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# EXPLORING THE IMPACT OF YOUTH ENTREPREURSHIP ON ECONOMIC DEVELOPMENT: A CASE STUDY ANALYSIS

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# CHAPTER 1: INTRODUCTION

In recent years, youth entrepreneurship has gained substantial attention as a crucial driver of economic development. This attention is particularly timely given the contemporary global challenges such as high youth unemployment rates, economic stagnation, and the urgent need for sustainable development. Young entrepreneurs are increasingly seen as vital players in the economic landscape, bringing fresh perspectives, innovative solutions, and dynamic energy to the market. Their entrepreneurial ventures not only foster economic growth but also address social and environmental issues, contributing to a more holistic form of development (Campanella et al., 2013).

The rise of youth entrepreneurship can be attributed to several factors. Technological advancements have lowered the barriers to entry for starting a business, providing young individuals with unprecedented access to resources and markets. Additionally, there is a growing recognition of the unique strengths that young entrepreneurs possess, such as adaptability, creativity, and a propensity for risk-taking. These qualities enable them to identify and exploit new opportunities, even in challenging environments (Chauhan & Aggarwal, 2017).

Entrepreneurship plays an increasingly important role throughout the world and it has been considered an important mechanism to achieve economic growth (OLANIPEKUN et al., 2021). It promotes economic growth and development by enabling the introduction of innovations, by fostering competition and change, and by increasing rivalry (Ogbondah & Nwogu, 2017). The impact of entrepreneurship on economic development has received considerable attention over the years by recognized and distinguished authors (Ćoćkalo et al., 2019)

The performance and effectiveness of entrepreneurs in the country as an instrument of economic growth and development have long been under scrutiny. This intense scrutiny has been against the backdrop of the low performance and inefficiency that characterized small businesses, particularly in assessing their role in economic growth and development. Tapping the country's resources requires the ability to identify potentially useful and economically viable fields of endeavor. Taking into account the importance of entrepreneurship and despite the well-known challenges and risks involved in the entrepreneurial process, governments

increasingly deploy incentives and support programs to encourage and stimulate individuals to become entrepreneurs (Dadvar-Khani et al., 2011).

Currently, some dispute exists on whether and which types of entrepreneurship (necessity vs opportunity) matters most for economic growth and development (Nor, 2024). 'Opportunity entrepreneurship' occurs when individuals want to take advantage of a unique market opportunity and it is related to innovative entrepreneurship; in contrast, 'necessity entrepreneurship' results from market friction and it is generally related to non-innovative firms (Fadeyi et al., 2015).

The contribution of startups and young businesses to job creation involves rich dynamics. Most business startups exit within their first ten years and most surviving young businesses do not grow but remain small. However, a small fraction of young firms exhibits very high growth and contribute substantially to job creation. These high-growth firms make up for nearly all the job losses associated with shrinking and exiting firms within their cohort. The implication is that each entering cohort of startups makes a long-lasting contribution to net job creation (Gwija et al., 2014b).

The contribution of startups and young firms to job creation is part of an overall rapid pace of reallocation of productive resources across firms. Young firms exhibit rich post-entry dynamics: specifically, low-productivity young firms contract and exit, while high-productivity young firms rapidly expand. In addition, young firms appear to play a critical role in innovative activity that also contributes to productivity growth (including within-firm productivity growth) (Jakubczak, 2015).

**Youth Entrepreneurship**

Youth entrepreneurship plays a pivotal role in driving innovation. Young entrepreneurs are often at the forefront of technological and business model innovations. They are more likely to experiment with new ideas and approaches, which can lead to breakthroughs that older, more established firms might overlook. This innovative capacity is essential for economic dynamism, helping to revitalize industries and create new markets.

Young entrepreneurs often leverage cutting-edge technologies, such as artificial intelligence, blockchain, and the Internet of Things (IoT), to create innovative products and services. Their familiarity with and enthusiasm for new technologies enable them to identify and exploit

emerging trends more rapidly than older, more established companies. This agility is crucial in an era where technological advancements are accelerating at an unprecedented pace. For instance, numerous startups founded by young entrepreneurs are pioneering advancements in areas like fintech, health tech, and clean energy (Setyawati et al., 2022). These ventures are not only disrupting traditional industries but are also creating entirely new markets. In addition to technological innovations, young entrepreneurs are instrumental in developing new business models that challenge conventional ways of operating. Their innovative capacity is reflected in the rise of sharing economy platforms, subscription-based services, and direct-to-consumer brands. These business models often emphasize efficiency, sustainability, and customer-centricity, addressing modern consumers' evolving needs and preferences (Marchesani et al., 2022).

The infusion of innovative ideas and practices by young entrepreneurs is vital for maintaining economic dynamism. By continuously introducing new products, services, and business models, they keep industries competitive and responsive to changes in consumer demand and technological advancements. This constant renewal is essential for avoiding economic stagnation and ensuring long-term growth. Moreover, youth-led entrepreneurial ventures often address underserved markets and social issues, thereby driving inclusive growth. For instance, social enterprises founded by young entrepreneurs frequently focus on areas such as education, healthcare, and environmental sustainability. By tackling these critical challenges, they not only contribute to economic development but also enhance societal well-being (Ong et al., 2021).

Youth-led entrepreneurial ventures are significant contributors to employment generation. By starting their own businesses, young entrepreneurs create job opportunities not only for themselves but also for others. These ventures can absorb a significant portion of the unemployed youth population, thus alleviating the pressure on the labor market. Sustainable development is another critical area where youth entrepreneurship is of substantial impact (Kourilsky et al., 2007). Many young entrepreneurs are motivated by a desire to address environmental and social challenges. Their ventures often incorporate sustainable practices and aim to create social value, aligning with the broader goals of sustainable development. By fostering businesses that prioritize environmental stewardship and social responsibility, youth entrepreneurship contributes to a more sustainable and inclusive economic future (Nwagu & Enofe, 2021).

Embedding entrepreneurship education into school and university curricula provides young people with the foundational knowledge and skills needed to start their own businesses. Offering practical, hands-on experiences through internships, workshops, and entrepreneurship boot camps can enhance learning and boost confidence. Real-world exposure allows young individuals to apply theoretical knowledge in practical settings. Governments have been working to streamline and simplify the regulatory requirements for starting and operating a business. Reducing bureaucratic hurdles can make it easier for young entrepreneurs to navigate the legal landscape. Offering tax incentives, subsidies, and other financial benefits to youth-led startups can reduce the initial financial burden and encourage more young people to take the entrepreneurial plunge (Halabisky, 2012).

**Youth and Economic Development**

As remarked above, Youth is traditionally understood as the phase of life from adolescence to middle age. However, the concept of youth is often seen more as a matter of perception and feeling than strictly defined by age, making it a subjective notion. The definition of youth has been a topic of much discussion due to the various perspectives attached to it. To bring clarity and facilitate analysis, different global institutions have attempted to define youth using age as a key factor. For example, the United Nations defines youth as individuals aged 15-24 years. In contrast, India's National Youth Policy (2003) initially defined youth as those aged 15-34 years. This definition was later refined in the National Youth Policy (2014), which redefined youth as those aged 15-29 years to allow for a more focused approach and tailored policy interventions for different population segments. Despite these efforts, definitions of youth vary across countries, reflecting diverse national characteristics and perceptions, and no universal consensus exists on the definition (Maina, 2013).

Youth are considered a vital component of any nation's population, often seen as the backbone that drives significant changes within a country and influences its overall functioning. Their energy, creativity, innovation, enthusiasm, and dynamism make them a crucial part of the population. The strong desire, motivation, and ambition of young people position them as invaluable human resources for advancing a nation's social, economic, and political development. Unlike their older counterparts, young individuals possess the strength to tackle the challenges presented by globalization. Their determination to compete and resilience in the face of failure make them the most valuable resource of any nation (Sandybayev, 2016).

Through their persistent efforts and willingness to challenge traditional norms, they have the power to bring about societal change and help build a society that embraces experimentation and adapts to new methods and ventures. The potential for a country to thrive is largely dependent on the size and quality of its youth population. Their role in strengthening a nation's defense capabilities is undeniably significant. If properly harnessed, their energy and enthusiasm can bring about substantial positive change in society and, by extension, the nation. Youth are active participants and creative digital innovators whose contributions to sustainable development have always been evident. However, to maximize their potential, effective policy measures and motivational strategies are essential to direct their energy toward the right goals (Tshishonga, 2022).

Although not yet fully explored, a significant portion of the youth population is increasingly drawn to entrepreneurship, viewing it as a viable and often more reliable career path compared to traditional employment. For many, entrepreneurship offers a way to achieve personal goals and a sense of fulfillment. It has become a new avenue for realizing one's potential. The desire to innovate and be their own boss makes entrepreneurship an ideal option for many young people, particularly those who struggle with the idea of working under others. However, while some pursue entrepreneurship with great enthusiasm and passion, a considerable number of young individuals turn to it out of necessity rather than choice. The need to contribute to family income and the lack of suitable job opportunities often compel them to take this path. The scarcity of adequate job opportunities forces many young people to seek alternative means of livelihood, as they transition from adolescence to adulthood and enter the job market.

While some young people choose to take over their family businesses, the majority of youth are first-time job seekers, actively searching for opportunities within their environment. Although many succeed in securing the jobs they desire, a significant number struggle to find suitable employment and, as a result, begin to explore the possibility of starting their own ventures. Entrepreneurship allows them to apply their skills in creating something unique that they can truly call their own. The increasing focus on youth entrepreneurship can be attributed to two main factors (Rusu, 2022) the rising number of unemployed young individuals and the growing demand for competitiveness paired with the need for skill development. Beyond being a solution to youth unemployment, entrepreneurship offers young people a platform to explore new ideas and opportunities. It encourages them to step out of their comfort zones and contribute to technological advancements. With their innovative and sometimes disruptive ideas, young entrepreneurs can address social issues that might otherwise be challenging to

solve. Today's youth are more entrepreneurial and ambitious than in the past, driving growth through radical ideas and strategies born from their creative minds (Bezerra, 2017).

