SOWING THE SEEDS OF PROSPERITY:

Networked Solutions for the Youth Employment Crisis

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With nearly 300 million unemployed or inactive youth around the world, youth unemployment is a

serious threat to global prosperity and well-being. The social and economic repercussions of prolonged youth unemployment range from a loss of aggregate demand in the form of slower growth and less job creation to heightened pressure on fragile social support systems and even increases in crime, violence and social unrest. While single-actor interventions have largely proven ineffective, global solution networks are drawing on the resources and competencies of diverse actors in society to create new pathways for skills development, entrepreneurship and policy creation that will underpin long-term solutions for youth employment.



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Idea in Brief

Few economic issues so galvanize attention as does the contemporary focus on youth employment. In every corner of the world, both public and private leaders see the issue as central to both long-term economic progress and short-term political and social security. And with nearly 300 million unemployed or inactive youth around the world, there is good reason to be concerned about the short- and long-term consequences of inaction or ineffective action. Long-term unemployment not only depresses life-long earning potential and robs the economy of skills and aggregate demand, it also creates the conditions for social unrest.

A young person in the United States who has been unemployed for just six months can expect to earn about \$22,000 less over the next 10 years than they could have expected to earn had they not experienced a lengthy period of unemployment. With 300 million unemployed individuals worldwide, the collective opportunity costs of prolonged youth unemployment to the global economy are astronomical. The challenge going forward is to sow the seeds for prosperity by creating the conditions in which young people hailing from diverse backgrounds, regions and income levels have equal opportunity to become fully-employed members of society.

As with global issues such as climate change, poverty and global health pandemics, the problem of youth employment cannot be solved by governments alone. Nor can it be satisfactorily addressed by individual private enterprises or non-profit organizations. Instead, we need to mobilize networked responses that leverage contributions and resources from all sectors of society. The emerging networks featured in this report suggest it can be done with bold new approaches that harness the knowledge and ingenuity of diverse stakeholders through technology-enabled collaborations. In short, multi-stakeholder networks can succeed where isolated and uncoordinated efforts by various actors have so far failed.

As defined by the Global Solution Networks program, global solution networks (GSNs) are made up of diverse stakeholders that have self-organized to address a global problem and are making use of digital technology in pursuit of progressive goals.

Numerous GSNs are drawing on the resources and competencies of diverse actors in society to prepare young people for today's labor market and stream unemployed or underemployed individuals into meaningful employment opportunities. These networks highlight tangible examples of how policy makers and both civic and private-sector leaders can collaborate to create new pathways for skills development, entrepreneurship and policy creation that will underpin long-term solutions for youth employment. A shift in the public discourse away from an immobilizing focus on the scope of the problem to a more clearly articulated vision of the promise of multi-stakeholder solutions and the key elements required to build effective global solution networks is necessary. Moreover, solving the world's youth employment challenges means placing youth at the heart of the problem-



solving process, not only as recipients of programming and funding, but as the architects of sustainable solutions for long-term entrepreneurship and employment.

The Youth Employment Challenge

Rich or poor, mature or emerging economy, the global youth unemployment challenge is a reality across the global economy and requires a new approach to solving it. As The Economist coined in early 2013, today's generation of youth risks becoming Generation Jobless. By some estimates, nearly one-quarter of the world's total population of youth can be classified as "NEETS"—not in employment, education or training.²

While most pronounced in developing countries and lagging mature economies, rates of youth unemployment close to twenty percent or more in the United States, the United Kingdom and France point to a near-universal challenge. Even in fast growing developing economies, the problem is quickly becoming a crisis situation. Globally, the youth unemployment rate is now nearly three times higher than the general rate of unemployment.³

Youth Unemployment vs General Unemployment in G20 countries (2014)			
Country	General Unemployment Rate (15-64 years old)	Youth Unemployment Rate (15-24 years old)	
Argentina	6.4	18	
Australia	5.9	13.3	
Brazil	4.9	13.5	
Canada	7	13.4	
China	4.1	6.4	
France	10.2	22.5	
Germany	5.2	8	
India	3.6	10.7	
Indonesia	5.7	17.1	
Italy	12.5	42.6	
Japan	3.6	6.4	
Korea	3.7	10.3	
Mexico	4.9	9.8	
Russia	5.1	13.4	
Saudi Arabia	6	30.6	
South Africa	24.8	52.5	



fail to transition to stable jobs by their early 20s are at risk of experiencing more frequent and prolonged spells of joblessness, permanently lower earnings and greater difficulty building a secure financial future for themselves and their families.

Spain	25.3	53.1	
Turkey	9.1	16.1	
United Kingdom	6.7	18.7	
United States	6.2	13.1	
Source: International Labour Organization, August, 2014			

The consequences of sustained youth unemployment are very serious and, if not addressed, they will be borne not just by young people, but by all age groups and all sectors of society. Experts broadly agree that prolonged youth unemployment early in one's career leads to poorer labor market outcomes in the future. Indeed, individuals who fail to transition to stable jobs by their early 20s are at risk of experiencing more frequent and prolonged spells of joblessness, permanently lower earnings and greater difficulty building a secure financial future for themselves and their families. A spell of prolonged unemployment can drain personal savings, force young people to delay moving out on their own, make it difficult to service ballooning student-loan debts and impair the ability to save adequately for retirement.

The impact, in turn, on both individual and society is profound. The global economy will feel the loss of aggregate demand in the form of slower growth and less job creation. Government programs and services could be compromised by depressed tax intakes and higher expenditures due to the increased need for government-provided health care and additional welfare payments. The private sector will be starved of the human capital it requires to drive innovation and growth because long-term unemployment robs young people of the opportunity to gain the skills, experiences and connections required to succeed in a modern work environment.



Youth unemployment is a factor in the street protests that erupted in Brazil in 2013

As recent events attest, there is even the potential for significant social unrest. The International Labor Organization estimates that nearly 20 percent



of Brazil's population, ages 15-29, are without employment and not in school. Like the protests that rocked the Middle East and North Africa in recent years, an explosion of unrest in Brazilian cities in 2013 was in part driven by the disenfranchisement felt by youths unable to enter the formal economy. As Paulo Sotero, director of the Brazil Institute at the Woodrow Wilson International Center for Scholars in Washington, DC, notes, "Youth which have typically been alienated from the political discussion [are] now clearly a new layer of that landscape [in Brazil]." Intermittent protests in Brazil and other places could be the tip of the iceberg if the world can't muster an effective response to the employment challenges today's young people face.

From Brazil to Belgium to Bahrain, the causes of the youth unemployment crisis are complex and shift in prevalence depending on the socio-economic context in each jurisdiction. Mature industrial economies face the confluence of a lingering post-recession economic hangover with the increasing competitive pressures from emerging economies. Emerging and still-developing economies face a similarly complex mix of structural and cyclical factors, ranging from immature regulatory regimes to dampened overseas demand. And across all of these economies, changes in technology such as increased automation in manufacturing and the deployment of artificial intelligence in knowledge-intensive work will continue to cause upheaval in the labor market.

In the meantime, prospects for a robust global economic recovery remain dim. Despite a modest economic recovery in 2013-14, the latest G20 forecasts suggest economic growth will remain below trend with significant downside risks over the foreseeable future. Persistent slow growth will continue to dampen employment prospects, while the employment intensity of growth has also been weakened in many countries. Coinciding with the sizeable jobs gap is a deterioration in job quality in a number of G20 countries. Real wages have stagnated across many advanced G20 countries and even fallen in some while income inequality has continued to widen.

Adapting to these new realities requires both a greater sense of urgency and a higher level of investment in coordinated action by key stakeholders. Only the economies that proactively invest in reforming education and skills development, fostering youth entrepreneurship and creating the necessary social and economic infrastructure, can reasonably expect to improve employment prospects for youth. None of these things can be left to chance. On the contrary, successful economies will need four essential building blocks to build robust solutions for youth employment:

- Modern, adaptable education systems and skills development programs that engage a broad range of stakeholders, adapt to the evolving needs of the labor market and provide young people with a clear pathway from education to employment.
- 2. Integrated supports and resources for young entrepreneurs that will catalyze new waves of entrepreneurial activity, providing young people with



- Addressing youth employment in a sustainable manner requires, above all, a networked approach to problem solving that leverages the contributions and assets of partners across the public, private and non-profit sectors.
- access to the technology, capital and mentorship they need to effectively create their own jobs.
- 3. Policy frameworks and public infrastructure that provide appropriate social supports for the changing nature of today's labor market; that facilitate the flow of goods, people and information; and that ensure both urban and rural centers become, in Judith Rodin's words, "vital centers for skills development and employment, rather than places of despair."
- 4. Leadership from astute individuals who appreciate the complexities of techno-economic change, who can marshal the political will to invest deeply in an equitable transition and who can envision and mobilize solution networks that traverse the public and private sectors.

The last point is worth emphasizing. Addressing youth employment in a sustainable manner requires, above all, a networked approach to problem solving that leverages the contributions and assets of partners across the public, private and non-profit sectors. No sector alone possesses the vision, skills or resources to tackle youth employment. Doing so with respect to entrepreneurship, skills development and policy creation provides the foundations for both short- and long-term job creation and for the mitigation of one of the most challenging and fundamentally disabling problems in today's global labor market.

Managing the Tension between Technological Advances and the Future of Jobs

Labor market analysts and technologists are largely in agreement that robotics and artificial intelligence will permeate wide segments of daily life by 2025, with huge implications for a range of industries such as health care, transport and logistics, customer service and home maintenance. But even as they are largely consistent in their predictions for the evolution of technology itself, they are deeply divided on how advances in Al and robotics will impact the economic and employment picture.

When asked whether technological advances will displace more jobs than they create over the next decade, a 2014 poll of 1,896 experts conducted by Pew Research Center's Internet Project found that respondents were split down the middle.⁶ "Half of these experts (48%) envision a future in which robots and digital agents have displaced significant numbers of both blue- and white-collar workers—with many expressing concern that this will lead to vast increases in income inequality, masses of people who are effectively unemployable, and breakdowns in the social order," said the Pew Research Center. "The other half of the experts who responded to this survey (52%) expect that technology will not displace more jobs than it creates by 2025."



This second group anticipates that many jobs currently performed by humans will be substantially taken over by robots or digital agents by 2025. But they have faith that human ingenuity will create new jobs, industries and ways to make a living, just as it has been doing since the dawn of the Industrial Revolution. As Judith Rodin, President of the Rockefeller Foundation, notes, "In 1913 they were worried that with the industrial age it would kill jobs and people would forever be unemployed, and of course look a hundred years later what happened. I think we're at an inflection point, where the concern that technology may be a job killer rather than a job creator—I think we'll look back and smile at that 25 or 50 years from now."

The conclusion to draw from this debate is that the short-term impact of technological advancement on the job market for youth is likely to be significant. In fact, increasingly pervasive technological automation will cause disruption for all demographic groups, and labor market strategies will need to be appropriately attuned to the technological shifts that are coming. The potential downside, however, could be counterbalanced by the exceptional employment-related benefits that such advances will bring, a view buttressed by long-run consistency in employment rates observed since the Industrial Revolution.

