to promote young people, creativity and entrepreneurship



Innovativity	Proactivity	Cooperation	Risk Taking	
"we have already tried this" attitudes	Are the young allowed to take	What actors are there?	Are the young allowed to make	
banned	initiatives?	What about attitudes	mistakes – and encouraged to try	
Are there structures to deal with and	to deal with and ok? status quo 1? Is there space enough for young people's initiatives? constellation idea to product to deal with and support initiatives? Challenge to "default" para and teams constellation constellation.	- is entrepreneurship ok?	again?	
support innovativity, or is status quo norm?		Challenge the "default" partnerships	Is there risk coaching and support?	
From idea to product or service – how?		and teams constellations – search outside the	Attitudes of what is wrong or right?	



The My Generation project has been co-financed by



	box	

Figure from page 11 of the the My Generation Report on Education and Employment (September 2009) http://urbact.eu/fileadmin/Projects/My Generation/documents media/MG Educ and Empl Report 2009.ppt

- Of course we need more examples and ideas to make things happen short term, to continuously seek for new ways; this is why we should be friends with our Managing authorities... now here are some ideas to reject, reinvent or just recycle:
 - Set up "creativity support funds", "bags of money, BoM's" at schools, in organizations, in youth clubs... Any good idea gets funded, due to a speedy decision process as long as the young involved manage to present a trustworthy (but not comprehensive and too serious either) project plan. This way each city will be experiencing a crowd of young mini entrepreneurs, arranging festivals, concerts and events. The young cultural life will flourish, for the cost of almost nothing. And beyond that, the crowd of young project managers and entrepreneurs will not stop there. They will carry a positive image through life, saying that everything is possible...
 - Let students connect to employers asking them for real projects could be done anywhere, and the effect is stunning. Nothing for lazy teachers though; as they have to adopt curricula to fit reality.... (sorry teachers;-)
 - Offer Enterprise camps for young people, planned, managed and run by slightly less young ones. Responsible bodies could be NGO's, sports clubs, schools, either individually or, even better, in co-operation...
 - Challenge young people to create their own summer jobs by being creative and innovative; a good idea, product or service means that a company or the city will pay them for delivering their idea
 - Pushing young people to offer their mindblowing knowledge (IT, social media, communication tools, languages, cultures, and, not to say the least, about themselves...) to small companies and employers, visualizing a need for their knowledge internalized both formally and informally, and at the same time building their first labour market contacts and networks

From education to work...

Innovative "One door in" systems/attempts/examples; a place, could be both physical and/or virtual, where any young and unemployed, regardless of position or situation, might get the help that he or she needs. A kind of Multi resource centre, based on "true" co-operation and collaboration focusing on the needs of the young person, not on the need of the authorities/partners. With "true" I mean that the co-operation process must show progress and results regarding a) shared vision, values and attitudes, common understanding, clear objectives and outcomes, b) hands-on, transparent multi actor collaboration (joint activities

The My Generation project has been co-financed by





based on a common interest to exceed and develop existing practice, structures, borders, models, systems etc) and c) coordination, i e resources, management, organization, monitoring/evaluation, dissemination etc

- Build on the possibilities and strengths of each individual, set up "ideas and project areas", carry out validation of competencies and make clear (show in reality, translate) what good the competence can do "out there", creating aha!-experiences, insight and, at its best, also foresight...
- Events etc. dealing with the issue from a new, interesting perspective, platforms to communicate the result and progress, innovative efforts, new media, advertising and PR campaigns...
- The use of young people to work for and with young people, creating new jobs within the theme. One example could be to hire Job agents; young people with job experiences that work directly with employers to find the jobs that still are not out on the market and that provide help in matching and recruitment processes)
- Finally, these efforts should be based on a joint political will to think and act in sustainable, long terms concerning the supply of labour and use of resources, to wipe out social exclusion, to minimise costs in the welfare systems, to have an ambition to become number one in supporting each young individual, to use complementary resources such as EU funding etc. for certain efforts attached to the current strategy. That is a strategy, built on common sense, a common will to change and produce long-term results, a higher purpose than ad hoc initiatives desperately following economic trends and processes... Shortly, a sustainable strategy for living urban cities as well as for rural regions.

From companies to companions...