Das (2023) in his book on Youth Entrepreneurship defines it as the process of transforming ideas into opportunities and subsequently turning those opportunities into viable ventures by utilizing skills in management, planning, improvement, mentoring, and awareness-building. Young entrepreneurs are equipped with advanced knowledge and social networks that facilitate the creation of successful enterprises, which in turn help reduce unemployment and contribute to economic growth and innovation. Engaging youth in entrepreneurship has the potential to foster their personal development, enhance their quality of life, and address societal injustices. Entrepreneurship is recognized as a key driver of economic development through its role in generating employment and creating wealth (OECD, 1998). By launching innovative and independent ventures, young entrepreneurs not only create opportunities for themselves but also for others seeking alternatives to traditional employment. As Nkechi (2012) aptly stated, "an economy is the effect for which entrepreneurship is the cause." Entrepreneurship can offer economic empowerment, promote inclusive economic growth, and foster self-reliance among entrepreneurs. The shift from salaried positions to self-employment contributes to the growth and development of both developed and emerging nations. Entrepreneurs enhance our understanding of consumer needs by introducing groundbreaking innovations or significantly improving existing products and services. Young firms benefit from flatter organizational structures and less bureaucracy, allowing them to adapt quickly to changes with reduced time and cost (Sajuyigbe, 2016).

Entrepreneurship offers several benefits, including social and economic growth and personal fulfillment. It has the potential to overcome long-standing barriers related to class, status, gender, age, race, and sexual orientation. According to (Nafukho, 2010), entrepreneurs are described as drivers of economic growth who, through their passion, hard work, and dedication, transform ideas into tangible outcomes, strengthening the nation's foundation. The third report in YBI’s Making Entrepreneurship Work Series (2010), titled "Youth Entrepreneurship – Beyond Collateral," highlights youth entrepreneurship as a key tool for achieving sustainable growth and social development. The report suggests that young entrepreneurs contribute to balanced growth by generating sustainable employment. Small and medium-sized enterprises (SMEs) are recognized as crucial for achieving equitable and sustainable industrial diversification and expansion. Thus, entrepreneurship plays multiple roles within a nation and

should be considered from various perspectives based on the level of development of each country (Doran, 2018).

**Motivation**

Countries around the world are actively seeking ways to bolster their economies in the current global situation. With continuous population growth and dwindling resources, governments are striving to find solutions that can promote economic growth and adequately serve their populations. The ever-increasing demand for goods and services exacerbates this challenge, necessitating innovative and sustainable approaches to economic development (Dzomonda & Fatoki, 2019).

Entrepreneurship has emerged as a focal point for many policymakers seeking to address these issues. By fostering entrepreneurial activity, nations can harness the potential of new ideas and innovations to drive economic progress. Entrepreneurs bring creativity and innovative solutions to the market, and the youth, in particular, are well-suited to spearhead these efforts. Young people possess the energy, adaptability, and willingness to take risks necessary for developing successful ventures. They have the time and capacity to explore market opportunities, experiment with new business models, and embrace the challenges of entrepreneurship (Chiloane-Tsoka, 2016).

This study is motivated by the recognition that youth entrepreneurship can significantly contribute to economic growth. By encouraging young people to pursue entrepreneurship, we can address the pressing issue of unemployment and stimulate the development of new technologies and business practices. Youth entrepreneurship not only provides a pathway for individual career development but also fosters a culture of innovation and dynamism within the economy. Moreover, young entrepreneurs are often more attuned to contemporary market trends and technological advancements, enabling them to create solutions that are relevant and forward-thinking. By adopting entrepreneurship as a career path, young people can drive the creation of new industries, enhance productivity, and contribute to the overall economic resilience of their countries (Baxter et al., 2014).

In summary, this study is driven by the belief that youth entrepreneurship holds the key to sustainable economic development. By empowering young individuals to embark on entrepreneurial ventures, we can create a more vibrant and robust economy that meets the needs of the present while preparing for the challenges of the future. This approach not only addresses

unemployment but also ensures the continuous introduction of innovative technologies and practices, paving the way for long-term economic prosperity.

**Research Objectives**

This thesis seeks to explore the multifaceted impact of youth-led entrepreneurial ventures on economic growth. The primary research objectives are as follows:

1. Investigate how young entrepreneurs contribute to technological and business model innovations, and the broader implications of these innovations on economic dynamism.
2. Examine the extent to which youth-led businesses create job opportunities, and how these ventures contribute to reducing youth unemployment rates.
3. Explore how young entrepreneurs integrate sustainable practices into their businesses and the impact of these practices on environmental and social outcomes.
4. Understand the barriers to youth entrepreneurship and the solutions that young entrepreneurs devise to navigate these obstacles.
5. Based on the findings, suggest policies and initiatives that can create a more conducive environment for young entrepreneurs.

**Research Questions**

To achieve these objectives, the following research questions will guide the study:

1. How do youth-led entrepreneurial ventures drive innovation in their respective industries?
2. What is the role of youth entrepreneurship in employment generation?
3. How do youth-led entrepreneurial activities contribute to sustainable development?
4. What sustainable practices are adopted by young entrepreneurs?
5. What policy measures can support and enhance youth entrepreneurship?

**Methodology Overview**

This thesis will employ a case study approach to provide in-depth insights into the impact of youth-led entrepreneurial ventures. Case studies will be selected from various regions and industries to capture a diverse range of experiences and outcomes. Data collection methods will include qualitative interviews with young entrepreneurs, surveys, and analysis of secondary data sources such as industry reports and academic literature. This mixed-methods approach will possibly allow for a comprehensive understanding of the complex dynamics at play.

**Significance of the Study**

Understanding the impact of youth entrepreneurship is crucial for several reasons. First, it can inform policymakers about the potential benefits of supporting young entrepreneurs, leading to more effective economic development strategies. Second, it can provide insights for educators and institutions that aim to foster entrepreneurial skills among young people. Finally, it can inspire and guide young individuals who are considering entrepreneurship as a career path, highlighting the opportunities and challenges they might encounter.

# CHAPTER 2: LITERATURE REVIEW

## Entrepreneurship

Entrepreneurship encompasses more than just starting a business. It involves a process where individuals recognize opportunities, allocate resources, and generate value (Gilmore, 2009). This value creation often comes from identifying unmet needs or opportunities for innovation. An entrepreneur is someone who undertakes innovations with financial and business skills to transform these innovations into economic products. Entrepreneurs view challenges as opportunities and act to find solutions to these problems, while also identifying customers willing to pay for these solutions. Success in entrepreneurship depends on the ability to spot opportunities in the market, drive or leverage change, and create value through effective solutions (Kolade et al., 2012).

According to (Kojo Oseifuah, 2010), entrepreneurship is defined as the process of increasing the number of entrepreneurs and expanding the range of small, medium, and large enterprises in a country. This involves creating and nurturing capable entrepreneurs who can successfully manage innovative enterprises, foster their growth, and sustain them, with the goal of achieving broad socio-economic development objectives, including sustained employment. Additionally, (Gilmore, 2009) describes entrepreneurship as the process of recognizing opportunities and making the decision to commercialize them by establishing new firms. Schnurr and Newing (1997) highlighted the importance of cultivating an entrepreneurial culture, noting that young people possess valuable traits such as resourcefulness, initiative, drive, imagination, enthusiasm, ambition, energy, boldness, and courage, which are crucial for entrepreneurship development (Gwija et al., 2014b).

The entrepreneur has been defined in various ways from a behavioral perspective, often in terms of the functions they perform. Campanella (2013) famously characterized the entrepreneur as the coordinator of production and an agent of change, introducing the concept of "creative destruction", where the entrepreneur acts as an innovator. In contrast, viewed the entrepreneur not primarily as a catalyst for change but as someone who identifies opportunities for profitable arbitrage, facilitating adjustment to existing changes. It was highlighted the uncertainty inherent in exploiting opportunities, emphasizing the entrepreneur's role in navigating this uncertainty. Karanassios et al. (2006) described the entrepreneur as someone

who can recognize economic imbalances, assess their potential, and reallocate resources if the action is deemed worthwhile. Singh (2013) saw the entrepreneur as one who manages the production process by paying wages and assuming the risks and uncertainties of production, a view also supported by Khussainova (2018). Often, entrepreneurs fulfill these roles by establishing new firms, a process describes as the essence of entrepreneurship. Given that most new firms are small, a significant portion of entrepreneurship research focuses on the dynamics of small and medium-sized enterprises (SMEs).

In what follows, entrepreneurial ability is highlighted as a key factor influencing the rate of start-ups and their success. Essential entrepreneurial abilities include the alertness to identify and capitalize on opportunities and the capacity to operate effectively under conditions of uncertainty and risk. These abilities have been extensively examined in both psychology and management literature (Khoza, 2021). A notable observation is that individuals who start their own businesses tend to be overly optimistic, which suggests that many pursue entrepreneurship even when there may not be objectively sound opportunities, or they may not accurately assess those opportunities.

Opportunities have been defined in various ways. For example, Zu (2020) describe an "opportunity" as a situation where goods can be sold at a profit. Ierapetritis (2010) expand this definition by suggesting that opportunities are not limited to the creation of a business or activities in the marketplace; rather, they can encompass any chance for an individual to enhance their wealth, power, or status. Iqbal (2023) highlights the perspective that the subjective or socially constructed nature of opportunity makes it inseparable from the individual. However, in order to understand the role of entrepreneurship in economic development, it is necessary to recognize the existence of objectively independent opportunities, along with the varying abilities to identify, assess, and manage the risks and uncertainties associated with these opportunities. Consequently, different contexts present different opportunities for entrepreneurs, and not all of these opportunities are directly linked to activities that drive economic growth.

The psychological factors that influence entrepreneurial ability at the individual level have not been thoroughly explored in the context of developing countries. However, two specific issues have been noted. First, there appears to be a lack of interest among many impoverished individuals in seeking out opportunities. (Boris, 2022), in their review of the behavior of the extremely poor (those living on less than US$1 per day), express confusion over this, observing

that the poor seem reluctant to psychologically commit to efforts aimed at increasing their income. This reluctance may not only be due to a lack of psychological commitment but could also stem from the fact that entrepreneurs in poor countries face significant costs when diverting attention from immediate concerns to seek out new opportunities, which may be limited (Smirnov, 2020). Second, for households living at a subsistence level, the high risks associated with trying to capitalize on uncertain opportunities may be unacceptable, as the potential losses could outweigh the potential benefits. As a result, manager-owners, family businesses, and household enterprises often struggle with innovating and adopting new technologies.