Job creation and growth in the digital economy over the past decade provides reason for optimism. Nellie Kroes, the Vice-President of European Commission's Digital Agenda, notes, for example, that in the last few years, almost 800,000 jobs were created in the emerging mobile apps industry in Europe alone. "Fostering digital innovation among the younger generation is one of the best ways to tackle youth unemployment in Europe," notes Kroes in a recent interview with Die Spiegel. Despite growing youth unemployment, Kroes notes that demand for specific skill sets is growing. Europe's ICT sector, for example, is expected to see a shortage of 900,000 ICT practitioners in the European labor market by the end of 2020. To close the gap, Kroes and Androulla Vassiliou, the European Commissioner for Education, Culture, Multilingualism and Youth, are working together on a plan for "the promotion of digital skills to ensure that every European child is digital."

The Need for a Networked Approach to Creating Youth Employment

For too long, organizations addressing youth unemployment have largely operated in their own organizational and sector-based silos and the fragmented nature of their efforts has produced sub-optimal results. For example, governments create new programs (educational training programs, tax credits or other hiring schemes, for example) without the active participation of employers or sufficient knowledge about the skill gaps that need to be filled, today or in the future. Universities equip their students with knowledge and skills that have little practical application in today's marketplace and they have little pressure to reform as their programs continue to be in high demand. Businesses have no incentive to retrain workers whose skills are outdated because it's more costly to retrain and re-skill than to source new talent from lower cost locations. Community-



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based organizations create programs to help disadvantaged youth without sufficient resources and, in some cases, without truly understanding what it takes to succeed in a labor market that is being radically reshaped by technology and globalization.

A complex problem like youth employment demands less fragmentation and more collaboration—a cross-sector, multi-stakeholder approach that draws on the strengths of each sector, and one in which resources are shared and various disciplines and actors contribute complementary assets, perspectives and skills. "Education, government, business and non-governmental organizations all need to be aligned and working together because this is a complicated system," says Rodin from the Rockefeller Foundation. "You need the catalytic force of all of these levers being pulled simultaneously to address this problem in the most effective way."

Networks are the critical building blocks for youth employment:

Education and skills. In the context of education and skills training, the growing mismatch between the skill sets developed in post-secondary institutions and the needs of today's employers is rooted in a lack of collaboration between the sectors. As Stanley Litow, Vice President of Corporate Citizenship at IBM, put it, "Twenty-first Century career and technical education programs must emphasize public-private partnerships between educators and employers connected to real jobs, and ensure that school curricula are academically rigorous and economically relevant."

Litow says that when educators and employers work together they can structure course content and classroom experiences to create a seamless link between education and careers. This does not mean, however, that educators should abandon critical thinking, writing, logic, mathematics, history, literature, philosophy or the sciences. Rather, educators should supplement and enrich these foundational elements of the curriculum with programs and experiences that build the technical, conceptual and interpersonal skills that are valued by employers and required in today's labor market.

Entrepreneurship. Similarly, young entrepreneurs are more likely to succeed when they can access an integrated set of supports and resources from a diverse range of public and private entities. For example, aspiring young entrepreneurs look to universities to provide tech incubators and business accelerator centers that offer valuable facilities and create a stimulating peer environment for new ventures. They look to the private sector for access to capital, for mentorship from senior executives and for opportunities to participate in corporate supply chains. And, they rely on partners in governments to provide tax incentives for R&D, to offer public procurement opportunities and to help identify and secure export opportunities in foreign markets. Seeking out these various resources, however, can take considerable time and soak up precious resources. Such costs can be considerably reduced when universities, companies and governments work together to offer entrepreneurial supports through integrated, cross-sector collaborations that provide the equivalent of one-stop shopping for start-ups.



Policy frameworks and infrastructure. Educational reform and the promotion of entrepreneurship can only occur to the fullest extent within an appropriate combination of law, policy and infrastructure to guide and enable the proposed changes. Otherwise existing laws and policies will only serve to undermine the effectiveness of the needed reforms. Labor market policies and social protection systems, for example, cannot continue to allow preferential treatment to traditional full-time institutional employment relationships. Rather, they must take into account pivotal shifts in technology and the economy such as the upheaval generated by artificial intelligence and the shift toward a more entrepreneurial free-agent economy. Top-down, government-centric approaches to policy development are ill suited for these challenges. We need flexible policy frameworks that are informed by labor market participants and can adapt to changing needs and circumstances.

As documented by the Global Solution Networks project's research on policy networks, a useful vehicle for policy creation is a digitally-enabled multi-stakeholder policy network that allows citizens, industry and civil society to participate in policy development and implementation. As with other global challenges like climate change and food security, such networks are already emerging to craft innovative policy solutions for youth employment. Many of these emerging networks are founded and animated by young people themselves.

Networked leadership. In short, the creation of employment opportunities for young people—whether through public-private training partnerships, the promotion of entrepreneurship or the creation or reform of policy frameworks—needs leadership and contributions from all sectors. Our case studies highlight the growing role of global solution networks in everything from the reform of educational systems to the work of large corporate players like MasterCard and Accenture, both of which have dedicated significant resources to advancing new solutions for youth employment. While previous initiatives by large corporations have focused primarily on "cutting checks" for specific initiatives, internal analyses that showed uncertain returns shifted the focus toward a recalibration of how these firms can play long-term roles in the development and growth of networks focused on problem solving. But first, what are global solution networks? And what form are they taking in the global efforts to create jobs and prosperity for young people?

The Role of Global Solution Networks

Global Solution Networks¹¹ are emerging non-state networks of civil society, private sector, government and individual stakeholders that achieve new forms of global problem-solving, cooperation and governance. These GSNs address many of the urgent challenges



facing humanity from poverty, human rights, health and the environment, to economic policy, job creation and food security.

GSNs are defined by a set of key characteristics. They are also distinguished in terms of the different types of functions they perform.

The four characteristics are as follows:

- 1. Diverse Stakeholders—There are participants from at least two of the four pillars of society (government or international institutions, corporations and business interests, the civil society and individual citizens).
- 2. Beyond One Nation State—The network should be global or at least multi-national, having participants from more than one country. There are, to date, few networks that are truly global and that operate on multiple levels—other than the Internet itself. But there are a growing number of problems that are truly global.
- 3. Networking—It must be a 21st century network in the sense that it harnesses some forms of digital communications tools and platforms to achieve its goals.
- 4. Progressive Goals—The network seeks to improve the state of the world through developing new policies or new solutions, influencing states and institutions or otherwise contributing to economic and social development, human rights, sustainability, democracy, global cooperation, building empowering platforms and global governance. One way of thinking about this is that these networks seek to create global public goods.

The case studies presented below highlight leading networked approaches to creating long-term solutions for youth employment. They follow three of four major priorities identified earlier—education, entrepreneurship and policy creation—with a distinct section outlining the priorities for network leaders. In each case study, public, private and non-profit actors are key players in either shaping, developing or implementing the solutions. They are by no means definitive or all-encompassing solutions to youth employment. Yet, they are making important contributions and merit the attention of key stakeholders as policy makers, educators and business leaders search for solutions that can be scaled. Moreover, the case studies highlight the power of global solutions networks to bring diverse participants together to accomplish what no actor could possibly achieve alone. And, in each case, we find that success is predicated on the central position given to youth in the network, not just as recipients of programming and services, but rather as key architects in the design and delivery of the programs.





The Ten Types of Global Solution Networks

- Knowledge Networks develop new thinking, research, ideas and policies that can be helpful in solving global problems. Their emphasis is on the creation of new ideas, not their advocacy.
- Operational and Delivery Networks actually deliver the change they seek, supplementing or even bypassing the efforts of traditional institutions.
- 3. Policy Networks create government policy even though they are not networks of government policy makers.
- 4. Advocacy Networks seek to change the agenda or policies of governments, corporations or other institutions.
- Watchdog Networks scrutinize institutions to ensure they behave appropriately.
- 6. Platforms create the capability for other networks to organize.
- Global Standards Networks are non-state-based organizations that develop technical specifications and standards for virtually anything, including standards for the Internet itself.
- 8. Governance Networks have achieved or been granted the right and responsibility of non-institutional global governance.
- 9. Networked Institutions provide a wide range of capabilities even similar to state-based institutions but with a very different *modus operandi*.
- 10. Diaspora Networks pursue problem solving through kinship and ethnicity connections.



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Priority 1: The Role of Education and Skills Development in Youth Employment—Building a 21st Century Labor Market

One of the most vexing aspects of the today's labor market is that high levels of youth unemployment coincide with a persistent skills gap that sees employers struggling to find qualified people to fill good jobs in the middle-skilled area—jobs that require less than a four-year degree but more than a high school diploma. This underscores an interesting truth about labor markets in most mature economies: despite all the concern about the shrinking middle class, middle-income jobs are actually expected to grow. The unfortunate corollary, however, is that a major disconnect between the way we educate young people and the needs of today's employers is leaving both job seekers and job creators feeling ignored and short-changed.

According to the US Bureau of Labor Statistics, middle-skilled jobs with a technology focus—including entry-level software engineers, medical technicians and high-tech manufacturing workers—will increase by 17.5% from 2010 to 2020. That growth rate is just as fast as high-skilled jobs and far faster than lower-end ones. But unless something is done to remedy the middle-skills gap, an estimated 14 million middle-skill jobs being created in the US between now and 2014 will go unfilled. Progress could be made on both the skills gap and the youth unemployment problem, however, if students, educators, governments and businesses work together through networks to foster significant, even radical changes in secondary and post-secondary education.

Progress on building such networks, however, has so far been largely limited to a small pool of promising pilot projects and partnerships. A study from the Gates Foundation, Boston Consulting Group and the Harvard Business School found, for example, that most business engagement in the US education system is delivered through a fragmented array of efforts that focus on short-term benefits for students rather than an overhaul and redesign of the education system.¹³ The study's researchers interviewed superintendents of the 10,000 largest US school districts about business involvement in their regions. While 95% said business was in some way involved, in most cases the involvement was limited to writing checks. Only 12% of superintendents saw business as deeply involved, and yet the most dramatic improvements in student outcomes were found in the districts with deep business participation in shaping curriculums, building advanced infrastructure and scaling up proven innovations. Among the contributions, the report highlights nation-wide investments by business in improving district-level management and a National Math and Science Initiative funded by ExxonMobil that identified two successful programs related to teacher development and



subsequently moved them toward national scale via numerous local partners such as universities, school districts and state-wide coalitions.

As more businesses pursue deeper engagement in solving youth unemployment, we are beginning to see a number of global solution networks at work. Accenture, for example, built its "Skills to Succeed" initiative using a collaborative approach to equipping young people with the skills to find a job or build a business. Launched in 2009, the objectives include consultation with community and government partners around the world to design and deliver technology-enabled training and skills development to targeted demographics, especially disadvantaged youth. Jill Huntley, managing director for global corporate citizenship at Accenture, explains the community's initiative: "Skills are a driver of economic empowerment for individuals and communities alike, and the need is greater than ever to have the right skills to build capabilities and confidence that will open doors to employment across both mature and emerging markets. Skills to Succeed helps people develop those skills so they can get jobs, build businesses and contribute to their communities." 14



"Skills to Succeed" builds the capabilities and confidence required to open doors to employment.



