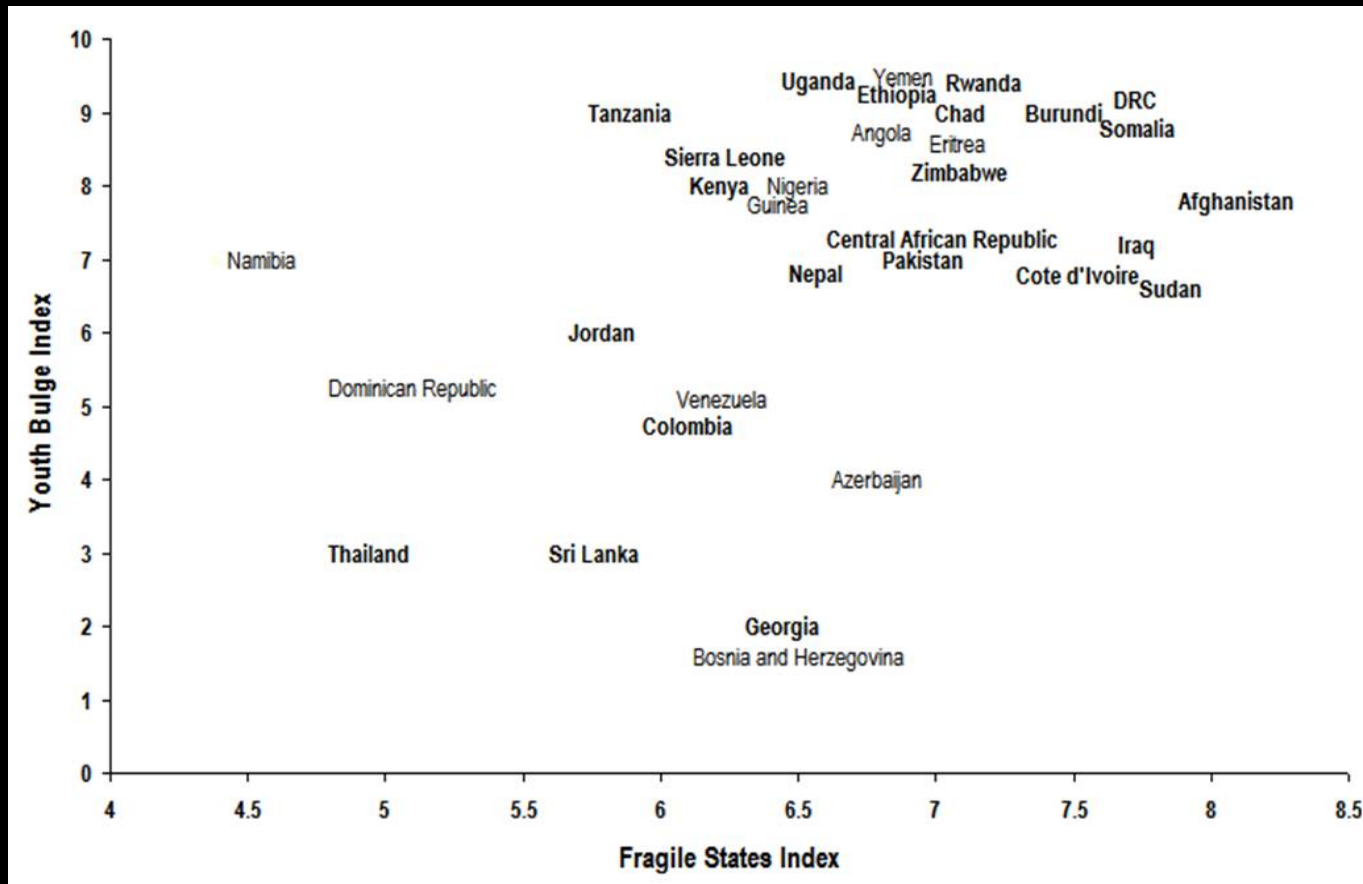




IRC Youth Enterprise Development & Employment



Youth Bulge or Demographic Dividend?