**Youth & Entrepreneurship**

Youth is often defined as the transitional phase between childhood and adulthood. To effectively explore youth entrepreneurship and evaluate policies designed to support it, a clear definition of youth entrepreneurship is necessary. However, a universally accepted definition of "entrepreneurship," "entrepreneur," or "youth entrepreneurship" is still lacking in the literature. Entrepreneurship can be described as a set of actions, with an entrepreneur being someone who undertakes these actions (Chiloane-Tsoka & Botha, 2015). Porfírio (2022) defines entrepreneurship as the practical application of enterprising qualities such as innovation, creativity, and risk-taking within a work environment, whether in self-employment or small start-up firms, utilizing the skills needed for success in that context and culture. Entrepreneurship is often considered an instinctive trait rather than a learned skill. It involves recognizing and acting on an opportunity to create value, which may or may not lead to the formation of a new entity. Although terms like innovation and risk-taking are commonly associated with entrepreneurship, they are not essential for its identification (Edeme, 2019).

**Motivation of Youths to Engage in Entrepreneurship**

Several factors influence young people to start their own businesses, including their living conditions, personal attitudes, preferences, goals, interests, and strengths. Economic necessity often drives entrepreneurship when other income sources are unavailable. In developing and low-income countries, the lack of employment opportunities and the need to support household income are significant motivators for entrepreneurial activities. Additionally, a strong desire to effect social change and contribute to societal development is a key factor for many young

entrepreneurs (Maina, 2014). Personal motivations for youth entrepreneurship include a commitment to personal values and beliefs, social responsibility, and contributing to the local economy. In developed countries, young people often cite reasons such as the desire for independence, flexibility, financial gain, achieving personal visions, gaining reputation, improving quality of life, and continuing family traditions as motivations for starting a business. Furthermore, the abilities and competencies of young individuals can also serve as significant drivers for entrepreneurial ventures (Maina, 2014).

Hagigi & Lin (2012) identify several key factors driving young entrepreneurship in Bangladesh: (1) the alignment of compensation with the success of decision-making, (2) the investment time frame, (3) experience, and (4) the extent of responsibility shouldered by the decision-maker. By fostering entrepreneurship among its youth, Bangladesh could leverage its demographic and geographic advantages to boost economic growth. Additionally, a study by Ali et al. (2006) assessing the impact of ongoing programs by the Department of Youth Development (DYD) found that self-employed individuals have generated additional employment opportunities both within their families and beyond (Lez'er et al., 2019).

To promote youth entrepreneurship, the Department of Youth Development (DYD) was founded in 1981 with the goal of providing unemployed youth with vocational and skills training to enable self-employment and integrate them into the national development process. In 1998, DYD established the National Youth Centre (NYC) as a hub for human entrepreneurship development. The NYC aims to transform unemployed youth into organized, disciplined, and productive resources through various activities, including training, seminars, workshops, symposiums, youth summits, and international exchange programs. Additionally, the center conducts research on youth development issues of national significance. DYD has been running multiple programs to support the socio-economic development of the country's youth (Setyawati et al., 2022).

Motivation is defined as the driving force that energizes behavior and directs it toward achieving specific goals. Research indicates that students with higher motivation levels are more inclined to start their own ventures compared to those with lower motivation, especially when tasks involve significant individual responsibility or outcomes. Key factors such as the need for achievement, independence, and profit motive are crucial in fostering entrepreneurial readiness. These factors have been shown to positively influence readiness for new venture creation. Additionally, (Al Rawashdeh et al., 2023) found that the potential for high profit and

the success of new ventures significantly enhance motivation for starting a business. Various elements of entrepreneurial motivation have been identified in previous research (Kasim et al., 2014).

Achievement motivation plays a crucial role in driving individuals towards entrepreneurship. Researchers argues that the drive for achievement, rather than the pursuit of profit, primarily fuels entrepreneurial activities. However, other research presents a different perspective. (Pigozne et al., 2019) found that the decision to start a new venture is influenced by both the anticipated outcomes of entrepreneurial knowledge and the inherent need for achievement. This need for achievement motivates individuals who are inclined to pursue business opportunities (Odongo & Kyei, 2018).

Empirical research on achievement motivation is still limited. Studies have identified another significant motive for starting a new venture: the desire for independence. The desire for independence involves making personal judgments in entrepreneurial activities rather than being driven by external factors. This motivation stems from the aspiration to be one's own boss. Consequently, some empirical evidence suggests that entrepreneurs' decisions can vary concerning their desire for independence. (Sambo, 2015) proposed that young individuals often exhibit a natural inclination towards self-starting, driven by their desire for independence and passion. Their study indicates a need for further research on how the desire for independence can impact entrepreneurial readiness (Brixiová et al., 2015). It is noteworthy that the role of entrepreneurship training in enhancing motivation has not yet been fully explored.

**Entrepreneurship Education**

A critical factor in helping young people develop entrepreneurial skills, competencies, and behaviors is education. It provides them with the necessary qualities and attributes to be creative, adaptable, and proactive, and to identify and evaluate business opportunities while managing resources effectively. Entrepreneurship education serves not only to promote youth entrepreneurship and self-employment but also to prepare individuals to handle responsibilities, adapt to change, and navigate the uncertainties and risks of today's competitive global business environment. Research by (Ferdousi et al., 2022) shows that enterprise education has a significant impact on risk-taking, new venture creation, and the likelihood of self-employment. Additionally, graduates with entrepreneurship education tend to perform better than those without it. (Khussainova et al., 2018) found that students who engaged in

enterprise modules at the university level are more likely to pursue entrepreneurship careers compared to those who did not have such modules in their studies (Sakala & Lusaka, 2017).

**Access to Startup**

While young people often possess enthusiasm and determination, they frequently lack sufficient start-up capital. A major barrier for young entrepreneurs is the shortage of adequate financial support. Moog (2005) found that 78% of individuals aged 15 to 24 consider the lack of financial resources to be a greater obstacle than administrative challenges or economic conditions, compared to 73% of other age groups. Young people are often seen as high-risk investments and face challenges in accessing funds due to limited resources, insufficient credit history, and inadequate collateral for loans. Additionally, young entrepreneurs may lack the business experience, track record, and operational efficiencies that banks and financial institutions typically require to assess creditworthiness. They also encounter difficulties meeting the stringent terms and conditions related to credit rating and scoring systems (Dash & Kaur, 2012).

Documentation requirements and the high interest rates and fees associated with loans can also hinder young entrepreneurs from securing credit. Researchers highlighted that the lengthy process for deciding on funding applications further complicates access to capital. Additional barriers include unfavorable characteristics of firms and industries, legal status or form of enterprise, lack of effective microfinance and seed funding options, administrative difficulties, and political influences. (Emerole et al., 2018) recommended several strategies to improve access to start-up financing, including researching start-up funding options, providing business capital, enhancing the regulatory environment, and offering information and counseling on obtaining finance (Lewis & Massey, 2018).

Legal and bureaucratic challenges are significant obstacles for young entrepreneurs (World Bank, 2005). The ILO (2004) reports that 70% of respondents in Europe, including 67% of those aged 15-24, view administrative barriers as a major impediment to starting a business and self-employment. Entrepreneurs today face a range of administrative hurdles, such as business registration, tax administration, investment approvals, business licenses, copyright and patent regulations, competition law, access to workspace, long-term leases, construction permits, customs clearances, utility connections, delays in approvals, political influence, and high approval costs (Yerima et al., 2024). Simplifying administrative and regulatory processes

and providing better support to comply with them can encourage young people to start and manage their own businesses. Key strategies for improvement include reforming tax rates and regulations, streamlining business registration processes and reducing costs, revising bankruptcy laws, considering the needs of young entrepreneurs in regulatory changes, and offering information, counseling, and assistance on regulatory issues (Omweri, 2016).

Entrepreneurial readiness is characterized by a combination of personal traits that enable individuals to effectively recognize and evaluate opportunities in their environment. This readiness involves utilizing their creative and productive abilities, driven by a desire for self-achievement and the willingness to take risks. This definition highlights that the entrepreneurial readiness of youth relies on their ability to identify and explore opportunities in their environment, effectively use their entrepreneurial skills based on available resources, and their motivation for self-achievement. According to (Khamis & Yusof, 2021), entrepreneurial readiness is also influenced by the mindset and inclination of individuals towards entrepreneurship. They also described entrepreneurial readiness as a combination of traits that enable individuals to observe and analyze their surroundings, harness their creative and productive potential, and pursue self-achievement (Mwangi & Wanjau, 2013).

**Opportunity identification**

(Gazi & Akter, 2014) defined an opportunity as a perceived chance to create economic value that has not yet been utilized or is not currently being exploited by others. Opportunity identification involves the cognitive process by which individuals recognize these opportunities. Identifying an opportunity is only the first step; the next is to evaluate and develop it into a viable business. (Amesheva et al., 2019) describe opportunity identification as the process through which individuals perceive and select business opportunities, even when alternative income-generating options, such as employment, are available (Bezerra et al., 2017).

Previous research has indicated that a well-defined concept is crucial for students to capitalize on market opportunities. A study employing second-order structural equation modeling found that opportunity identification positively and significantly impacts readiness for new venture creation. A similar study by (Umukoro & Okurame, 2017) using hierarchical regression models also revealed a positive and significant relationship between opportunity identification and readiness for new venture creation. These results align with earlier studies that suggest once an

individual is prepared to start a business, opportunities for new ventures become more visible. Furthermore, entrepreneurship training enhances entrepreneurial opportunities by developing students' skills and attitudes toward entrepreneurship (De Gobbi, 2014).

Previous research highlights several key components of opportunity identification. Factors such as prior knowledge, social networks, and strong cognitive skills significantly contribute to an individual's ability to recognize opportunities, which in turn affects their readiness to start a business. (Smirnov et al., 2020) emphasized that an entrepreneur's background, experience, and knowledge form the foundation for recognizing opportunities. Discovering the optimal opportunity often requires numerous creative ideas. Although many studies on creativity and opportunity identification are more suggestive than empirical, there is evidence that prior business knowledge enhances an entrepreneur’s ability to identify potential opportunities (Kew & Penfold, 2016).