66 For young Americans to succeed in today's workforce, they must out-innovate and out-produce the world's best. Business leaders in America have a profound stake. economic and moral, in seeing that today's students are equipped with the skills to keep our country competitive. 33

The specific skill sets that Accenture targets with its programming depend very much on the needs of local markets and on the interests and capabilities of its partners in different locations. In Canada, for example, Accenture's delivery network includes groups like the Canadian Youth Business Foundation (CYBF) which delivers skills development training to young entrepreneurs. In 2011, Accenture granted the CYBF US\$420,000 to help mentor more than 2,000 entrepreneurs aged 18-34 and enhance the mentoring skills of more than 3,700 existing mentors across the country. In Thailand and Indonesia, Accenture teamed up with Plan International to provide training and career opportunities to approximately 7,100 underprivileged young people in industries such as information technology, customer relations, business process outsourcing and electronic repair. In each case, Accenture staff helped local partners to design and structure the programming, and eventually mentor and advise partners through the implementation process. But the actual delivery of training and skills development programming is left to Accenture's community partners. Partnerships such as these have helped Skills to Succeed to exceed expectations. The initiative initially set of target of training 250,000 youths by 2015, but Accenture upped that target and is now aiming to train over 700,000.

Like Accenture, the MasterCard Foundation has been seeking ways to engage young people in its effort to address youth unemployment, a process led by Deepali Khanna, Director of Youth Learning. In 2012, Khanna launched the Foundation's Youth Thinktank initiative, a GSN-style organization, which is staffed by nine young people from several African nations and has a mission to better understand the employment challenges and opportunities for young people across the African continent. In particular, it seeks input on one key question: "How can we increase youth employment in growth sectors such as agri-business, green growth and information and communications technologies." To find the answers, think tank staffers conduct interviews with other youth and business and community leaders in their respective jurisdictions. The Foundation then channels the findings about what think tank participants deem most important into the decision-making frameworks that govern its investments in priority projects and even the metrics it uses to evaluate them. 15 "We have to look at what the market needs from their perspective, and from that of employers, and figure out what they need to succeed in it," says Khanna.16

Across these examples we see the four characteristics of a global solution network: diverse stakeholders, beyond one nation state, technology-enabled networking and progressive goals. According to Jan Rivkin, Harvard Business School Professor and co-chair of the US Competitiveness Project, "the most progressive business leaders like Accenture and MasterCard Foundation are moving away from mere check book philanthropy, toward long-term relationships with educators." In other words, they are moving away from arms-length funding relationships and embracing multi-stakeholder partnerships and networks as a means to generate viable solutions. Speaking to the US context, Rivkin said, "For young Americans to succeed in today's workforce, they must out-innovate and out-produce the world's best. Business leaders in America have a profound stake, economic and moral, in



seeing that today's students are equipped with the skills to keep our country competitive." Arguably one of the best examples of a deeper and more permanent network between educators, government and business can be found in New York, where IBM is helping the state usher in a new way of preparing young people for high-quality, entry-level technology jobs. We cover this, and a novel project called Teen Startup Lab, in the following two case studies of GSNs at work.

Case Study: P-TECH—Private Sector Leadership for Education and Skills Development

In 2010, then-New York Schools Chancellor Joel Klein asked then IBM CEO Sam Palmisano if he might have ideas to help solve the seemingly intractable disconnect between the education system and the labor market. As was true in much of the United States, youth employment rates weren't budging in New York, despite many local employers citing an urgent need for skilled workers. Indeed, IBM was one of those employers finding it difficult to fill middle-skill positions and the reason, according to Palmisano, was that colleges and universities were not graduating enough young people with the skills to fill those jobs.¹⁸

Klein wanted Palmisano's input into how the city might redesign its high school and early college curriculum to meet the needs of employers and better prepare its citizens for the labor market. Klein's challenge to IBM came with three design caveats—to directly tie curriculum to career, cost no more than the existing publicly financed system, and lead to measurable achievements that justified the significant public and private engagement in the model. The result was a ground-breaking program that matches high school and early college curriculum to the skills necessary for contemporary middle-class employment called Pathways in Technology Early College High School (P-TECH).

A collaborative effort between the New York City Department of Education, the City University of New York, NYC College of Technology, and IBM, P-TECH is a grade 9-14 school that provides successful graduates with both a high school diploma and an associate's degree in technology. The program is not for everybody. Nor it is a wholesale replacement for mainstream education. But for a significant proportion of the school age population, this six-year education program provides better access to the middle-skill employment and should be counted among the educational innovations that will be key to the re-emergence of a strong US middle class.

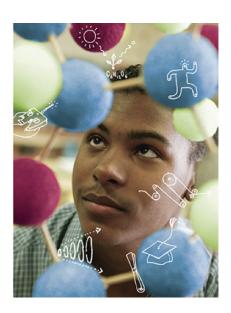
As part of the program, every student gets an IBM mentor. And while every student must still complete the core curricular requirements set by New York State, aspects of the curriculum are specifically geared to develop a set of entry level skills required for nine job categories at IBM. On a typical day, a student will intersperse traditional classes like math and English with technology and business-centric courses like "workplace learning," which



teaches networking, critical thinking and presentation skills. Second-year students are offered physics and global studies as well as business courses and college-level courses in speech or logic and problem solving—or both.



CREATED IN COLLABORATION WITH THE NEW YORK CITY DEPARTMENT OF EDUCATION, NEW YORK CITY COLLEGE OF TECHNOLOGY—CUNY (CITY TECH), AND THE IBM CORPORATION



P-TECH creates a seamless link between high-school, college and a career.

Is there a risk that students will graduate with skills that are too closely adapted to IBM's requirements? Not according to IBM's Stanley Litow, who insists that while the program may be informed by IBM's workforce needs, its graduates will be well-trained for a broad range of information technology jobs. ¹⁹ After all, students graduate from P-TECH with a high school diploma and an associate's degree in computer science or engineering, skills that are in high demand and easily transferable to other employers.

P-TECH also exemplifies the deeper level of engagement that educators and school administrators have been calling for. IBM is not just a financial contributor to the project but rather provides ongoing training for both students and teachers, and provides graduates with preferred consideration for employment opportunities. Rashid Davis, Principal at P-TECH, notes that building the pathway between high school and industry begins with having teachers, industry professionals and government officials come together to determine what gaps exist between state requirements and "what helps students not just complete their degrees but enter industry." This collaboration is described in IBM documents as "a three-legged stool, with each leg critical to the success of the school and its students." IBM also provides each P-TECH school with an industry liaison whose role is to work with leadership, staff and students to ensure ongoing monitoring towards program goals.

Fast forward to 2014 and what began as a pilot project in Brooklyn in September 2011 is now being rolled out across the state of New York, has



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been exported to other major US metropolitan areas, and is now being studied by leaders in a series of other countries as a new model for high school education.

This design reflects a new approach, Litow adds, that has been present across the company's approach to community for the past 6 to 8 years: "We are looking for scalable strategies that can be game changers. Instead of giving away what is least important—i.e. spare change—we are giving away what is most important: our technology and talent."²¹ Check book philanthropy has given way to direct leadership on transformational solutions. Yet the program is about more than just transforming a public education system; it's also a means for IBM to feed its need for talent. IBM's Mark Cleverley notes that "in generating this type of capability we are hoping to grow more people who are capable of working in our business." Regardless of this strategic factor, the end result is a true win-win across nodes in the network.

The project has gained significant national attention as a result of its novel approach and potentially ground-breaking impacts. Indeed, early results have been promising: after only two semesters, 72% of students passed the New York state English and Math Regents, which are city graduation requirements. President Obama noted in his February 2013 State of the Union address, "We need to give every American student opportunities like this." In November 2013 President Obama earmarked \$107 million towards the extension of the P-TECH model across the country. As these schools roll-out, educational authorities and other third parties will need to carefully monitor student performance—including both their academic performance and their level of success in the job market—to see if the programs are indeed producing the intended results.

Monitoring performance and replicating the successful aspect of New York City's approach in other jurisdictions will require a similar commitment to breaking down the traditional silos in the education system, just as IBM and the New York City Department of Education did with local colleges in developing the P-TECH model. As Obama noted with the creation of Youth Career Connect, "This initiative encourages America's school districts, institutions of higher education, the workforce investment system, and their partners to integrate rigorous educational standards with work experiences and skills in ways that enhance instruction and deliver real-world learning opportunities for students." Single-actor solutions—where each stakeholder works in isolation—are simply unable to meet the needs of a dynamic and fast-moving economy.

Recent work by the Center on Education and the Workforce at Georgetown University estimates that by 2020 over 65 percent of job openings in the US will require, at minimum, an associates degree or college credentials.²⁴ This is up from just 28 percent in 1973. Those in the fastest growing fields (STEM, Healthcare Professions, Healthcare Support, and Community Services) will all require this academic baseline. Increasingly, there are no options for those without post-secondary training.





Providing students with the right training for today's world, however, is where networked projects like P-TECH could excel. The power of networked educational solutions is their ability to link a creative curriculum and educational experience with the changing needs of the labor market in a sustainable program that satisfies all stakeholders, without compromising students' ability to obtain a well-rounded education that not only covers the fundamentals of literacy, numeracy and career skills, but also fosters critical thinking and provides exposure to the arts, humanities and social sciences.

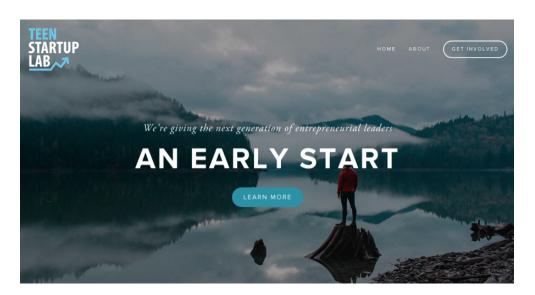
While P-TECH was orchestrated by IBM and addresses the need for middleskill tech talent, observers are optimistic that corporate leadership in other sectors could target other urgent skill gaps facing industry. If done right, these networked solutions will enable students to access meaningful employment and US employers to access the skilled-labor required to remain competitive, while governments can point to improved outcomes, including lower unemployment and improved student achievement. In so doing, P-TECH highlights the role of GSNs in the development of actionable solutions to contemporary youth employment. This operational and delivery network encompasses three out of four GSN characteristics, including diverse stakeholders, progressive goals and technology-enabled networking. However, as the model is replicated across jurisdictions there is a significant opportunity to build a transnational knowledge network that facilitates the sharing of knowledge, resources and pedagogical innovations across institutions. Where leadership comes from in this networked process will ebb and flow depending on the actors, the sector and the local context within which they operate. What matters is that by addressing a significant skills gap, this networked approach allows for the development of real solutions to one of the most pressing issues facing both mature and maturing economies in the 21st century.