- Make inventories of processes and arenas for exchange, insight (understanding), ideas generation; everyone needs this, but not everyone is invited...
- The different levels of education in each city, how are they connected to employers, lines of business etc? Is there an exchange of information regarding what they need, and how they could have an influence on the content, concepts etc?
- Is there a possibility to pinpoint "youth employment ambassadors" among the entrepreneurs and business leaders, parents that for any reason have an interest to help young people become part of the working force by offering training placements, mentors, contacts etc..
- Setting up exiting events involving match making and networking
- Introducing a "high status award" for the "most young people-friendly enterprise/employer of the year", allowing both young people and employers to vote...





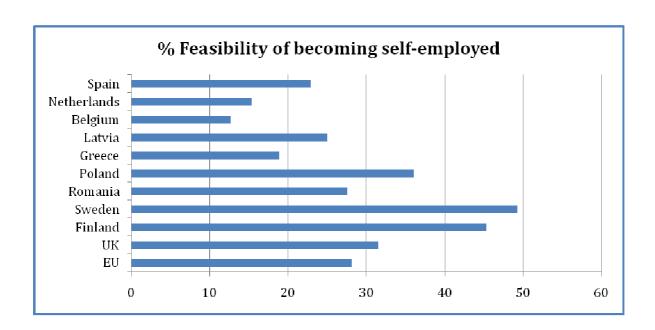




- Promoting projects concerning young people's informal competences/skills and how they could be used within the companies, i.e. to "translate" competencies and thus making them visible and understandable...
- Activities to promote the change of attitudes among both young people and employers in order to bridge gaps of understanding
- Ask young unemployed people (with adult support) to develop a web-based system dealing with supply and demand of trainee and learning jobs, a matchmaking tool, to create a common view and insight - and a much better local coordination of how to handle training placements...

(Young) Entrepreneurship – an outlook with reference the EU, Finland, Scotland and Sweden

Latest EU entrepreneurship data provides interesting attitudes to entrepreneurship amongst across the 27 member states. For example see below in relation to MG countries:



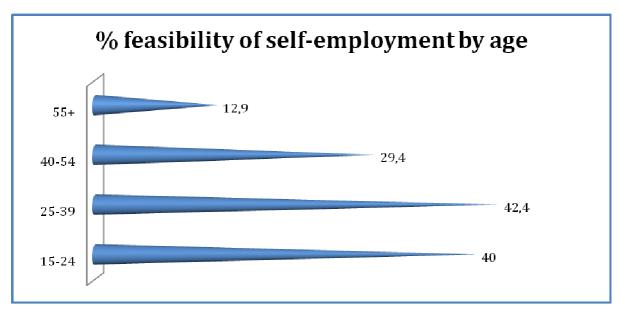




Connecting cities

Building successes

It also considers attitudes to self-employment by age group:



Source: http://ec.europa.eu/enterprise/policies/sme/facts-figures-analysis/eurobarometer/fl283_en.pdf

The data also indicates that:

- 49% across the EU think that their school education helped them develop enterprising attitudes (the same % thought not)
- 39% thought that schools had given them the skills and knowledge to become entrepreneurs
- Only 26% thought that schools had made them interested in enterprise (the figure for Turkey, US and China was between 68% and 73%

Scotland/UK:

European Union

During the current crisis, young people have been disproportionately affected and almost 40% of the 2.4 million unemployed Britons are under 25 years of age. In Scotland, youth unemployment has risen by 89% in the past 2 years. Part of the policy response to this has been to introduce a range of interventions (many now being cut back by the new Coalition administration) which have included a greater focus on business start up support for young entrepreneurs¹.

The UK (despite the EU data above) does not have a strong track record of new business start ups and this applies to all age groups including young people. In the past decade there has been a greater focus on supporting enterprise in schools – for example the

¹ For example, the Scottish Government's Inspire programme aimed at 60 school-leavers aged 16-19

The My Generation project has been co-financed by







Scottish Government's Determined to Succeed programme²) which have promoted joint school/business ventures. However, there is little evidence as yet that this has shifted attitudes to enterprise amongst young people.