Research has shown a significant relationship between prior knowledge and entrepreneurial intention among university students. However, empirical studies on this topic are limited, indicating a need for further research. Additionally, as individuals engage in business activities, they often develop networks of social contacts within their firms, which can provide valuable insights and lead to new opportunities. (Ierapetritis et al., 2010) found that both business and personal networks positively influence academic interest in new ventures.

Previous research has suggested that the extent and depth of an individual's social networks significantly impact opportunity recognition. Engaging with social and professional contacts can expose individuals to new opportunities, potentially leading to new business ventures (Geldhof et al., 2014). For students, involvement in social networking activities, such as joining entrepreneurship clubs or attending seminars, conferences, and workshops, may enhance their connections and potentially increase their readiness to start a business in the future.

**Entrepreneurial ability**

Entrepreneurial ability refers to the capacity to identify, select, adapt to, and align both internal and external conditions for recognizing, discovering, and exploiting opportunities (Zahra, 2011). Research using hierarchical regression models by Qhwagi (2021) has shown that entrepreneurship training can influence the connection between entrepreneurial ability and readiness for new venture creation. Additionally, entrepreneurship programs have been found

to enhance students' overall entrepreneurial abilities, thereby increasing their readiness for entrepreneurship (Hulsink & Koek, 2014).

Previous studies have highlighted several components of entrepreneurial ability. Effective administration is crucial for the successful creation and management of a new firm. Managerial and administrative skills are essential for students who aspire to start their own ventures. Additionally, a well-developed business plan is critical, as many new businesses fail due to inadequate planning. Entrepreneurship training can equip students with the skills needed to create effective business plans, enhancing their chances of success and improving their appeal to potential investors. Another important component of entrepreneurial ability is marketing. Gruber (2004) notes that marketing functions often develop alongside the firm and become more refined as the business grows. Awareness of marketing's importance is vital for new ventures to effectively promote their products or services (Djordjevic et al., 2021).

Financial tasks are also a fundamental aspect of entrepreneurial ability. Researchers observed that, despite measuring financial knowledge initially and evaluating outcomes over time, higher levels of financial knowledge alone did not lead to increased venture formation. Another crucial component is team building. Previous research indicates that many new firms struggle due to inadequate team-building skills. Doerr (1997) found that while resources might be available, the teams capable of utilizing them are often lacking. Effective management teams are essential for new venture creation and business growth. When forming a management team, it is important for new ventures to focus on the skills and contributions of team members rather than their personalities (Damon et al., 2015).

Entrepreneurship training is a key factor in enhancing entrepreneurial capabilities. This training focuses on improving knowledge, attitudes, and skills related to entrepreneurship. In Malaysia, the Ministry of Education has implemented graduate entrepreneurship programs and allocated budgets to public universities for establishing Centers of Entrepreneurship Development. These centers conduct ongoing training sessions both on and off-campus, in collaboration with industry partners who provide expertise and consulting services. US has developed an "Entrepreneurship Training Programme" to foster the development of young entrepreneurs. It is crucial for students investing in new ventures to engage in training that covers essential skills, such as writing effective business plans, understanding managerial roles, mastering basic financial accounting principles, adhering to social and business ethics, and employing marketing strategies (Gwija et al., 2014a).

Every individual possesses entrepreneurial traits that may not be fully developed. Entrepreneurial orientation can enhance these innate characteristics when individuals participate in comprehensive enterprise training. Such training can enhance key traits like risk-taking, innovativeness, and proactiveness. Miller's inquiry into how entrepreneurship varies among individuals may provide valuable insights for fostering economic development through youth entrepreneurship. Entrepreneurship training is crucial for venture creation, career decisions, and overall economic growth. Factors contributing to entrepreneurial readiness, such as self-sufficiency and lifestyle aspirations, often drive individuals to start new businesses. The question remains whether these factors can be effectively influenced by entrepreneurship training. This leads to an ongoing debate: are entrepreneurs born with inherent qualities, or can they be cultivated through development and training (Damoah, 2020).

This ongoing debate on entrepreneurial development highlights different perspectives. Peter Drucker (1985) suggested that entrepreneurship can be developed through structured learning, likening it to other disciplines rather than viewing it as an inherent talent. Meanwhile, UNESCO (2006) emphasized that training should not only encourage independent thinking, creativity, and initiative but also demonstrate the value of collaborative work. Group activities can foster networking, economic self-reliance, and contribute positively to the economy through the establishment of new ventures. Additionally, training plays a crucial role in human capacity building, which is vital for sustainable development. Researchers highlighted that education and entrepreneurship training are essential for developing young individuals' entrepreneurial competencies across various career stages, including the intention to start a business, the process of starting it, and its ongoing management (Papić-Blagojević & Stankov, 2024).

This study suggests that early gaps in human capital can create ongoing disadvantages, potentially widening the gap in readiness for entrepreneurial careers. However, these gaps can be mitigated as young individuals benefit from training. Analysis of a hierarchical model using data from participants revealed that students who took entrepreneurship courses demonstrated higher readiness for starting new businesses (Shirokova et al., 2022). This forms the basis for conducting empirical analysis in this research to test the entrepreneurial readiness of students.

**The role of resources**

Resources can be described as financial, physical, human, and organizational assets that a firm utilizes to develop, produce, and deliver products or services to its customers. A resource refers to a source or supply from which benefits are derived. Entrepreneurial resources are characterized by an individual's ability to think creatively, act with foresight, use intuition, and remain vigilant to new opportunities. These resources include both tangible and intangible assets that firms leverage to take advantage of market inefficiencies (Wiger et al., 2015).

Entrepreneurial resources encompass the personal resources and abilities of the entrepreneur (Wu, 2007). Research has highlighted the significant role of resources in shaping entrepreneurial readiness. For instance, Mansor and Zahari (2007) found a notable correlation between students' readiness to become entrepreneurs and their available resources. Further studies have confirmed this positive relationship, indicating that entrepreneurship training can enhance the impact of resources on entrepreneurial readiness. This was demonstrated using hierarchical regression models (Bakator et al., 2022).

Previous studies have identified several key components of resources that affect entrepreneurial readiness. For instance, the availability of physical resources such as technology plays a significant role in the readiness for new business ventures (Department of Industry/Shell UK, 1982). Access to essential physical resources, including communication infrastructure, utilities, transportation, and land, is positively correlated with entrepreneurial readiness. This relationship is particularly evident when such resources are available at reasonable costs (Malyadri & Sumana, 2012). Moreover, property rights and licenses are crucial factors that support entrepreneurial activities. Established businesses typically have these legal protections in place, but new businesses may struggle to acquire them due to limited resources. To support new firms, it is important to simplify the acquisition of property rights and licenses, thereby enhancing their visibility and recognition both locally and internationally (Malyadri & Sumana, 2012).

Access to finance is one of the most commonly cited challenges affecting entrepreneurial readiness. Studies have shown that young entrepreneurs often struggle to secure startup funding due to factors such as lack of collateral, inexperience, and difficulty in obtaining credit. Effective management of limited resources is crucial in today’s business environment. Investing too heavily in resources before validating a business idea can be detrimental to entrepreneurial readiness (Djordjevic et al., 2021). This raises important questions about why

many businesses fail—whether it is due to a shortage of skilled entrepreneurs or viable ideas, or if there is an issue of too many resources chasing too few opportunities.

**Youth and Unemployment**

Recently, unemployment has become a significant global issue, affecting young people from diverse backgrounds who are eager and capable of working but are unable to find suitable employment. This situation has led to severe consequences, including some individuals losing their lives. The scarcity of job opportunities in the formal sector often forces young people to seek informal or irregular work, contributing to underemployment (Dioneo-Adetayo, 2006). Various types of unemployment are discussed in the literature, including seasonal, frictional, cyclical, and structural unemployment. Unemployment rates are typically measured within the labor force. Although unemployment is a worldwide phenomenon, it is most prevalent in developing countries, where it leads to serious social, economic, political, and psychological challenges. High youth unemployment in any nation is often a sign of deeper, more complex issues (Jakubczak, 2015).

The International Labour Organization (ILO) reported in 2007 that global unemployment rates were on the rise, with the number of unemployed individuals reaching an unprecedented high of over 195 million, or 6.3%. During this period, the Middle East and North Africa experienced the highest unemployment rates globally at 12.2%, followed by Sub-Saharan Africa at nearly 10%. In contrast, East Asia had the lowest unemployment rate at 3.6 percent. The report highlighted that population growth, particularly in regions like South Asia, the Middle East, North Africa, and Sub-Saharan Africa, was exerting significant pressure on the creation of new jobs (Chauhan & Aggarwal, 2017).

The report revealed that approximately half of the global workforce, around 1.4 billion individuals, were living in poverty, with families surviving on less than $2 per day per person. These workers were primarily employed in the informal sector, ranging from agriculture and fishing to urban street trades, often without access to benefits, social security, or healthcare. Among them, about 550 million people were living on $1 or less per day. In Africa, it is estimated that there are approximately 122 million young people. Projections suggest that the proportion of youth within the overall population will continue to increase into the 21st century. Todaro (1992) observed that the high unemployment rate is largely due to the ongoing

migration of economic activities, especially by young people, from rural to urban areas (Jakubczak & Rawowska, 2013).

Every economy comprises both active and inactive populations. The economically active population includes those who are willing and able to work, encompassing individuals who are employed in producing goods and services, as well as those who are unemployed. The International Labour Organization (ILO) defines the unemployed as those within the economically active population who are without a job but are available and actively seeking employment, including those who have lost their jobs or have voluntarily left their positions. (Cruceresc u et al., 2018) describes unemployment as a condition where individuals who are willing and able to work cannot find appropriate paid employment. Unemployment is a significant macroeconomic issue that every responsible government must monitor and address. A higher unemployment rate in an economy typically correlates with increased poverty levels and related welfare challenges (Fadeyi et al., 2015).