Case Study: Teen Startup Lab—An Incubator for Entrepreneurial Minds

At the heart of the contemporary youth employment challenge is a growing acknowledgement that status-quo educational reform won't be enough to create tangible changes in the futures of struggling students. Like P-TECH, Philadelphia-based Teen Startup Lab* is seeking to tackle this challenge head-on with bold changes in the nature of secondary education—what co-founder Rich Sedmak calls "the first steps in the transformation of American education." But unlike P-TECH, the end goal for its students is not a career in a large technology company, but rather the cultivation of entrepreneurial minds with a combination of entrepreneurially-focused educational, financial and mentorship services delivered through an operational and delivery network consisting of local businesses, government agencies, financial institutions and schools.



^{*} Until fall 2014, this initiative was known as StartupCorps.



Teen Startup Lab gives entrepreneurial minds an early start.

The Teen Startup Lab program begins by asking students to think not of a business they would like to start, but rather of a problem or challenge in their community that they would like to solve. It follows through with a combination of mentorship, small grants and in-class learning that guides participating students through the process of creating a business plan, launching a business and ultimately succeeding or failing in the marketplace.

Building a successful business, according to Sedmak, is not the principal goal of the program. Rather, Sedmak's primary aim is to foster personal resiliency and cultivate an entrepreneurial mindset amongst students from diverse backgrounds. "Our goal isn't just to help students become entrepreneurs," said Sedmak. "Rather it's the wholesale transformation of how we provide education in this country. Incremental education reform is not going to address the educational and employment issues facing students in this country. We have an opportunity to use entrepreneurship and problemsolving, both culturally ubiquitous, as the hook to transform education and future employment."²⁵

Teen Startup Lab deploys what Sedmak calls an inquiry-based model that allows students to move at their own pace through a series of learning challenges. Course objectives provide a framework for "what" students must accomplish. Students themselves determine the "how." Opening up the possibility for students to experiment with how to best meet the course objectives promotes innovation and even provides space for failure as they test various business ideas. Students learn to "identify a problem, think creatively, develop marketable solutions, sell an idea, price a product, test an assumption, take a calculated risk, make thoughtful financial decisions, lead a team and persevere through opposition," says Sedmak.²⁶

Once students complete their business plans, Teen Startup Lab provides one-time grants to help students get their plans off the ground. These grants



Students learn to identify a problem, think creatively, develop marketable solutions, sell an idea, price a product, test an assumption, take a calculated risk, make thoughtful financial decisions, lead a team and persevere through opposition... ?

can be supplemented by interest-free loans provided through network partners Kiva.org and Capital One Bank. Operational support for web design and marketing are provided by the Teen Startup Lab team.

Initially developed as a charitable organization, Sedmak made the switch to a for-profit b-corp that functions as the central node in a network of high schools and private and public partners. The switch to for-profit status has proven key to ensuring the program's sustainability. "We realized that we weren't capitalizing on the power of the market to make this sustainable," said Sedmak. "Ultimately building a social mission that focuses on our students' long-term success is completely congruent with our desire to build economic sustainability."²⁷

It's taken several years of tinkering and learning to figure out how to make a for-profit b-corp structure co-exist fruitfully with the institutional frameworks of an existing educational system. What began as a set of after-school extracurricular activities in the first four years has morphed into an independent network supported by a variety of stakeholders both inside and outside the traditional school system. This independence gave Sedmak greater control over enough of the program variables to ensure student success. Most important, the inclusion of public and private partners such as the City of Philadelphia and Kiva has created a real-world learning environment that promotes genuine trial and error.

A second key insight focuses on the demographics of the organization's targeted participants. Rather than follow P-TECH's focus on underprivileged youth, Teen Startup Lab is open to all students, no matter their financial backgrounds. Sedmak explains the program's model as follows, "You do a disservice to both the program and its participants if you try to target a specific demographic of under-privileged youth. You remove diversity of thought and perspective. And ultimately, our long-run sustainability requires us to think about how we can create revenue streams that will ensure we're here for the long-term." 28

This demographic-agnosticism is based in part on co-founder Sedmak's own experiences. While in high school Sedmak struggled academically, and would have been one of the 40 percent of Philadelphia youth whose graduation was in doubt.²⁹ Yet while struggling at school, Sedmak's tinkering with computers led him to start a business of his own providing services to those in his community. The result was the realization that, despite his academic struggles, he could "create and provide real value to those around me, and have a seat at the so-called adult table." This role, and the emotional and psychological impact it can make, transcends socio-economic status.

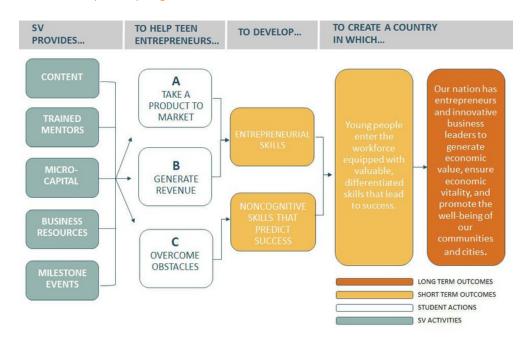
As for the network's role in job creation, Sedmak argues that the program helps build skills that lend themselves to long-run economic success. Students learn to identify real-world problems in their communities and do much more than debate theoretical solutions; they establish processes and plans for how to help solve these challenges with revenue-generating businesses. Sedmak argues that the ultimate success of the ventures that students launch is not the most important metric. "It is only through action





that progress is made," he says, "and it is only through action that lessons can be learned. When we teach students these skills, they are empowered to create the future instead of simply participating in it passively."³⁰

Teen Startup Lab program model



Source: Teen Startup Lab, 2014

Like IBM's engagement with P-TECH, the success of the Teen Startup Lab model means paying attention to equipping teachers with the right tools and perspectives. Building an entrepreneurial mindset in educators is just as important, says Sedmak, because teachers play a key role in mentoring students as they build their businesses. Like P-TECH, this GSN includes a diversity of stakeholders, its goals are clearly progressive, and the use of technology is among the central skills it seeks to foster in the young people that participate. While initially designed as an operational and delivery network, Teen Startup Lab is evolving into a platform that allows schools and organizations in other jurisdictions to build their own entrepreneurial programs using the tools and methods it has crafted over the years. In fact, the program is already being expanded across the state of Pennsylvania and there is interest in expanding it internationally. This expansion has generated an impressive set of early results. Nearly all participating students developed viable business plans that achieved some form of revenue generation.



2012-2013 Teen Startup Lab Results

- 83 individual students enrolled;
- 57 percent of participating students from low-income households;
- 95 percent of participating students took a product to market;
- 86 percent generated revenue through their ventures.

Source: Teen Startup Lab

These results, however, are but part of the program's impact. Sedmak describes the program as "an incubator for entrepreneurial minds, not just for business development. This means we're just as happy when ventures fail, as that learning is just as valuable and helps build the resiliency that's necessary in an increasingly entrepreneurial economy."³¹ This neutrality regarding success notwithstanding, what's clear is that building entrepreneurial skillsets, and the resiliency and confidence that entrepreneurial success engenders, requires a networked approach that builds on the contributions of both traditional public and non-traditional third-party and private providers.

These two cases make clear that the impetus for reforming education and improving skills development with multi-stakeholder networks comes from the inadequacy of single actor models' ability to address the youth employment and skills challenge. Without robust links between employers and those tasked with preparing tomorrow's youth for the workforce, skills-based disconnects will continue to leave millions in mature economies mired in an inefficient labor market. Providing young people with a clear pathway from education to employment requires a networked approach that leverages input from employers while capitalizing on the passion and expertise of innovators within traditional educational systems. These collaborations of diverse public and private stakeholders, coalesced around the participation and feedback from youth, are great examples of global solution networks at work.



survey of millennials and their job priorities found that over 70 percent would consider rejecting traditional work in favor of independent, entrepreneurial endeavours.

Priority 2: The Role of Entrepreneurship in Youth Employment—Don't Just Expect a Job—Create a Job

In the past the basic social bargain was that you went to school, you got decent grades and you were pretty much guaranteed to get a job, usually at a big company or a public sector institution. Previous generations took this for granted. Today we have entered a new era with growing uncertainty about finding employment and one in which young people are increasingly expected to create their own jobs. In other words, it's not enough to graduate with a degree; you've got to graduate with a degree and a company.

Some, though by no means all, young people embrace this entrepreneurial reality. Across a variety of jurisdictions, the desire to be one's own boss is growing. In Canada, a report commissioned by the Bank of Montreal found that 46 percent of Canadian post-secondary students believe they will start a business after graduation.³² In the United States, the Gallup-Hope Index that measures the employment ambitions of youth in grades 5-12 found that 42 percent intended to follow an entrepreneurial route.³³ Across Europe, over half of young Europeans (aged 15-24) surveyed say that "self-employment is desirable."³⁴ Finally, globally, a 2014 survey of millennials and their job priorities found that over 70 percent would consider rejecting traditional work in favor of independent, entrepreneurial endeavours.³⁵

For young people with the drive and entrepreneurial DNA, there has never been a better time to be an entrepreneur, to write your own job description, to create a profession for yourself and to find your own way forward in a highly diversified modern economy that puts so much power at the mere click of a mouse. Indeed, the shift towards free agency is well documented in the work of scholars and commentators such as Richard Florida, Daniel Pink and Robert Reich.³⁶ Collectively, they suggest that modern economies have entered a new era of work, one where most workers are untethered from large institutions and where conventional institutional bureaucracies cease to be the dominant organizational form for business, government and society. Or in the words of Andrei Cherny, senior fellow at the Center for American Progress: "In this economy, each worker is, in effect, their own small business—responsible for guiding their own career and economic future."³⁷

Of course, entrepreneurship is not for everyone. It is risky. The outcomes are highly uncertain. And above all, it entails a great deal of creativity, hard work and persistence. It is easy to imagine achieving the brilliant success of Steve Jobs and Bill Gates. It is much, much harder to realize such success in practice. To be sure, not every budding entrepreneur needs to aspire to such commanding heights. The vast majority of firms, after all, are small-and medium-sized enterprises that perform vital roles in the economy and



66 Between 1980 and 2005 firms less than five years old accounted for virtually all net job growth in the United States.

generate comfortable livings for their founders and employees. But, in keeping their businesses afloat, even these entrepreneurs must grapple with challenges, risks and uncertainties that are beyond that which a significant proportion of the population is willing and able to entertain.

At the same time, it is misleading to attribute all self-employment and free agency to rising entrepreneurial zeal or the desire for greater career flexibility. For a segment of the labor market, free agency is not so much a career choice as it is a reality imposed by a sclerotic, two-tier labor market that has forced many into taking employment matters into their own hands. And for many in this segment, free agency means low pay and chronic insecurity. Research by the Canadian Imperial Bank of Commerce highlights, however, that choice is by far the driving motivator for self-employment, despite lagging job creation numbers across advanced economies.³⁸ According to its estimates, only 20% of individuals who started a business in the last two years in Canada can be considered "forced self-employed."