INVEST

in youth

>> Economic growth

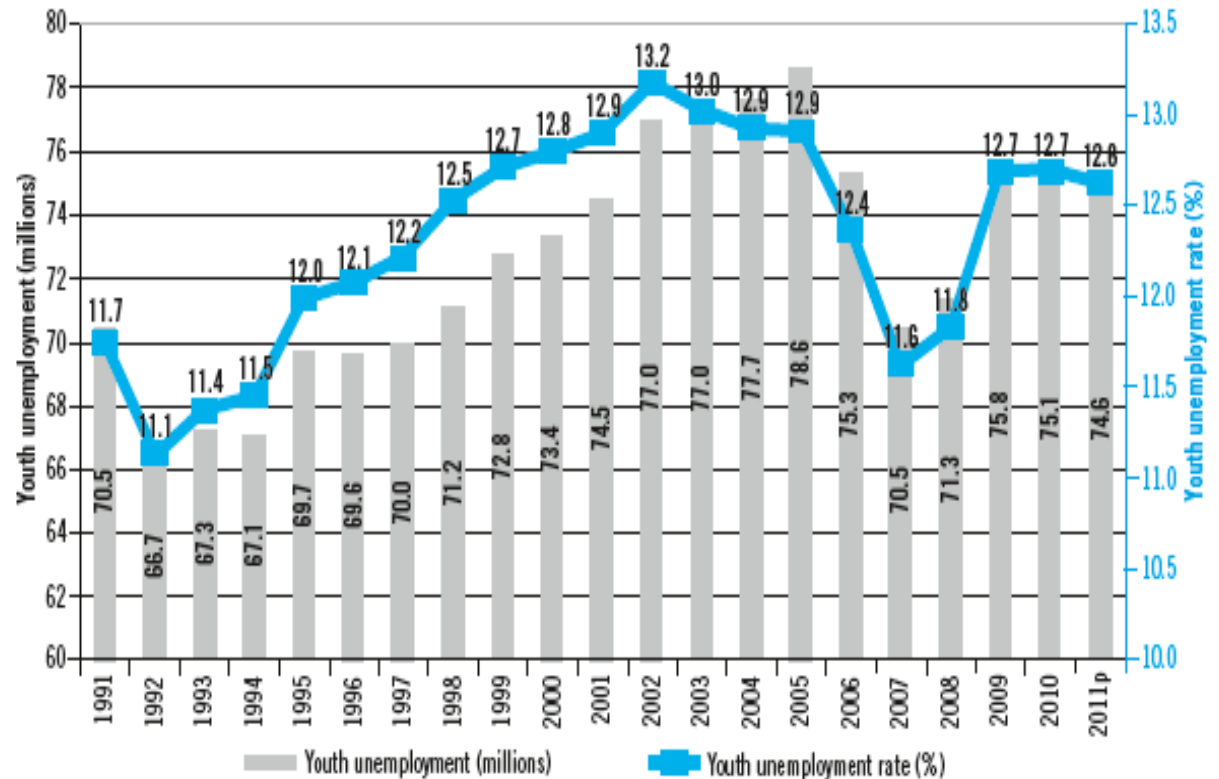
>> Peace building

>> Sustainable development

Millions of youth are underemployed or unemployed.

- 90% of young people (over 1 billion) live in developing economies.
- Instead of attending school, many youth are looking for jobs or are working in the informal sector.
- We would need to create over **600 million jobs in 15 years** to have enough jobs for the growing number of young people.

Figure 1. Global youth unemployment and unemployment rate, 1991–2011



p = projection.

Sources: ILO, Trends Econometric Models, September 2011.

What Outcomes do we want for youth?