Structural unemployment arises when there is a shift in the structure of an industry or the broader economy. This can result from factors such as outdated technology, insufficient capital resources compared to demand, or a decline in the demand for certain products or services. On the other hand, frictional unemployment occurs due to industrial friction, where jobs are available, but workers are unable to fill them because they either lack the required skills or are unaware of the job openings. Additionally, employable individuals may remain jobless due to shortages of raw materials or mechanical issues in plant operations. Consequently, as the economy improves, this type of unemployment is likely to decrease (Dadvar-Khani et al., 2011).

Seasonal unemployment arises from fluctuations in certain industries' activities due to seasonal changes, climate variations, or shifts in consumer preferences. For instance, in tropical regions, ice factories may see reduced activity during the rainy season because of decreased demand for ice. Industries that are influenced by seasons likely experience seasonal unemployment (Marchesani et al., 2022).

Cyclical or Keynesian unemployment occurs due to the ups and downs of the business cycle. This form of unemployment happens when the demand for labor falls short of its supply. In other words, when overall demand in the economy drops below the level needed for full employment, there isn't enough demand to purchase all the goods and services that would be

produced at full employment. This situation leads to a widespread shortage of jobs across the economy and persists for as long as the cyclical downturn continues (Ćoćkalo et al., 2019).

Technological unemployment occurs when advancements in production techniques lead to the replacement of human labor with machines. As technology continues to evolve, increased mechanization in the production process often results in the displacement of workers, contributing to unemployment, particularly in the context of globalization. Residual unemployment, on the other hand, stems from personal factors such as advanced age, physical or mental disabilities, poor work attitudes, or insufficient training. Regardless of the type or cause of unemployment, entrepreneurship offers a potential solution (Gozun & Rivera, 2017).

The first factor contributing to urban labor force growth is the increasing migration from rural to urban areas. Rural-urban migration is typically driven by a combination of push and pull factors. Push factors include the pressure on land resources in rural areas and significant underemployment due to seasonal climatic variations. These issues are further intensified in Many young people migrate to urban centers with the hope of finding better-paying jobs in industries. Furthermore, the concentration of social amenities in urban areas means that rural regions are often overlooked when it comes to the distribution of social and economic opportunities (Entwistle, 2008).

The third factor is given by the outdated school curricula and the lack of employable skills. Some scholars and commentators argue that, in the context of the formal sector, many graduates are not considered employable because they lack the skills required by employers (Holienka et al., 2016). Employers seek individuals who can contribute to the growth and profitability of their organizations, as the primary objective of any business is to generate profit. This issue is often linked to education system, which is criticized for its liberal approach. The curriculum of many tertiary institutions is deficient in entrepreneurial content, which could have equipped graduates to become job creators rather than job seekers (Dzomonda & Fatoki, 2019).

Mueller and Thomas (2001) observed that cultural and social attitudes significantly impact the entrepreneurial drive within populations, countries, regions, or ethnic groups, establishing a strong link between culture and entrepreneurship (Braukmann et al., 2023). Cultural differences among nations are increasingly acknowledged as crucial for economic and entrepreneurial growth. A socio-cultural environment that respects and values entrepreneurs, rather than shaming them, tends to be more encouraging and motivating for entrepreneurial

activities. Culture shapes values, and variations in these values can influence entrepreneurial behavior, including the decision to start a business, the needs and motivations for achievement, affiliation, or the pursuit of individual and social goals. It also affects beliefs, behavior, and attitudes towards risk-taking, proactiveness, and self-efficacy (Braukmann et al., 2023).

Parents, relatives, and friends can significantly impact young people's perceptions of entrepreneurship by shaping their views about business, whether positive or negative. Family background, in particular, plays a crucial role in developing entrepreneurial attitudes. A study by (Alolaqi & Yusof, 2022) New Zealand found that parents are major influencers in shaping young people's entrepreneurial mindsets. According to the survey, 85% of respondents indicated that their parents had influenced their attitudes toward business, and around 35% reported that their parents owned a business (Pillai & Ahamat, 2018).

Young people's attitudes toward starting their own businesses are significantly influenced by the image, reputation, and credibility of entrepreneurs within their society. In many communities, small business ventures are often viewed as highly risky, with the potential drawbacks overshadowing the benefits. This perception can be a deterrent for young individuals considering entrepreneurship. Additionally, young entrepreneurs may face specific stereotypes and reputational challenges (Ahmed, 2019). Familiarity with entrepreneurship as a viable career option can inspire young people to pursue it. Education plays a crucial role in raising awareness about entrepreneurship and making it an attractive option. It also helps equip young individuals with the skills and abilities needed to become successful entrepreneurs. A society with negative attitudes toward entrepreneurship can contribute to business failures. Fear of failure is a significant factor that discourages young people from engaging in business ventures. Furthermore, issues such as a lack of funds, experience, skills, knowledge, and awareness about business changes can also hinder young entrepreneurs from starting new ventures (Dodescu & Cohuț, 2018).

## THEORIES

### Human Capital Theory

Human capital refers to the accumulation of skills and knowledge that individuals possess. Human capital theory, widely applied in the context of entrepreneurial readiness and capability, posits that entrepreneurs with higher levels of skill and knowledge will produce better outcomes. According to Psacharopoulos and Patrinos (2010), cognitive skills significantly impact individuals' earnings, suggesting that those with advanced entrepreneurial skills are

likely to achieve greater success and returns from their ventures. Consequently, enhancing these skills through training may positively influence economic growth by fostering successful new venture creation (Boris et al., 2021).

According to Mulongo (2012), human capital theory can be applied at both micro and macro levels. At the micro level, the theory emphasizes that individuals invest in education and training with the expectation that these investments—encompassing direct costs such as tuition, books, and other expenses, as well as indirect costs like lost earnings or psychological impacts—will enhance their skills and knowledge. This investment is anticipated to increase productivity, generate income, and result in higher wages. At the macro level, entrepreneurship training and new venture creation contribute to productivity differences and advancements in technology, as observed in countries like Hong Kong, Korea, Singapore, Taiwan, and Malaysia (Buljan & Miočić, 2021).

The countries mentioned have achieved significant economic growth due to substantial investments in entrepreneurship education and training. Robert (2006) argues that human capital theory supports the notion that societal well-being depends not merely on the accumulation of capital, resources, and labor but on the enhancement of individuals' knowledge and skills. This theory suggests that improving knowledge and skills can lead to greater economic advancement for both individuals and societies. As societies transition towards a knowledge economy, where knowledge and skills are increasingly valued, entrepreneurship education becomes crucial for any society aiming for advancement. By developing individuals' skills and fostering enterprise creation, societies can enhance their overall well-being and economic impact (Sukumar et al., 2022).

**Entrepreneurial success components theory**

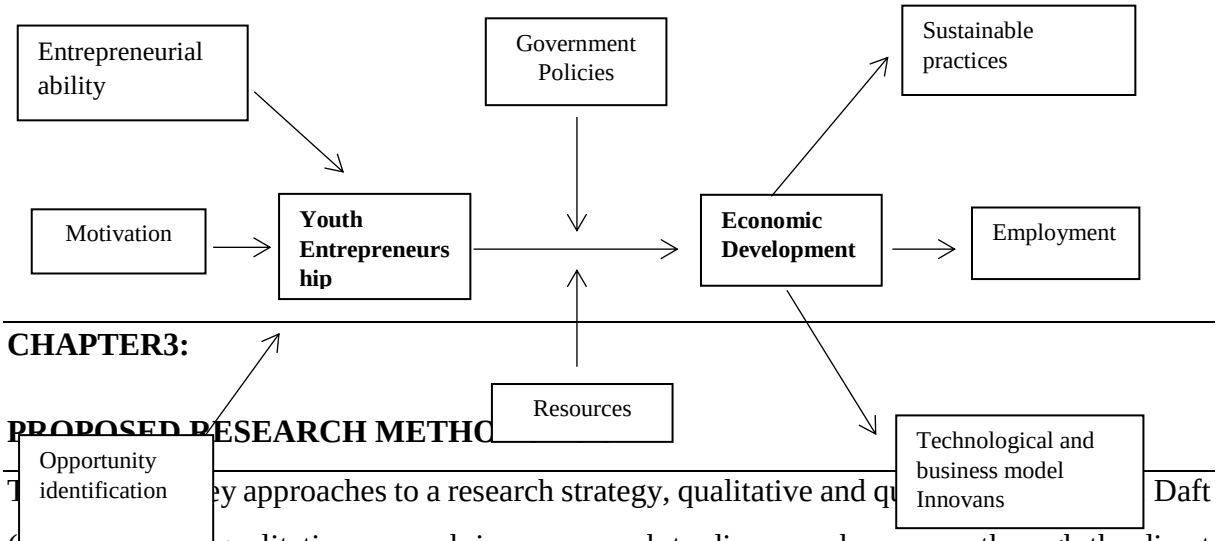
This theory views entrepreneurship as a social process, emphasizing that ideas and ambitions often emerge within a social context. It suggests that while entrepreneurs may not be entirely developed through training alone, they can still be guided towards establishing successful and sustainable businesses. Although individual personality plays a role, factors such as class structure, family influence, education, career choices, experience, current lifestyle, and social issues can significantly impact a person's career. This theory highlights that environmental factors, rather than just genetic traits, can shape an individual's path to successful business creation (Bignotti & Le Roux, 2020).

Creating a successful business involves several key stages. Initially, it is essential to identify the underlying motives or commitments for starting the business. Once these motives are clear, the next step is to develop a viable and attractive business idea, ensuring it addresses customer needs effectively. Following this, the focus shifts to acquiring the necessary resources, including materials, funding, and quality suppliers. The final stage involves implementing the business plan, launching the venture, and building a professional network to support and sustain the business. This model encompasses four fundamental components: idea and market, motivation and determination, resources, and ability (Campanella et al., 2013)

**Theoretical Framework**

**Variables**

The Independent Variable in our framework is Youth Entrepreneurship.The Dependent Variable in this framework is Economic Growth.The Moderators are Government Policies & Resources




## CHAPTER3:

## PROPOSED RESEARCH METHO

T ey approaches to a research strategy, qualitative and qu Daft (2007) believes qualitative research is an approach to discover phenomena through the direct encounter and experiences of using one's senses within organizations; it is suitable in researching new areas where a direct and very descriptive explanation can be done. The goals of quantitative research, on the other hand, are to measure and analyze the phenomena in the light of pre-published theories because the firm belief about reality is being considerate as concrete and measurable. It approaches problems focusing on data reliability and validity, with the accuracy of measurements.