These qualifications notwithstanding, the role of entrepreneurship in boosting job creation is not in question. In fact, helping job creating entrepreneurs to succeed is arguably among the most important investments that can be made. Even if only a relatively small percentage of young people ultimately succeed as entrepreneurs, their role in creating jobs is vital to the broader employment prospects of their generation. Research in the United States, for example, demonstrates how critical entrepreneurial firms are to job creation. Between 1980 and 2005 firms less than five years old accounted for virtually all net job growth in the United States. Boosting the percentage of young people with the skills, networks and determination to create viable entrepreneurial companies, even by a few points, could result in a significant, long-term contribution to job creation. The bottom line is that we will need many more so-called high-growth firms in all jurisdictions in order to produce enough jobs to employ the swelling ranks of young people around the world.

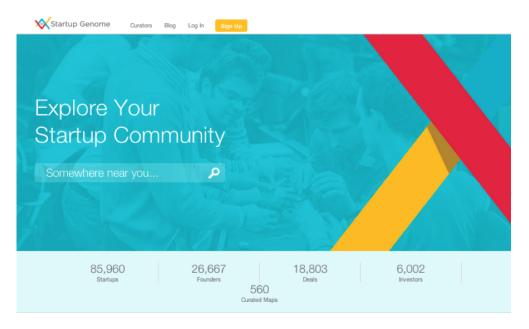
DEEP Centre research shows that entrepreneurs are generally more successful in creating high-growth firms—the kind that contribute to meaningful job creation—when they are surrounded by an ecosystem or a network of support systems that help them nurture new business ideas and grow them into sustainable companies. Indeed, there is a crucial role for networks of public and private actors in virtually all aspects and stages of successful entrepreneurship, beginning with the cultivation of entrepreneurial attitudes among young people, through to supplying the financing and mentorship required to take a start-up to scale.⁴⁰

One domain where multi-stakeholder networks are proving critical is in helping to develop the management capacity required to take a firm from start-up phase to a point where it achieves rapid growth and generates significant jobs. A wealth of research on high-growth firms, including the DEEP Centre's interviews with entrepreneurial firms, shows that the successful ones are linked to high levels of management acumen. Roger Martin and James Milway at the University of Toronto, for example, find that while successful high technology firms are typically founded by science and engineering graduates, their technological skills become less important as



the firms mature and require managerial competencies to facilitate ongoing growth and expansion.⁴² They also find that successful managers tend to develop a sharper strategic stance in several areas, especially marketing, innovation, internationalization and financing. The key question, however, is how to effectively foster such competencies.

While ongoing efforts to facilitate the development of management skills at colleges and business schools are part of the answer, some of the most effective solutions have come from innovative management mentorship programs that bring business, government and academia together to deliver training. In Belgium, for example, a publicly funded program helps owners and managers of small to medium enterprises (SMEs) tackle growth-related challenges through the creation of mentorship networks that include 15–20 SME owners or managers and two moderators from large multinational firms. An evaluation of early results of the program showed a 15–20 percent increase in annual revenues at the participating enterprises, and a 20 percent increase in employees, with results for both being attributed fully to the program by half of its participants.⁴³



The Startup Genome Project analyzed data from over 650 companies to understand why start-ups succeed or fail.

In another example, the Startup Genome Project is an open data platform for collecting, curating and analyzing data about the start-ups, entrepreneurs, investors and community enablers around the world.⁴⁴ Founded in 2011 and supported by the University of California at Berkeley and Stanford University, the network has amassed a wealth of management advice and analyzed data from over 650 companies to understand why start-ups succeed or fail. In one of its first reports, the project maps out the discrete stages of start-up development and growth, identifying key management competencies and success factors





for each stage. With the abundance of management resources now available online, efforts to arrive at data-driven conclusions by networks such as the Startup Genome Project could prove especially valuable.

Developing management capacity for high-growth is just one of many challenges where networks play a vital role. In the case studies below we take a deeper look at two global solution networks that are tackling various pieces of this puzzle and that provide clear examples of how entrepreneurship can help alleviate the problem of youth unemployment.

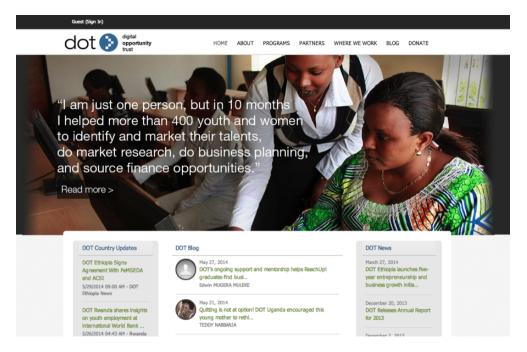
Case Study: Putting Youth in Charge—ReachUP! StartUP! TeachUP!

Growing up in an impoverished central African country was bad enough, but trying to enter the labor market as a young female in a male-dominated field like engineering only adds to the challenge. For 22-year-old engineering graduate Noella Akayezu, those challenges left her with little chance of landing full-time employment in her field, and few other formal opportunities.

Fast-forward two years and Noella's future in Rwanda looks distinctively brighter. She now has two years of work experience related to business development under her belt, and is in the planning stages of launching her own maintenance engineering firm.

What's behind this dramatic change? In large part, a one-year internship with the Digital Opportunities Trust (DOT), an Ottawa-based non-governmental organization (NGO) that works with both public and private partners to build the entrepreneurial capacity of youth in developing countries. Through its global network of partners, its diversity of public and private stakeholders and its use of technology as a platform, DOT is an effective example of a GSN in action. Structured as an Operational and Delivery Network for employment, DOT strives to create economic, educational and social opportunities for those in the developing world and in emerging markets. Through its three "UP!" programs, DOT works with recent university and college graduates and puts them through rigorous training programs through which they learn to be facilitators, communicators and project leaders. They then work in their communities to help the next generation of youth build confidence and skills towards the launch of new entrepreneurial and community development projects. Since 2000, DOT has impacted over 4,500 youth though its three project streams—ReachUp! StartUp! and TeachUp!





The Digital Opportunity Trust builds entrepreneurial skills across Africa.

Noella Akayezu participated in DOT's ReachUp! Program. Her confidence soared as she worked across the country, training high school and university students on ICT and entrepreneurship skills, and providing coaching on small business development. Self-described as quiet and shy, Noella says the experience helped her break down these personal barriers.

DOT provides interns with one month of intensive training on everything from writing and collaboration skills to the ins and outs of starting a business. The program's reach and impact are dramatic. Not only has Noella catapulted her career forward, but over the course of her one-year term, she has provided training and mentorship to over 400 Rwandan young adults—a very significant multiplier effect that demonstrates the power of DOT's train-the-trainer model. Noella, and other interns like her, help bridge professional and cultural norms that discriminate against youth and their lack of experience. "DOT teaches us to recognize what we have to offer," said Noella, "and how to use it to springboard our own experiences."

Noella describes this process as one of mutual benefit. While her students benefit from training and development, the ongoing interaction between intern and students creates an iterative process of confidence building and, eventually, business ideation. In the process, "I discovered that I have a lot to share, real skills that can help both me and others. Most importantly, I learned that I have a lot to offer beyond my education. I can be an entrepreneur, and now I have the confidence and experience to follow my passions."46

Noella claims that, prior to her DOT experience, she aspired to be a maintenance engineer for a state company. "Now I want to work for myself



for myself and be my own boss, I don't want to wait for others to give me a job, especially as it's very difficult to be a young professional woman in Rwanda in fields that are viewed as traditionally male-oriented.

and be my own boss," she said. "I don't want to wait for others to give me a job, especially as it's very difficult to be a young professional woman in Rwanda in fields that are viewed as traditionally male-oriented." Working with DOT has allowed Noella not only to formulate ideas for a new business of her own, but to save money to invest in her new venture.

Noella's experience with DOT is not unique. While the majority of university graduates in East Africa are still without formal employment, especially her female peers, DOT trainees fare much better, with a majority of interns and students moving quickly into entrepreneurial ventures or to employers who value the training and experience that DOT provides. Through the ReachUP! initiative operating primarily in East Africa, 90 percent of participants have left with improved self-esteem and greater confidence, and 40 percent of participants find paying jobs, become entrepreneurs or expand their businesses. While these rates of success may not seem high by Western standards, in the context of sub-Saharan Africa, the outputs are significant. Since 2006, through TeachUP!, over 1,700 interns have helped 22,600 teachers integrate new technologies into their classrooms for an impact that touches over 670,000 students. Follow up surveys have shown that 97 percent of teachers noted an increase in student excitement and 96 percent of teachers noted a positive change in their students' acceleration of learning.

This transformation from job seeker to job creator is the key to contemporary employment creation, and at the heart of solutions to youth unemployment. As DOT founder Janet Longmore notes, "The key to the issue of youth unemployment is having youth drive solutions themselves through the enabling power of technology."48 She argues that facilitating these solutions requires a significant mindset shift both for the respect of youth, and for young people themselves and their conception of what work is. Rather than always looking to others for employment, at least part of the solution to youth employment lies in having a select group of young people and their peers work to develop skills that prepare them to be the creators of employment, for themselves and for others. Other stakeholders will necessarily need to address the needs of young people who, for whatever reason, lack either the desire or aptitude for entrepreneurship. To do so effectively will require leaders like DOT to collaborate with a global network of actors, both public and private, each of which brings knowledge, resources and experiences to bear on the profound challenge of creating comprehensive solutions for youth employment.







From South to North - ReachUP! Goes North

Some might question whether DOT's success in places like Rwanda can be replicated, or question its relevance in mature economies. A recent initiative by DOT, however, is likely to answer those questions. In October 2014, the organization launched ReachUp! North as a pilot project to bring the lessons and insights gained in Rwanda to youth in Ottawa, Canada. The Ottawa project, however, seeks to tackle a multifaceted youth employment challenge. In particular the network hopes to address significantly higher-than-average youth unemployment rates among indigenous youth in Ottawa.

DOT's approach builds on the same peer-to-peer model that saw Noella succeed in Kigali. At the time of writing, Noella had joined the DOT team in Ottawa to help bring her insights and experience from Kigali to Ottawa, and to help mentor local youth experiencing some of the same challenges she faced on her path to entrepreneurship.

In order to tackle the simultaneous economic and cultural challenges facing indigenous youth, ReachUp! North connects DOT's organizational experience with local leadership from the Assembly of Seven Generation (A7G), an indigenous youth-led organization, as well as partners from the City of Ottawa and several private organizations. For example, A7G leaders are working with DOT staff to integrate cultural practices and traditional teachings into a curriculum that builds 21st century digital skills. Such cross-cultural integration will be key to the program's success according to Gabrielle Fayant, Program Coordinator for ReachUp!North. "Someone who is not young and is not indigenous will not understand the youth of today," says Fayant. "If young people feel as though they weren't involved in steering the program, they'll be less likely to engage in it." Her colleague Brock Lewis adds, "We're trying to give young indigenous peoples their identities back. With it, their confidence will return, and with that their ability to participate meaningfully in an economic way will grow."