Increased
income and
savings

Increased
goal-setting
behavior

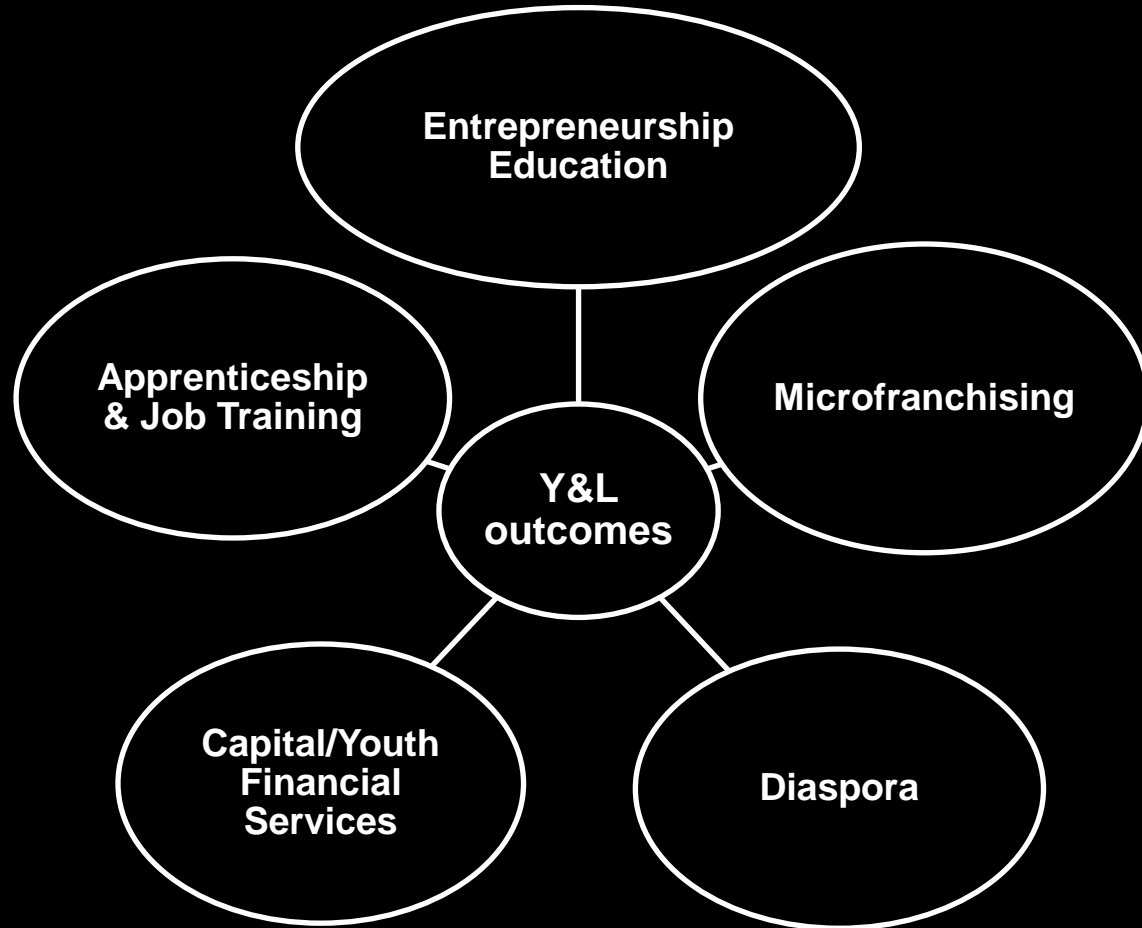
Improved
self-esteem

IRC Youth Programs - Evidence-based and Evidence-generating

1. Programming based on rigorous research and evidence
 - a. Literature (technical) reviews
 - b. Establishing research-practitioner partnerships
 - c. Learning consultations

2. Generating evidence
 - a. Asking fundamental questions
 - b. Conducting research projects

Youth Bundled Services



Entrepreneurship Package



Microfranchising (MFr) Model



Apprenticeship Model



Key Lessons Learned

- Gaining both practical and transferable skills supports success
- It is important for programs to support facilitation and risk management in working with the private sector
- Programs must include strong mentoring/follow up components
- Capital centric models have increasingly the best evidence
- Must ensure commitment and be able to match needs, skills and interests with the appropriate service

Microfranchise

- Modeled after traditional franchises in the US and Europe
- Small businesses replicated from bigger existing business:
 - proven business concepts
 - established brand
 - defined operations
 - defined cost structure
- Microfranchises have minimal startup costs and are easy to maintain



Why Microfranchise?

- The franchisor has done the work
- The franchisee needs to simply follow existing guidelines
- Pairs a successful entrepreneur with those who lack the skills and capital to develop and start their own business
 - Benefiting the individual with the new business
 - Benefiting the existing business by expanding their customer reach and market share



Kenya Microfranchise Program

- Engaged 4 franchisors (Darling, Kenchic, dlight and Coca Cola) - developed franchise models with support from Open Capital Advisors
- 994 girls matched with franchisors- provided training package
 - 790 girls started franchise businesses - \$24 dollar increase in a month reported at midline
 - Supported 759 girls to access financial services - 80% saving on a regular basis
- Girls recruited 346 buddies to assist the businesses as needed
- Impact evaluation (RCT) underway - treatment vs. control vs. cash grant