The study tried to assess how entrepreneurship could be developed for youth economic participation in Itlay. The approach adopted was qualitative in view of the newness of entrepreneurship, this yielding very little quantitative data. The qualitative method was

considered more appropriate for insights that are in-depth and descriptive into the research problem. As informed by Long, White, Friedman, and Brazil, the mode of research method applied is influenced by the researcher's beliefs on the nature of the subject under study (Savin-Baden & Major, 2023).The approach borrowed from subjective insights of several individuals and organizations led to the decision to use qualitative

**Research Design**

Since the topic was relatively new, a study of this nature was more of an exploratory one to gain new insights and various perspectives than to conclude. It utilized an interpretive qualitative research method described as being descriptive and inductive in nature. The cross-sectional method was used because of the time constraints to gather data at one point in time rather than over some period. Although this limited the approach in a way that ruled out the possibility of a longitudinal study, the research can be replicated in the future to make a more extended analysis given the changes that would have taken place then (Goodhue et al., 2012).

**Reasons for Choice**

Initial ideas in the case of exploratory research are broad and narrowed down over time. The approach taken by this study was interpretive in understanding individual experiences and finding common themes.

Since small and medium businesses had already shown evidence of contributing to employment, the study focused on enterprises alone, given their distinct nature, according to El Ebrashi. Further, it did not impose age restrictions so that it would involve a large sample size of entrepreneurs and be able to check on their potential to aid economically excluded youth, regardless of the latter's age.

**Analysis**

The research would begin by contacting the many formal organizations that work with entrepreneurs, like Ashoka, which is a global network that provides seed money, coaching, and networking. Other important organisations were Junior Chamber International, a non-profit organisation present in over a hundred countries with an emphasis on developing leaders towards affecting positive community change. Academic institutions forming part of the study

were the Centre of Social Entrepreneurship and the Social Economy at the University of Johannesburg and the Social Entrepreneurship Programme at the Gordon Institute of Business Science. These organisations were chosen as part of the purposive sample given their wide reach, data repositories, and entrepreneurs' networks. Last, interviews were conducted among relevant literature and insights from academicians and practitioners within the entrepreneurship discipline.

**Sampling**

As there is no overall list of entrepreneurs actively operating in Italy, the sampling procedure followed was non-probability (Opoku et al., 2016). Purposive sampling was used with the intention to maximize the informational value of participants by selecting those who could best address the research questions, as advised by Creswell: "…select participants who will best help you understand the phenomenon being studied" 2008.

To increase the validity and reliability of the data, the study also employed snowball sampling, whereby the interviewed individuals referred other respondents. A heterogeneous purposive sample with diverse characteristics was instrumental in clearly explaining the phenomenon describing the relationship between entrepreneurship and youth economic participation as it allows for maximum variation in the data that helps in identifying key themes and patterns of interest as described by Saunders and Townsend (2018).

**Research instrument/measurement**

The adapted literature review guided the exploratory research. It included interviews with experts and practitioners in the sphere of entrepreneurship.

Key themes from the literature review, such as what motivates one to become an entrepreneur, where it concerns job creation and the relationship entrepreneurship with job creation, how it relates to youth employment, success factors for entrepreneurs, and their characteristic features, were used.

The noted gap in the study was that Long (2005) pointed out mismatches between the research methods and tools. This research, therefore, filled this gap by considering qualitative research methods using the corresponding qualitative tools and included quantitative methods for data collection, analysis, and summary.

**Interview guide design**

Semi-structured interviews were guided by an interview guide, recorded, then transcribed according to Cachia and Millward (2011). There was a protocol with note-taking in order to avoid the loss of data in case there would be any technical problems during the recording. Participants were welcomed, the research explained, and consent requested prior to the interview.

Interviews were initiated with demographic questions to establish a rapport, followed by five major questions whose probing follow-ups supplemented each. These questions were relatively fluid in nature and therefore easily adaptable based on the flow of the interview, further supporting this research as exploratory. In this way, new ideas or concepts could be incorporated during data gathering to strengthen qualitative depth reported by some of researchers.

**Reliability and validity**

In conducting this research, ensuring the validity and reliability of the research instrument was uppermost in my mind. According to Cohen et al. (2017), "validity refers to the extent that the data collected in a study measures exactly what it is intended to measure so that the findings can be truly said to reflect the purpose of the research." For this reason, this study took care of all the possible threats to its validity, like the behaviour of the interviewee due to the data collection process and confusion about cause-and-effect relationships.

The issue of reliability, or consistency of findings, was also covered. Possible problem subject bias if interviewees could provide misleading information, and observer bias arising from differences in the way that questions were asked and were pointed out and thus minimized.

For increased validity, interview questions were systematically linked to the research objectives through a consistency matrix that connected the research questions, relevant literature, and interview questions to the methods of data analysis. Another principle put in place for comprehensive data collection entailed differences in the form of questions, ranging from open-ended to categorized.

**Data analysis**

Merriam (2002) discussed concurrent data collection and data analysis as a nature of qualitative research that allows reviewing instruments of research during the process, hence ensuring the validity and reliability of the study. This approach allows a researcher to recognize the limitations of their methods as they occur and make corrections instead of monitoring for the total time of collection of data.

Process related modifications help in capturing the developing ideas better and in reducing the risks involved in the data collection process. Once all data has been collected, the content of the data was analysed based on the identification of patterns that are answering the research questions. Saunders et al. (2018) further argued that while the data collected is systematically examined, trends and insights that will address the objectives of the study are unearthed.

- Identify indicative categories or codes to capture your data.
- Determine the appropriate unit of data for analysis and establish how it will be linked to relevant categories.
- Apply the relevant categories to individual units or segments of data (Saunders, 2018)
- Inductive analysis, argue Saunders (2018)is normally a bottom-up approach where the researcher gradually builds insights from the data.

## CHAPTER 4: RESULTS AND ANALYSIS

The study adopts a hypothetical-deductive research approach and relies on maximum likelihood estimation (MLE) for data analysis through structural equation modeling (SEM). This method is chosen because the study involves a large sample size, and MLE aims at choosing the maximum probability of the observed data sampled from the population that best fits the proposed model. One benefit of the MLE method is that it offers the detailed information because it estimates all parameters at once (Gouri & Kumar). Table 2 below shows the technical study details with respondents as the unit of analysis and a sample size of 490.

Multicollinearity is a situation in which two or more of the independent variables are highly correlated with each other leading to complications in determining the actual impact of each of the independent variables on the dependent variable. Significant multicollinearity can thus complicate the distinction as to which independent variable is having a particular influence and thus pose concerns in terms of coefficient stability (Motts, 2000). The VIF is an indicator of the ratio of an estimate of the regression coefficients which is affected by collinearity.

A VIF value which is greater than 10 (or sometimes 5, depending on the individual) is an indication that there is a severe multicollinearity problem. It shows that the variation of the coefficient estimate is higher because of it is related to other predictors. Tolerance is the

reciprocal of VIF in other words, Tolerance = 1/VIF. It is clear that when the tolerance values are less than 0. 1, then it means that there is a high multicollinearity (Van der Westhuizen, 2023). Low tolerance values indicate low values of Multicollinearity and they are close to 1. This means that the higher the figure of the condition index above 30, then there are problems of multicollinearity. This measure to look into the condition number, the eigenvalue function of the matrix of predictors. High coefficients values, such as above 0. 8 or 0. 9 between the independent variables also point at the possibility of multicollinearity (Halabisky, 2012).

Table 2 – Technical details of the research.

| **Geographic location** | **Italy** |
|---|---|
| Methodology | Structured questionnaire |
| Sampling procedureMotivation | Simple random sampling |
| Sample size | 490 Respondents |

The research employs basic forms of random sampling. The participants here are second year up to fourth year college students who were enrolled in the Government Policies and Resources. To administer questionnaires, students were randomly selected, without control to their faculty, age or year of study. This program is mandatory for participation by faculties as part of graduation ritual. Students are offered knowledge on business development, behaviour of organisations and the standard of international business. Further, the business professionals are encouraged to give their testimonies and information to the students on the experiences they have had while running their businesses both achievements and struggles they encountered.

At the end of the program the students are encouraged to come up with feasibility reports which can attract government sponsorship to those with business ideas. The study also reveals changes of the respondents in terms of their gender and age. An analysis of the individual respondent profiles reveals fifty in each of the fifty states, 350 females, and 140 males taking up 70% and 30%, respectively of the sample. Three quarters of respondents are between 21 and 27 years old – which account for 70% of responses. The rest of the respondents are categorized in the two groups, 18-20 and 28-30; each covers 15% of the respective population.

**Measures**

**Dependent variable**

The study employed a five-point Likert scale, ranging from 1 (“strongly disagree”) to 5 (“strongly agree”), to assess three specific items. These items were designed to evaluate economic development in the country through the entrepreneurship. The scale was adapted from (Qhwagi, 2021)

**Independent variables**

In this study, a Likert-type five-point scale, adapted from Keat et al. (2011), was utilized. The predictor variables were divided into two sections. The first section employed a Likert scale ranging from 1 ("strongly disagree") to 5 ("strongly agree") to measure constructs such as opportunity identification (four items), and ability (six items). The second section used a different Likert-type scale, ranging from 1 ("no motivation") to 5 ("very high motivation"), to evaluate the motivation construct, which included three items.

**Control variables**

Data were collected from the following control variables: age and gender (coded as 1 for male and 0 for female). Age was measured using ratio data. Descriptive analysis was used to analyze these control variables.

**Moderating variable**

Cohen and Cohen (1983) suggest that moderation occurs when the interaction between the independent and moderating variables leads to a greater impact on the variance of the dependent variable than the direct effect alone. In this study, the moderating variable is measured in the following way: The data is split into two groups: "participant group" and "non-participant group." The moderator is assessed by asking students their views on Government Policies and Resources (coded as 1 for yes and 0 for no). Initially, the direct effect of the constructs was analyzed. To assess the moderating effect, the data were divided into two groups, and both constrained and unconstrained paths were tested. The difference in the Chi-square value between the constrained and unconstrained models was analyzed (Selvan & Andrew, 2020). Among the respondents, 418 students participated in Government Policies and Resources, while 72 did not. To minimize bias, the study compared standardized regression weights to determine the type of moderation for each construct.