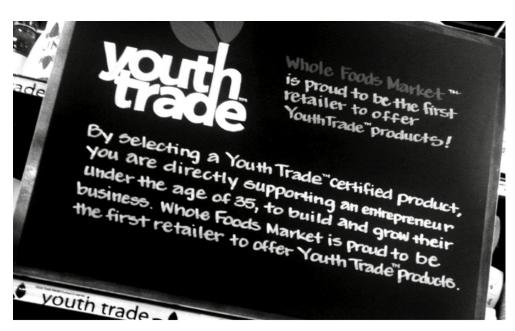
While the pilot phase of the program has just begun, DOT and A7G hope to see 180 indigenous youth partake in the programming. In so doing, they hope to build a flexible yet replicable model for culturally-attuned entrepreneurship development that plays a meaningful role in providing indigenous youth with the means to succeed.

Case Study: YouthTrade—A Platform for Networked Entrepreneurialism

Organizations such as DOT provide an essential service by helping young people acquire the foundational skills to become successful entrepreneurs. But, as budding business owners like Sophie Ekrich know, one of the biggest challenges in growing your venture is securing an anchor customer that lends the business a true seal of approval and a vital source of revenue. As a young entrepreneur with a great idea but little business experience, Ekrich thought getting her new line of shoes on the shelves at Nordstrom was far more fantasy than reality. Yet, in early 2013 she found her Central Americaninspired shoe designs on display beside prominent international fashion brands like Toms and Michael Kors.



66 Our partners have markets, we have entrepreneurs. These entrepreneurs don't have the means of reaching premium markets. And these companies, the right ones that is, want to build relationships in their community. This architecture bridges the demands and values of a conscious consumer with the labor market needs of youth. ??



YouthTrade provide market access opportunities for young entrepreneurs in major retailers like WholeFoods.

The initiative that helped her get there, called YouthTrade, works with private retailers such as WholeFoods and Nordstrom to provide market access opportunities for young entrepreneurs like Sophie who are under 35 years old and looking for their first big anchor customer. Modeled after the Fair Trade movement, YouthTrade is part platform and part standards network. The standards guide the selection of products that are selected to be part of the YouthTrade program. The platform is the dedicated retail shelf space that YouthTrade has secured for the products and services developed by young entrepreneurs. Together these elements frame YouthTrade as a powerful example of how global solution networks can create an enabling environment that provides budding entrepreneurs with opportunities to scale their businesses.

The brainchild of youth advocate Poonam Ahluwalia, YouthTrade is the evolution of over a decade of work on youth unemployment in both developed and developing economies. Ahluwalia notes that the project builds on the concept of the triple bottom line and the need for retailers to differentiate themselves in a crowded retail landscape. At the same time, it feeds off consumers' desire for authenticity and their eagerness to support entrepreneurs in their local communities. The result is a powerful recipe for youth entrepreneurship and economic inclusion.

In Ahluwalia's words, "Our partners have markets, we have entrepreneurs. These entrepreneurs don't have the means of reaching premium markets. And these companies, the right ones that is, want to build relationships in their community. This architecture bridges the demands and values of a conscious consumer with the labor market needs of youth." Moreover, it feeds into the core business imperatives challenging many customer-facing



legitimacy. We worked with Nordstrom for 4 months and despite the decision not to continue, the experience was amazing for our legitimacy and for public relations purposes.

organizations. "Companies are losing billions in sales because of youth unemployment," says Ahluwalia, "so we thought, let's make those companies part of a long-term solution to this problem." ⁵²

The first step in gaining access to valuable shelf space at top retailers like Nordstom is to get certified by YouthTrade. In addition to being young, the applicants' products must meet a series of social, economic and/or environmental criteria. Once certified by YouthTrade, entrepreneurs are provided with opportunities to pitch to, and connect with, retailers who are looking for new products but are also keen to prioritize elements of economic, social or environmental sustainability. As of the two-year anniversary of YouthTrade, in May 2014, 55 products have been certified, and forty have hit the shelves of partner retailers.

One of YouthTrade's most prominent success stories is Susty Party, a Brooklyn, NY based manufacturer of disposable tableware. Susty Party produces products that are both environmentally sustainable thanks to their compostable nature, and also socially-conscious thanks to their engagement of disadvantaged members of the labor market, notably those with significant visual impairments. As a result of the YouthTrade network, Susty Party accessed shelf space at WholeFoods in 2012 and has since grown to over \$1 million in annual sales and 8 full-time employees.⁵³ Recent equity investment in the company values it at \$6.25 million.⁵⁴

While Wholefoods was YouthTrade's first private partner, its network has since expanded to include fashion retailer Nordstrom and Babson College, which uses its relationship with YouthTrade to provide its students with a platform to pursue their entrepreneurial ideas. YouthTrade's work with Nordstrom's was what brought Sophie Ekrich's shoe designs to prominence. As Ekrich notes, "The relationship with Nordstrom would never have happened without the connection through YouthTrade. We wouldn't have known where to start. And without them, we wouldn't have been likely to get [Nordstrom's] attention given the amount of proposals most retail buyers get."55

The relationship between Ekrich's Teysha Shoe brand and Nordstrom didn't work out in the long-term, but Ekrich sees the experience as having been instrumental for both her brand and her professional development. "YouthTrade builds legitimacy. We worked with Nordstrom for 4 months and despite the decision not to continue, the experience was amazing for our legitimacy and for public relations purposes. The fact that we were on their shelves builds some quality credentials that are impossible to gain elsewhere." ⁵⁶

Perhaps more important, Ekrich has accumulated invaluable professional development experience that will strengthen her capacity as an entrepreneur as she takes her venture forward. "I learned a lot about the hoops you have to jump through to build a business like ours, and the process and paperwork of working with large clients," says Ekrich. "I had a huge learning curve but having been through this, it's a definite asset going forward."⁵⁷



Another important aspect of YouthTrade is its focus on building a community of young entrepreneurs that, in Sophie's words, "understands the challenges we face as young entrepreneurs. Whether it's our lack of credit history, hiring challenges, process challenges with retailers. YouthTrade provides a strong community of entrepreneurs who have similar perspectives and are willing to share and lend their expertise to help others." 58

The YouthTrade model highlights the power of a networked model of problem solving. No single actor in the youth entrepreneurship model has the keys to a solution. Rather, the keys lie in matching the incentives of one stakeholder with another, and in so doing bridging the social and business demands facing each. How the model can be scaled sustainably is the next challenge for Ahluwalia as she looks to help a growing cohort of young entrepreneurs looking for their entry point into large markets. She's confident, however, that as third-party platforms like hers work to bring parties together to address the shared concern of youth unemployment, the results will speak for themselves.

In a world where the entrepreneur is *fêted*, it's all too easy to overlook the intrinsic challenges that youth face when pursuing entrepreneurial ventures. While government grants and tax incentives are often useful, they don't necessarily address the challenging economic and cultural contexts that make it hard for young entrepreneurs to succeed in an increasingly competitive marketplace. Without well-developed mentorship and skills development networks, for example, young people with great ideas will struggle to overcome the many barriers facing them, whether it's acquiring the confidence and skills they need to become successful entrepreneurs or finding that first anchor customer that can place a company on a path to growth. Global solution networks like DOT and YouthTrade are helping young people overcome these hurdles and take large strides towards securing a more prosperous future for themselves and for others. In so doing, GSNs highlight their centrality as key levers for nurturing successful entrepreneurs and the job-creators of tomorrow.

Priority 3: The Role of Youth Advocacy in Employment Policy Creation—Setting an Agenda for Change

The global problem of youth unemployment has generated a great deal of political discussion, but so far very little in the way of effective policy solutions. To be sure, the sudden arrival of subdued growth prospects for Europe, North America and the rest of the developed world—combined with



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years of sluggish employment figures—have given increased urgency to the task of finding effective responses.

Take, for example, the need to design new social protection systems that take into account the shift towards a more entrepreneurial free-agent economy. Most contemporary social protection systems were designed for a very different economic reality. In the post-WWII industrial era, the mostly male workforce, employed in steady, often for-life jobs in big corporations, enjoyed pay-as-you-go pension systems that seemed like a sustainable proposition. We of course now know that a job-for-life is no longer available, but for many people who aspire to more flexibility and control over their careers it is also an undesirable trap. Innovation is disruptive and a formerly upright demographic pyramid has been turned upside-down in a matter of two to three generations, undermining the long-term viability of public pensions and with it eroding the public trust that is so crucial in sustaining them. Those most likely to fall through the cracks of the existing social protection systems are the self-employed and freelancers. On both sides of the Atlantic, people in these employment segments have a higher risk of poverty and are more likely to lack basic social protection, such as maternity leave, despite the fact that they put in significantly more working time than others. In addition, self-employed and freelancers are imminently more exposed to economic upheavals, meaning that they are often the first to feel first-hand the effects of a downturn. So while entrepreneurship may be a lucrative path for some, and a vital creator of jobs for others, governments and other stakeholders that have been keen to promote its benefits must adequately address the attendant risks.

In Europe, for example, 18% of self-employed people are classified as poor versus 6% of employees, even though the self-employed tend to work on average almost 44.4 hours a week (and 49.7 hours for employers), compared to 36.8 hours a week for employees.⁵⁹ During the last recession in the United States, 81% of freelancers were at some point either unemployed or underemployed (without qualifying for unemployment benefits), 40% did not get paid by clients and 39% cut back or eliminated their health coverage.⁶⁰ As more people realize that they can no longer count on the state or large employers to provide for economic security, it is more and more likely that even greater numbers of individuals will opt for or be forced into self-employment and freelancing because, despite the vulnerabilities, it is one of the only ways to take employment prospects into one's own hands.

In short, many of the young entrepreneurs and freelancers spearheading new ventures face a disproportionate amount of risk and vulnerability and feel left behind as social systems designed for a different economic age have gone unreformed and fail to meet their needs. As a result, young people feel disenfranchised and have begun to self-organize into global solution networks designed to advance new policy solutions and, in some cases, to invent and implement grassroots solutions of their own. In the case studies below we examine two solutions networks that come at the problem from different perspectives and with different solutions.





Case Study: Freelancers Union—A Policy Agenda for the Free Agent Economy

As the economy has shifted from craft to industrial to information-based work, the workforce has logically shifted along with it, becoming increasingly mobile, fluid and decentralized. And yet our social security systems have largely remained static, creating a serious disconnect between needs of a growing segment of today's workforce and current policies which reflect a bygone era that is not coming back. Jurisdictions that do not urgently recognize and accept this shift, and make appropriate changes to meet the needs of the new workforce, will see their most promising business and talented individuals moving to other locations.