Organisations like the Prince's Youth Business Trust³ have established a strong track record of supporting new start businesses amongst deprived young people, and they report that the principal barriers they face include:

- Seeking financial support
- Risk aversion
- Information failure difficulties finding guidance and support

The recent Global Entrepreneurship Monitor Report for Scotland identified some interesting findings relating to attitudes to risk amongst young entrepreneurs, as the table below shows:

Age group	18-24	25-34	35-44	45-54	55-64
Intend to start business next 3 years	7.1%	8.8%	6.9%	5.0%	3.3%
Running a new business	1.5%	4.3%	4%	3.3%	2.1%
Conversion rate (ratio of new entrepreneurs to intenders)	20.8%	48.9%	58.6%	65.6%	63.5%
Actively trying to start a business	2.2%	3.8%	3.1%	2.6%	1.9%
Gave up starting in last 12 months	2%	2.1%	1.4%	1.2%	0.9%
Start up abandonment rate	91.3%	54.7%	44.8%	46.5%	44.7%
Closure rate	0.6%	2.2%	2.1%	1.3%	2%
Existing business owner rate	1.9%	7.8%	10.7%	12.6%	9.6%
Churn rate (ration of closures to businesses)	29.5%	28.2%	19.7%	10.5%	20.4%

Source: GEM Scotland 2009

The report also indicates that:

- Young people from families in business are more likely to start one themselves (and that as only 4% of Scots born in Scotland fit this category, as opposed to 13% of children of migrants, the latter group are more likely to start a business)
- Compulsory training in starting a business whilst at school increases the odds of someone creating a business by 100% although voluntary training has no effect

Finland:

² http://www.employersandyoungpeople.org/Home





Connecting cities

Building successes

³ http://www.psybt.org.uk/

Finland is considered in international comparisons⁴ to be a very good environment for promoting entrepreneurship, so here's a glimpse of Finland. In terms of promoting small and middle size entrepreneurship, responsive administration, financial support, innovation and other dimensions the environment to start up business in Finland is good. The share of involuntary (forced) self-employment is low (about 10%). The growth of entrepreneurship-related employment in Finland comes from really small companies, mostly one-person self-employment. Big companies are not growing, they are enhancing their productivity and often downsizing. So is the public sector. But at the same time self-employment is still a more precarious career than salaried employment in terms of social security, although it has been improving. Finland has an unemployment fund available also for entrepreneurs. Finland has a very good business start-up system - it is very easy to start a business, and get support for it, from a onestop shop (provided by employment offices), in terms of training, information, and startup grants. If you have a business idea, you can start it with in a few weeks, with minimum red tape. Finland has also introduced entrepreneurial curriculums in all education, from basic education and high schools to vocational training and universities. There are also new special business accelerators, also specialising in small companies, put in place, where you can get informed advice about developing your business.

A special theme and field, quite relevant for our visit in Valencia, is activity in Finland to promote entrepreneurship in the Creative Economy, the Creative Industries, which is deemed to have huge self-employment potential, especially for the young generations. Creative economy refers to art, crafts, design, film, music, performing arts, publishing, R&D, software, toys, games, media... But on the other hand the supportive mechanisms here are still weak, compared to traditional industry and creative careers are precarious. Especially in creative industries a possibility to combine wage-earning and self-employment (being part of the year as an employee somewhere, and part of the time self-employed) would be useful, but there is still a lack of genius supportive solutions for this. All this points to the fact that many supportive mechanisms and policies in terms of education, financing, accelerators, social security, cooperation, information etc. need to be in place to provide a good environment for – especially – young entrepreneurs-to-be.

Sweden:

In Sweden there are about 900 000 companies, 99,9 % being small or medium sized. More than 60 % of the companies are to be found within the service sector, offering a wide range of services, many of them rather innovative (IT, telecommunications, green energy etc). But even if there is a rather significant increase in the number of new businesses over the last four years, especially among young people (a 20 % increase from 2005 to 2009), the number of entrepreneurs and enterprises is still rather low in comparison. There is still a major gap between the number of people that, when asked, think positively of becoming entrepreneurs and the number that actually go into business.

⁴http://ec.europa.eu/enterprise/policies/sme/facts-figures-analysis/eurobarometer/index en.htm





The explanation I believe has to do both with lack of experience (no business culture) and attitudes (the shame of earning (big) money, entrepreneurs being ruthless capitalists) that still exist in Sweden. But there are positive processes in place that hopefully will promote a change for the years to come; new incentives and support structures, new financial tools, a national strategy for implementing entrepreneurship throughout the whole school system, the "Young Entrepreneurs, YE" model that attract more and more students. Surveys show that students that enrol in the YE programme are more likely to start a "real" company later in life, so promoting the YE organisation must be a smart way to increase youth entrepreneurship, and thus, job opportunities for the young.

Another interesting trend in Sweden (and in many other countries) is the growing number of social entrepreneurs; people, often at a young age, that wish to combine the excitement of being an entrepreneur with the urge to do something good for society. A kind of "making money while saving the world" trend that could attract especially young people of today.





Building successes