## Results

Given that the scale and variables in this study have been adjusted from different perspectives, a Confirmatory Factor Analysis (CFA) using AMOS 21.0 was conducted to assess the validity and reliability of the data, along with factor loadings and the significance of each item (Rani & Roy, 2017). The significance level was set at 5%. Internal reliability was confirmed, with Cronbach's alpha values for the items exceeding the 0.7 threshold (Holienka, 2014), as detailed in Table 3. This indicates that the data is appreciably normally distributed.

As illustrated in Table 3, the composite reliability of the constructs ranges between 0.744 and 0.956, while the average variance extracted (AVE) values range from 0.525 to 0.596. Both AVE and composite reliability exceed the recommended thresholds of 0.5 and 0.6, respectively (Paramasivan & Kumaresan, 2017). In Figure 2, the factor loadings exceed the 0.5 thresholds (Hair, Black, Babin, & Anderson, 2010), with values ranging from 0.62 to 0.90. The fitness indices in Figure 2 and Table 3 indicate that the absolute fit index, incremental fit index, and parsimonious fit index meet the required criteria, confirming that the constructs and measurement models align well with the data, Root Mean Square Error of Approximation (RMSEA) = 0.045, Goodness-of-fit Index (GFI) = 0.938). Table 3 presents the mean, standard deviation, and correlation results. The correlation between the exogenous variables remains below the 0.85 thresholds recommended by (Sumaworo, 2023). Specifically, the correlation values range from 0.25 to 0.85, indicating that the data points are independent of each other. The mean and standard deviation for the constructs are also detailed in Table 3.

Table 3 - Mean Standard Deviation, Fitness Index and Correlation

| Construct | Mean | Standard Deviation | Range of standardized parameter | Cronbach's Alpha | Construct Reliability | Extracted Variance | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Opportunity Identification | 2.8571 | 0.51120 | 0.65-0.75 | 0.812 | 0.855 | 0.566 | 1.00 | | | | |
| Motivation | 4.1021 | 0.58720 | 0.75-0.85 | 0.857 | 0.813 | 0.578 | 0.38 | 1.00 | | | |
| Entrepreneurial Ability | 3.6222 | 0.42922 | 0.72-0.81 | 0.744 | 0.717 | 0.583 | 0.25 | 0.31 | 1.00 | | |
| Government Policies | 2.2244 | 0.55235 | 0.69-0.78 | 0.912 | 0.956 | 0.525 | 0.45 | 0.43 | 0.33 | 1.00 | |
| Resources | 3.1340 | 0.69840 | 0.62-0.90 | 0.745 | 0.943 | 0.596 | 0.85 | 0.31 | 0.35 | 0.39 | 1.00 |

Goodness of Fit:
Absolute fit: 2 = 262.371 (P-value = 0.000); RMSEA = 0.045; GFI = 0.938
Incremental fit: AGFI = 0.916; CFI = 0.972; TLI = 0.966; NFI = 0.942
Parsimonious fit: 2/df = 1.861.
P < 0.05

To address the issue, this study introduced free parameters. After making the necessary adjustments, the modification indices (MI) were all well below the 15 thresholds suggested by (Mensah & Dadzie, 2020), indicating that the data are normally distributed. The MI values ranged from 4.102 to 10.820. Additionally, the data's normality was confirmed by the absolute

values of skewness and kurtosis, which were 1.0 or lower. Specifically, the absolute values of skewness ranged from −0.756 to 0.167, and the absolute values of kurtosis ranged from −0.882 to 0.446.

**Moderation analysis**

The moderating effect of start-up components on entrepreneurial readiness was analyzed using the AMOS 21 software package (LING & GERALDINE, 2009). Zainudin (2014, chap. 7) notes that modeling interactions with latent variables can be complex, potentially distorting standard errors or causing convergence issues. Therefore, multi-group Confirmatory Factor Analysis (CFA) was used as an alternative. This method involves dividing the data into two groups based on the study's objectives and constraining the path of interest to 1 (Greene, 2021). The data for each group were analyzed separately, and the results of the constrained and unconstrained models were compared to determine whether moderation effects were present.

These procedures were analyzed using Maximum Likelihood Estimator (MLE) path analysis to evaluate the direct effect, unconstrained effect, and moderating effect. The moderation effect was assessed by splitting the data into two groups: the "participant group" (418 individuals) and the "non-participant group" (72 individuals) (Maina, 2012). To mitigate bias, the study employed a bias-corrected 95% bootstrap method to make inferences about the indirect effects of the samples (Malyadri & Sumana, 2012). Before detailed analysis, the study tested for multicollinearity issues. According to Menard (1995), a variance inflation factor (VIF) greater than 10 and a tolerance value less than 0.1 indicate severe collinearity problems. The results showed VIF values ranging from 1.145 to 1.368 and tolerance values ranging from 0.731 to 0.873, suggesting no significant multicollinearity issues.

Table 4 displays the unstandardized regression coefficients for the independent constructs—motivation, opportunity identification, resources, and ability—on the dependent construct of entrepreneurial readiness, before the introduction of training. The direct effects analysis in Table 4 indicates that motivation, opportunity identification, and resources are significant factors affecting the start-up components of a new business and can impact entrepreneurial readiness even without training. Specifically, the results show that entrepreneurial readiness is positively influenced by motivation ($b = 0.134$, $p < 0.05$), the ability to identify opportunities ($b = 0.711$, $p < 0.001$), and the availability of resources ($b = 0.150$, $p < 0.01$).

However, prior to the training, the construct "ability" did not show a significant effect (b = 0.651, p < 0.05). The Chi-square value was 267.163 with 141 degrees of freedom and a probability level of 0.001. The four constructs together explained 52% of the variance in entrepreneurial readiness.

Table 4 – Regression result (direct effect).

| | Estimate | P-Value | Result |
|---|---|---|---|
| Opportunity Identification | 0.134 | 0.015 | Significant |
| Motivation | 0.711 | 0.018 | Significant |
| Entrepreneurial Ability | 0.150 | 0.005 | Significant |
| Government Policies | 0.651 | 0.021 | Significant |
| Resources | 0.256 | 0.028 | Significant |

2 = 267.163; Degrees of freedom= 141; Probability level = 0.001; R2 = 0.52.
n = 490
∗ P < .05.
∗∗ P < .01.
∗∗∗ P < .001 (two-tailed)

For participants in entrepreneurship

To assess the moderating effect of the "participant group" (students who participated in Government Policies and Resources), Table 5 presents the results of the moderation analysis for this group.

Table 5 – Regression result of unconstrained effect

| | Estimate | P-Value | Result |
|---|---|---|---|
| Participant group (n = 418) | | | |
| Opportunity Identification | 0.155 | 0.032 | Significant |
| Motivation | 0.788 | 0.000 | Significant |
| Entrepreneurial Ability | 0.713 | 0.006 | Significant |
| 2 = 262.371; Degrees of freedom = 141; Probability level = 0.001; R2 = 0.55 | | | |
| Non-participant group (n = 72) | | | |
| Opportunity Identification | 0.650 | 0.002 | Significant |
| Motivation | 0.276 | 0.007 | Significant |
| Entrepreneurial Ability | 0.337 | 0.001 | Significant |
| 2 = 200.217; Degrees of freedom = 141; Probability level = 0.001; R2 = 0.43 | | | |

* P < .05.
** P < .01.
*** P < .001 (two-tailed).

The regression results for the participant group indicate that entrepreneurial readiness is significantly influenced by high motivation ($x^2$ = 0.42, p < 0.05), the level of opportunity identification ($x^2$ = 0.45, p < 0.001), and ability ($x^2$ = 0.62, p < 0.01), as detailed in Table 6. Significant effects were also observed for the construct "Government policies." Therefore, Table 6 presents the findings from the moderation analysis for this group.

These results are used to address the hypotheses. Since the Chi-square values exceed 3.84, the moderated path analysis indicates that Government policies significantly moderate and enhance the effects of motivation ($x^2 = 10.554$), opportunity identification ($x^2 = 81.259$), and ability ($x^2 = 120.120$) on the entrepreneurial readiness of participants in the Government Policies and Resources program. These findings highlight the impact of Government Policies and Resources across all constructs, including the participants' ability. Consequently, the results support hypotheses H5a, H6a, H7a, and H8a, confirming that these hypotheses are strengthened within the participant group.

Table 6 – The results of moderated path analysis.

| **Moderator: Government Policies** | **Constraint standardized estimate** | **Constraint effect** | **Unconstraint effect** | **Chi-square difference (P > 3.84)** | **df** | **Result** |
|---|---|---|---|---|---|---|
| Economic Development : Opportunity Identification | 0.45 | 355.735 | 272.712 | 81.259 | 142-141=1 | Strengthen |
| Economic Development : Motivation | 0.42 | 345.122 | 272.712 | 10.554 | | Strengthen |
| Economic Development : Entrepreneurial Ability | 0.62 | 298.555 | 272.712 | 120.120 | | Strengthen |
| **Moderator: Resources** | | | | | | |
| Economic Development : Opportunity Identification | 0.42 | 387.998 | 210.742 | 30.350 | 142-141=1 | Strengthen |
| Economic Development : Motivation | 0.62 | 354.876 | 210.742 | 15.991 | | Strengthen |
| Economic Development : Entrepreneurial Ability | 0.63 | 290.587 | 210.742 | 45.345 | | Strengthen |

* P < .05.
** P < .01.
*** P < .001 (two-tailed).