On the upside, in an era where more and more workers are de facto their own small business, new incentives could encourage more people to create their own jobs and provide greater security for all who choose free agency over institutional career paths. Already, close to one-third of the United States' workforce (some 53 million Americans) are working independently as freelancers, nannies, part-timers, consultants, lawyers, contractors and other self-employed positions. And yet, this sizeable chunk of the economy has none of the protections and benefits that "traditional" employees have (although it is worth pointing out that social security, unemployment insurance, disability coverage, employer health coverage, are increasingly unavailable to many in the workforce, not just the freelancers). Sure, with a bit of hustle and some good connections, an entrepreneurial independent contractor can make a decent living out of a constantly shifting portfolio of gigs. But despite all of the potential lifestyle benefits, this kind of freelance existence can be tough. Freelancers lack security and most have little visibility into their financial picture beyond the current quarter. The Affordable Care Act is improving health insurance coverage in the United States, but the majority of independent workers go without dental, unemployment and other forms of insurance because plans for one individual cost too much on the open market. Although some 77% of freelancers have had trouble getting paid, the reality is that few have effective recourse when payments are late or denied. Nor do freelancers have any protection against race, gender or age discrimination. And try getting a mortgage loan in today's environment without a long-term employer and/or years of steady and predictable income.





Freelancers Union advocates on behalf of nearly 250,000 members of America's independent workforce.

"We're dealing with an outdated employment system—it was built for a workforce from the 1930s, and it no longer works for us today," says Sara Horowitz, founder of the Freelancers Union, a national network that advocates on behalf of nearly 250,000 members of America's independent workforce. Freelancers Union is not a typical union. It does not negotiate broad contracts on behalf of its members, for example. Indeed, it more closely resembles an advocacy network and exhibits core characteristics of a GSN. Its membership is self-organized and it is attacking in the US what is becoming a global problem. The network itself is largely comprised of freelancers, and it is working with policymakers to address a wide-range of issues impacting self-employed workers. It partners extensively with other non-profits, and it is also working with companies like Uber and Odesk to establish freelancer benefit packages. Technology, especially social media, is central to everything that Freelancers Union does, including its online platform, called Hives, where freelancers can network with each other, share ideas, ask for advice and find potential collaborators.

At the core of Horowitz's case for the Freelancers Union is the notion that if more young people are to become entrepreneurial—in effect, creating their own jobs—then freelancing and entrepreneurship will have to become less risky and thus more attractive.

To better illustrate the dilemma facing many young people, take the story of Jennifer Guidry, a 35-year-old mother of three whose story of serial freelancing recently made the *New York Times*. Guidry makes money in what Silicon Valley euphemistically calls the "sharing economy," using her own car to ferry around strangers for Uber, Lyft and Sidecar—ride services that let people summon drivers on-demand via smartphone apps. She also assembles furniture and tends gardens for clients who find her on TaskRabbit, an online marketplace for chores.

Her goal is to earn at least \$25 an hour, on average, and she depends on the income to help cover her family's food and rent. That has become less



66 ...piecemeal labor holds the allure of self-management and variety. with workers taking on diverse assignments of their choice and carving out their own schedules. But in a climate of continuing high unemployment (some 9.7 million Americans are unemployed, and an additional 7.5 million are working part-time jobs, having failed to find full-time employment), people like Jennifer Guidry are less microentrepreneurs than micro-earners. 33

predictable of late. Uber and Lyft, her driving mainstays, recently cut certain passenger fares. Last month, TaskRabbit overhauled the way its users select their helpers; immediately after the change, Ms. Guidry's stream of clients dried up.

In the promising parlance of the sharing economy, whose sites and apps connect people seeking services with sellers of those services, Ms. Guidry is a micro-entrepreneur. That is, an independent contractor who earns money by providing her skills, time or property to consumers in search of a lift, a room to sleep in, a dry-cleaning pickup, a chef, an organizer of closets.

For people seeking a sideline, these services can provide extra income. Beyond the ride services, there are businesses like Airbnb, the short-termstay broker; task brokers like TaskRabbit and Fiverr; on-demand delivery services like Postmates and Favor; and grocery-shopping services like Instacart.

Such piecemeal labor holds the allure of self-management and variety, with workers taking on diverse assignments of their choice and carving out their own schedules. But in a climate of continuing high unemployment (some 9.7 million Americans are unemployed, and an additional 7.5 million are working part-time jobs, having failed to find full-time employment), people like Jennifer Guidry are less micro-entrepreneurs than micro-earners. They often work seven-day weeks, trying to assemble a living wage from a series of one-off gigs. They have little recourse when the services for which they are on call change their business models or pay rates. To reduce the risks, many workers toggle among multiple services. But to make matters worse, these are not upwardly mobile jobs with personal growth potential, wage increases or benefits that can support a secure middle class existence.

Legislators need to pay attention to the stories of people like Ms. Guidry. At a moment when dynamism and mobility is more important than ever to economic prosperity, traditional social welfare systems too often foster stasis and idleness, under-utilizing and leaving behind a highly talented and motivated pool of people. For instance, retirement provisions should be more universal, personalized and portable, thereby encouraging mobility and less dependence on big employers. Unemployment benefits and health insurance coverage should neither be tied to an employer nor should they be denied to freelancers or the self-employed. As is, many freelancers and self-employed do not qualify for unemployment benefits, often because they have not had a stable income, therefore making it difficult to calculate their entitlements. Providing unemployment insurance to freelancers, on the other hand, could stabilize their income—and the economy—when they are unemployed.

Rather than wait for governments to address these issues, however, Horowitz wants freelancers to band together in what she describes as a new mutualism: a cooperative of independent workers with a shared need for protections, supports and a voice for the independent workforce. The Freelancers Union is accordingly moving beyond advocacy to service provision, becoming, in effect, an operational and delivery network for the free agent economy. Freelancers Union already offers a system of



66 TaskRabbit, which has 30,000 contractors in 19 cities in the United States, recently instituted a sitewide minimum wage of \$15 an hour and adopted a \$1 million insurance policy, covering both clients and contractors, for any property damage or bodily harm that occurs while performing a job. 33

protections and supports ranging from health, dental and disability insurance to 401K retirement plans to its network of 250,000 independent members, a significant proportion of whom are 35 years old or younger.

Horowitz says the "new mutualism" will do for today's self-employed what traditional unions did for industrial workers, except that the Freelancers Union envisions a "market-based safety net" that maximizes flexibility for members. In another prominent departure from traditional trade unions, Freelancers does not engage in collective bargaining with its members' widely dispersed employers. Nor is Freelancers Union able to negotiate job security and better working conditions, like industrial unions did—although it does advocate for such. Instead, it runs shared services like fitness centers and uses its members' combined buying muscle to negotiate better terms for a wide variety of benefit plans covering everything from dental, disability, life and liability insurance to retirement savings plans. The services are popular and Horowitz expects to add another 100,000 members in 2015.

Freelance marketplaces and labor brokers have also taken action independently to improve the situation for their contractors. TaskRabbit, which has 30,000 contractors in 19 cities in the United States, recently instituted a sitewide minimum wage of \$15 an hour and adopted a \$1 million insurance policy, covering both clients and contractors, for any property damage or bodily harm that occurs while performing a job. ODesk has negotiated benefits packages for contractors using its site. And Lyft has formed a partnership with Freelancers Union, making its drivers eligible for the advocacy group's various benefit programs.

In the long run, cooperative benefit plans provided by organized networks of freelancers are a step in the right direction, if not an ultimate solution. They may even provide a stop-gap measure until government-backed systems can be overhauled. But given that fewer and fewer young people can expect to be working in long-term, full-time employment, there is no time to waste in building a new support system that maximizes the flexibility and mobility of the workforce while still providing most of the income security, benefits and protections that workers have come to expect.

Case Study: Young Invincibles—At the Table, Setting the Agenda.

While the Freelancers Union is developing and delivering services for freelancers across America, other advocacy networks are focused on ensuring that youth perspectives are represented in the major policy debates that are shaping the economy more broadly. As debate raged in 2009 between US politicians on healthcare reform, a constituency which would feel the impacts of any decision was left on the sidelines. "It felt like young people in the US didn't have a voice in the debate, which was absurd given the implications for this demographic," noted Aaron Smith. 1 The solution was the creation of Young Invincibles, a youth advocacy network based in





Washington, DC that provides an "authentic and credible voice for young adults across the country." As of 2014, the group hosts 45 staff and a network of 6 offices across the US, and is a central figure in the increasingly loud debate on how to best address youth unemployment in America.



Young Invincibles aims to provide an authentic and credible voice for young adults across the US.

The group's work focuses on two congruent streams. On one hand is an educational or awareness raising component that seeks to inform youth about issues that are impacting their economic future. A second component of the group's work focuses on advocacy and getting youth a seat at the table where decisions are being made. In so doing, YI supports a growing advocacy network that is convening a variety of public, political, student and not-for-profit groups for an ongoing dialogue on how to advance youth issues.

Of the two goals, raising awareness has been the comparatively easy part due to the tough conditions facing young people everywhere. Smith notes that the economy has been tough on young adults for some time. "We haven't seen any real recovery from the post-2007 financial crisis," he says, "and instead have seen increasing rates of long-term unemployment." YI's research finds that youth employment had not recovered from its pre-2001 (dot com crash) high. Moreover, YI finds that while the post-2007 financial crisis "is an exceptional part of the problem, a quarter of all job losses for young adults came after the Great Recession was officially over." 62

Long-term unemployment is resulting in a structural shift in expectations. As Smith notes, "We see young people choosing to stay in school longer and we see a significant increase in the number considering self-employment. As a



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result of increases in part-time and temporary work, we also see a far more transient generation in the workplace. In the end, what you see is a radically different vision of the American Dream than our parents had."⁶³

Getting a seat at policy tables where key decisions are being made has proven more difficult. Most policy debate around employment and the labor market has provided little space for the youth most affected. As Smith notes, "While there's rhetorical agreement with the challenge amongst politicians, many, notably post-secondary institutions, haven't been particularly responsive in the development of sustainable solutions to the issue." Moreover, even amongst politicians who agree youth unemployment is a significant issue, the depth of their understanding is limited as they rarely seek out youth voices to inform the debate. Smith notes that his engagement on Capitol Hill has shown that there's a real generational challenge in the political system as the majority of those in Congress or the Senate are from a time when you could pay for your post-secondary education by working over the summer. "Today's reality is very different," said Smith. "They can't comprehend what it's like to graduate with tens of thousands of dollars of debt."

The ability of advocacy networks to wield influence at policy tables has improved significantly though as groups like Young Invincibles have succeeded in building broader networks of local and regional affiliates. This expanding reach, and improved coordination across the network, presents a more united front that is harder for politicians to ignore. Peter Matjasic, president of the European Youth Forum, which acts as the convening hub for millions of youth through 99 national youth councils across Europe, notes that being an effective presence at policy-setting tables requires advocacy networks to pay attention to multiple success factors simultaneously. The network must first earn the legitimacy to translate the views and perspectives of constituents into tangible policy recommendations. At the same time, the network's sustainability depends on its ability to help youth across the continent to participate and advocate in their local regions. Outward advocacy and internal capacity building are part and parcel of the network's effectiveness. So too is its ability to go beyond merely being present at the table to actually leading the development of an agenda that reflects the wants and needs of youth. Matjasic argues that youth organizations are inherently well-positioned to play an agenda setting role, given they are more able to "[reach] out to those furthest from the labor market and ensure that youth employment measures are effective and tailored to the needs of their beneficiaries."66

Agenda-setting power is also linked to the ability to craft and publicly articulate convincing arguments that appeal to the interest of both public and private stakeholders—a skill that YI has been honing for years. For public stakeholders, YI points out that with 5.8 million young adults neither in school nor working, federal and state level governments are forgoing \$9 billion in tax revenue every year.⁶⁷ For private stakeholders, the impact of income losses for customers can be measured by declining real wages and a correlation to reductions in consumer spending.⁶⁸ Across Europe, according



to Matjasic and the EYF, youth unemployment is thought to costs €100 billion per year.⁶⁹

Another one of YI's primary areas of focus is creating improved and increased internship processes for young people. Rory O'Sullivan, Policy and Research Director of Young Invincibles, notes that "Making sure that young people have the skills they need to succeed in their careers is key to driving down youth unemployment and maximizing their economic opportunities." YI's advocacy has subsequently focused on reconnecting young adults to the workforce through internships and skills development programs, as well as the development of a credentializing process for those internships. This latter initiative is in a nascent stage of development but seeks to establish an ISO-type standard for internships that would ensure minimum criteria for paid, quality work. Similar to the organic food or fair trade movements, this would allow accredited employers to market their compliance with the standard to consumers and potential employees.

This focus on skills development and training may, however, not be enough. Matjasic argues, "If there is only a very limited number of jobs available, training, retraining and education are only solutions of a temporary nature. Fostering entrepreneurship, in other words, job creation, is the answer. [Fostering] youth entrepreneurship should be part of the government's guarantee for the next generation."

These two case studies of networked advocacy provide several key insights. First, a rhetorical commitment to entrepreneurship and job creation isn't sufficient. Rather, to overcome the challenges facing young entrepreneurs, policy makers must work with their public and private partners to create supportive systems that both promote entrepreneurial success and remove structural obstacles facing self-employed workers. At the same time, governments need better youth engagement mechanisms to ensure that the voices of youth are clearly heard and incorporated into the policy making process. The result will be the development of more dynamic policy networks consisting of policymakers, youth advocates and other stakeholders—networks that can work in unison towards the empowerment and employment of youth in a rapidly changing economy.

Implications for Network Leaders

There is no silver-bullet solution to today's youth employment challenge. Rather, a multi-faceted focus on skills development, entrepreneurship and policy creation is necessary to sow the seeds of prosperity that will help take millions of young people off the economic sidelines and transition them into meaningful employment. Of course, the sheer scale of today's global youth employment challenge poses a risk of its own. As Ahluwahlia put it: "People



66 While transmitting solutions to different places with different structural and social frameworks will take diligence and creativity, the demands of economies begging for sustainable job creation makes the investment in building global solution networks one of the most vital steps we can take to lay the groundwork for decades of economic growth and prosperity to come. ??

focus on the problem, and given its size and scope, it immobilizes people from focusing on solutions, and on properly understanding the ecosystem at work here." It is important to pay attention to tangible solutions that are proving effective in addressing youth employment in their respective contexts. The challenge for network leaders is to scale-up and replicate these solutions around the world. While transmitting solutions to different places with different structural and social frameworks will take diligence and creativity, the demands of economies begging for sustainable job creation makes the investment in building global solution networks one of the most vital steps we can take to lay the groundwork for decades of economic growth and prosperity to come.

A diversity of thought and talent from across sectors is the key to driving progress on youth employment. The examples documented highlight the importance of leadership from each sector—public, private and non-profit. More important, they demonstrate that leadership only gains traction if and when actors from across the ecosystem are engaged in a meaningful partnership where a diversity of thought and talent is invited to participate in the development of solutions. "If you're not inclusive of all stakeholders," says YouthTrade founder Poonom Ahluwalia, "you'll simply replicate overlapping networks and get far less efficient in achieving your outcomes."⁷¹ Inclusivity, in turn, requires a respect for varied expertise, ideas and roles. This may be uncomfortable for some, especially those accustomed to traditional definitions of leadership and responsibility that position authority at the top of a hierarchical command structure. Networked problem solving, on the other hand, requires each partner in a network to carve out situational and context-specific authority and responsibility within the network. While both public and private leaders may be accustomed to having final say, this new model requires a deference to expertise no matter where it exists.

In the new world of work, entrepreneurship is one key to self-empowerment and prosperity. At the heart of the efforts that are being pursued is a focus on continuous learning, skills development and especially entrepreneurship. Academic success alone is no longer sufficient to guarantee sustainable employment, and academic curricula need to be supplemented with entrepreneurially-focused training that provides the day-to-day business and customer relationship skills, financial management and marketing know-how that are necessary complements to the shift from "who will hire me" to "what can I do to employ myself and others." In their own unique ways, YouthTrade, Teen Startup Lab and the Digital Opportunity Trust all play a role in creating an ecosystem that builds a passion and skill set for entrepreneurship and supports the growth of successful youth-led businesses that will generate additional employment opportunities for those who do not have the entrepreneurial bent.

Building the capacity for community leadership generates a powerful ripple effect. The importance of mentorship in the development of successful entrepreneurs has been demonstrated time and again in the business literature. There is arguably no better way to build the capacity for mentorship than by raising up young leaders who will go on to teach their peers. This philosophy underpins the work of the Digital Opportunity Trust,



which works to enable this process of skills development by using local talent in disadvantaged communities to train other local talent—a "train the trainer" model that embeds the capability for employment creation in the community itself. Founder Janet Longmore notes, "Talent is distributed globally so our job is to provide it with a vehicle to most effectively demonstrate its skills." This process of skills development builds on the technological comfort today's youth have, and it shines a spotlight on the role youth can play in creating employment opportunities for themselves as well as others in their communities.

Success is overrated. Failure can build personal resiliency and entrepreneurial minds. Traditional education is all about preparing students to successfully complete a predefined curriculum. Success and conformance are valued; experimentation and failure are not. Teen Startup Lab takes a very different approach, one in which experimentation and failure can be just as empowering as success because rebounding from failure builds the resiliency that's necessary in an increasingly entrepreneurial economy. "While it's great to focus on those who have succeeded," says co-founder Sedmak, "we think it's equally if not more important to treat failure as a success. The long-run success of initiatives like Teen Startup Lab is to broaden the pool of entrepreneurs and help those who never would have thought of starting their business to do so."⁷³ The normalization of failure, though, will require the development of stronger support systems to ensure that those who do fail are able to support themselves, re-tool and recover.

Private sector participants in GSNs have the greatest impact when they shift from checkbook philanthropy to collaborating in solution design and implementation. The private sector has long been viewed as a necessary funder for training and development programs. A new model is emerging in which the private operates alongside the public and non-profit sectors to develop and operate programs and services. This budding collaboration has its roots in a growing understanding that youth unemployment is not just a short-term social inconvenience. Smart companies understand that chronic youth unemployment has the makings of a long-term economic disaster—one that threatens consumer spending and undermines access to talent. As demonstrated by IBM's involvement in P-TECH, charitable support of youth oriented initiatives is making way for far more strategic engagement with initiatives that empower and employ youth.

Governments risk irrelevance in solving the youth unemployment challenge. Governments have not necessarily taken the lead in creating or delivering new services or programs to address the youth unemployment problem. In fact, leadership has more often come from other sectors, even in areas like social protection for freelancers. We live in an age where one visionary individual can kickstart a freelancers union that is 250,000 members strong—a testament to the fact that governments are at risk of becoming less and less relevant in the networks that are mobilizing to solve real problems. Where governments have engaged in solution networks, their efforts are largely focused on providing funding and political support. Government leadership in these cases is limited. This doesn't have to be the case. The Whitehouse-sponsored Young African Leaders Initiative



(YALI) shows how government can lead. Managed by the US Department of State, YALI was launched in 2010 as a means of spurring entrepreneurship, innovation and growth in sub-Saharan Africa. Funding provided by YALI works to connect youth with private sector firms and non-profit partners for skills development and other training.

Technology is the key to solutions that are scalable and engaging for young people. Accenture has poured its technology expertise into building a dynamic online learning platform for the Skills to Succeed program that allows its local partners to deliver a world class training experience. Its skill training programming in the UK is delivered through an online academy that allows youth to access training in a more flexible and tailored environment. The Skills to Succeed Academy is the product of a collaborative process including local job centers and youth-oriented charities. Together they map the paths youth take from becoming unemployed to finding and keeping work. These findings are subsequently used to form the content and curriculum offered through the Academy. This content, importantly, is delivered through a series of interactive games and videos that better engage young learners. Thirty five online learning modules are now offered for free to program participants. After having been rolled out in a pilot project in East London in 2012, the Academy format is now being rolled out across the country.

A key role for network orchestrators is to work on establishing an alignment on values and goals among partners. While the need for networked action is clear, how do networked leaders chose whom to work or partner with? There is no shortage of potential actors with whom to work. Deepali Khanna from the MasterCard Foundation notes a key component of the Foundation's work is focused on choosing its partners and on achieving alignment on values and goals. "Our role is as convener of actors and stakeholders. We make grants but we don't want to be seen as a donor. We're a partner in the projects we sign up to. And we only sign up if we're aligned on values and on goals. Once that is established we take quite a hands-on role in helping our partners design programs and collect the information that is required to know whether they're properly designed and implemented. This means working with both government and non-government stakeholders to design and implement a product that none of us could create on our own."74 The need for alignment was consistently highlighted by interviewees for this project, all of whom invested significant time to ensure that values, and not just end goals, are shared amongst the partners.

Engaging the world's youth as equal participants in solution networks is the key to creating sustainable solutions that are effective and legitimate. Whether in Kigali, Ottawa or Washington, successful solution networks have youth firmly established as leaders and/or key participants. Indeed, advocacy networks such as the Young Invincibles and the European Youth Forum have emerged because young people feel largely frozen out of the traditional policymaking process. Young Invincibles co-founder Aaron Smith insists that, "Youth are part of the solution and have to be at the table with other



stakeholders in the development of inclusive, actionable solutions. Only by engaging youth in real, meaningful ways," Smith continues, "can we ensure that their unique perspectives are reflected in the policy process and that public policies and solutions are perceived as legitimate."⁷⁵

Frustrated by the slow pace of progress, other youth advocates have decided to sidestep policymakers completely. Take YouthTrade for example. Rather than wait for policymakers to take action, Ahluwalia created a network with private sector retailers that empowers young entrepreneurs directly. "We stopped looking at youth as simple beneficiaries, and rather wanted to establish them as partners in launching successful ventures," said Ahluwalia. That, in the end, is perhaps the most central of all the lessons from this research. By harnessing the power of technology, young people can increasingly forge their networks and position themselves to become the creators of their own solutions and their own futures.



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About Global Solution Networks

Global Solution Networks is a landmark study of the potential of global web-based and mobile networks for cooperation, problem solving and governance. This research project is a deliverable of the GSN program, offered through the Martin Prosperity Institute at the Rotman School of Management, University of Toronto.

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