In examining the moderating effect for the non-participant group, the unconstrained regression results indicate that only opportunity identification ($x^2 = 0.650$, $p < 0.01$) significantly affects entrepreneurial readiness, whereas motivation ($x^2 = 0.276$, $p < 0.05$) and ability ($x^2 = 0.337$, $p < 0.05$) do not show significant effects. As detailed in Table 6, with Chi-square values greater than 3.84, the moderated path analysis demonstrates that Government Policies and Resources significantly moderate opportunity identification ($x^2 = 30.350$) and ability ($x^2 = 45.345$) concerning economic development in the non-participant group. However, motivation ($x^2 = 15.991$) is not moderated or enhanced. These findings highlight the role of Government Policies and Resources in influencing all constructs except motivation. Consequently, the results confirm that the hypotheses related to opportunity identification and ability are moderated and strengthened.

To determine which group experiences a more pronounced effect of Economic Development, this study compares the standardized regression weights between participants and non-

participants in entrepreneurship, as shown in Table 7. The results indicate that the effect of motivation is more pronounced in the participant group. Specifically, a 1% increase in motivation leads to a 10.9% increase in entrepreneurial readiness for the participant group, compared to a 4.8% increase in the non-participant group. This suggests that individuals who participated in Government Policies and Resources are more significantly motivated and better prepared for new venture creation than those who did not participate. The findings also suggest full moderation, as the standardized estimates for the participant group are significant, while those for the non-participant group are not.

Table 7 – Standardized regression weights.

| Construct | Path | Construct | Standardized beta estimate | P-Value | Result |
|---|---|---|---|---|---|
| Participant group (n = 418) | ⟵ | | | | |
| Economic Development | ⟵ | Opportunity Identification | 0.112 | 0.033 | Significant |
| Economic Development | ⟵ | Motivation | 0.611 | 0.000 | Significant |
| Economic Development | | Entrepreneurial Ability | 0.145 | 0.005 | Significant |
| Non-participant group (n = 72) | | | | | |
| Economic Development | ⟵ | Opportunity Identification | 0.481 | 0.001 | Significant |
| Economic Development | ⟵ | Motivation | 0.614 | 0.005 | Significant |
| Economic Development | ⟵ | Entrepreneurial Ability | 0.268 | 0.011 | Significant |

* P < .05.
** P < .01.
*** P < .001 (two-tailed).

The standardized parameter estimate for opportunity identification is more substantial in the participant group. Specifically, a 1% increase in opportunity identification results in a 68% rise in entrepreneurial readiness for participants, compared to a 60.2% increase for non-participants. This suggests that those who participated in Government Policies and Resources have a slight advantage in identifying viable business opportunities compared to those who did not participate. The results indicate partial moderation, as significant standardized estimates are observed in both groups. Conversely, the impact of resources on entrepreneurial readiness is more pronounced in the non-participant group, with a 16.4% effect compared to a 13% effect in the participant group. Typically, ethically guided businesses are more influenced by their innovative ideas rather than resources alone. These findings suggest full moderation since the standardized estimates (Palanivelu & Manikandan, 2016).

Finally, the standardized parameter estimate for ability shows a more pronounced effect in the participant group, with a negative impact of 6%, compared to a negative impact of 5% in the non-participant group. This suggests that the effect of entrepreneurial ability on new business start-ups is more notable in the participant group than in the non-participant group. Participants in Government Policies and Resources are less likely to exhibit higher entrepreneurial ability

and are less prepared for new venture creation compared to non-participants. The results indicate full moderation, as the standardized estimates for both groups are not significant.

## CHAPTER 5 : Conclusion & Discussion

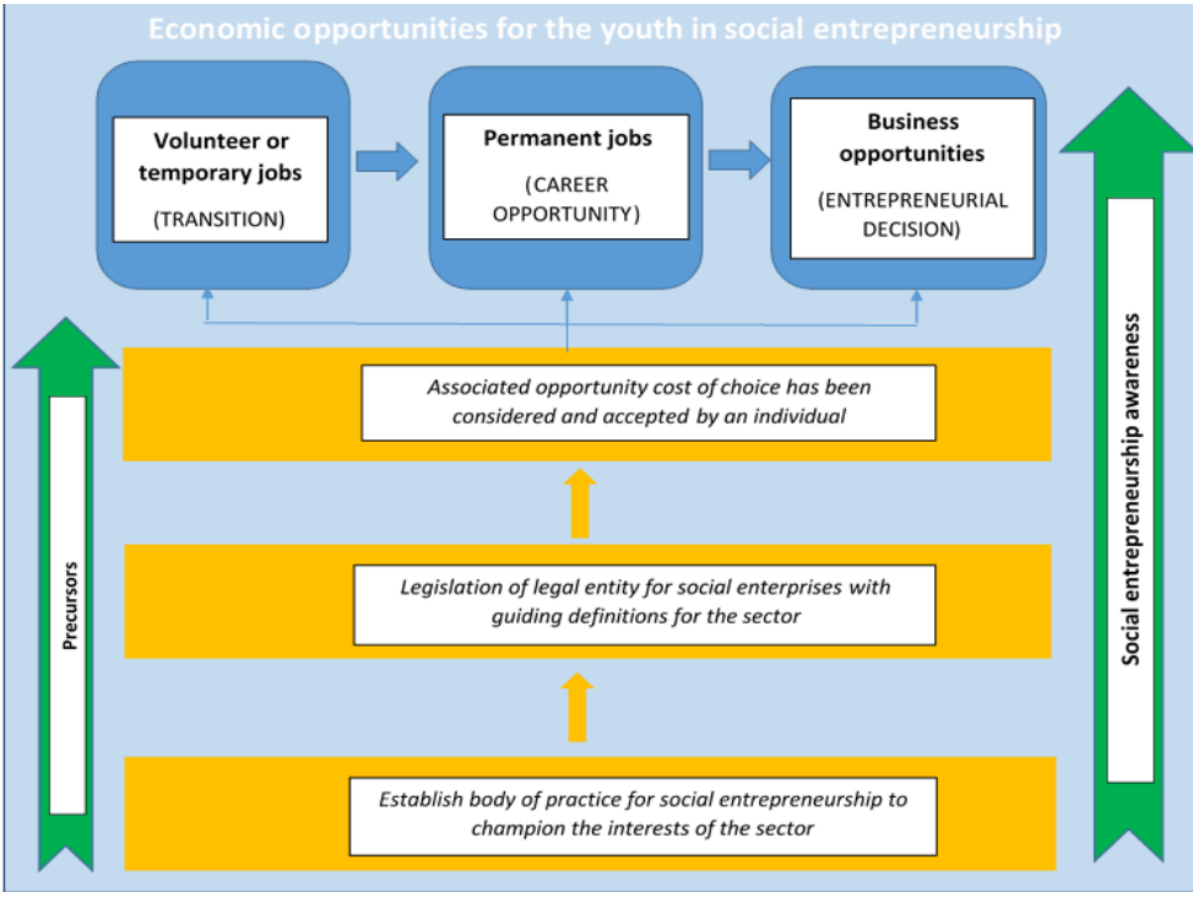
### Introduction

This final chapter outlines the main findings from the research. These conclusions have been identified from the literature review in Chapter Two, the data presented in Chapter 5. Recommendations based on these findings will be made to key stakeholders in this field of entrepreneurship. The limitations of the research will also be discussed. Future research suggestions are also provided to contribute to this available knowledge (Rossoni et al., 2024).

### Main findings

The main findings of the research have been developed into a conceptual model.

**Figure : Economic opportunities for the youth in entrepreneurship**




The findings have been integrated into a model detailing how to generate economic opportunities for Italy's youth through entrepreneurship. Critical conclusions are that much more needs to be done on the awareness side to increase knowledge amongst youth of how entrepreneurship can provide them with sustainable economic opportunities, an area that is still currently perceived to be short-term or volunteer-driven.

Different sectors of Italy are still underdeveloped and don't provide much support or benefit to either the private businesses or the government. The absence of any dedicated legal framework for enterprises forces entrepreneurs to adopt complex legal structures, giving rise to huge disparities in understanding that badly hinder growth in this sector (Wei & Duan, 2024). It will be very important to develop a professional body that will help represent the interests of the sector and guide stakeholders.

Today, at least economically marginalized youth do not recognize entrepreneurship as a career option. Many associate it with the NGO sector and with financial hardship, knowing what else goes on within the sector.The need is to introduce the sector in education curricula to create awareness, but again this ties back to the earlier point on the need for a definition of the sector.

Awareness and visibility with regard to career opportunity stickiness in the sector can be improved with clarity in differentiating between the entrepreneurs who start social ventures and those who work within them.

**Recommendations**

Entrepreneurship,entrepreneurs, and enterprises have all been surrounded by ambiguities in their definition, which still hurts the potentials of entrepreneurship to better engage the youth in economic activities (Traoré et al., 2024). Unless these issues result in clarification, the effort made at socializing the sector with the young generation will only be short of results. The sector has been characterized by a lot of ignorance, and unless the level of understanding is brought close in proximity in the industry, the ability to attract more will be hard to come by.

**Legal entity for social enterprises**

It will be able to set up the right legal framework in place for social enterprises in Italy that will enhance governance to the standards of any other legally acknowledged form of organization. The legislation process will assist the government to be in a position to hold discussions with other relevant stakeholders of the social enterprise sector to come up with standard definitions and terms (Hunt et al., 2024). In addition, it will help in dealing with issues surrounding governance standards, private sector capital injection, and income generation where parameters are set which are infallible and widely accepted.

**Education**

Integration of entrepreneurship in school curricula will bring about awareness at an early age, hence making them more likely to consider this option as a potential career path. It would be important to note that the sector offers an opportunity both in terms of employing people within the existing social enterprises and for those wishing to start out on their own initiatives (Evans et al., 2024). That is a very important distinction to make in ensuring that the sector is recognized not only for its entrepreneurship but also as an employment provider.

**Entrepreneurship body of practice in Italy**

A regulatory body should be established which is able to advocate for legislation that would establish a legal entity for enterprises. In fact, it would not only represent the interest of entrepreneurs in Italy, it would also act as a platform from where the advancement of the sector can be done. It would further be able to operate as a research hub developing and contributing to the knowledge base related to entrepreneurship in Italy (Modina et al., 2024).

**Limitations of the research**

**Population**

As such, the absence of a universally accepted definition of an entrepreneur is a major challenge not only in Italy but globally. The research also notes a potential risk, quite surprisingly, that some sampling units that did not meet the criteria outlined in Chapter 4 could have been included in the data collection (Piantadosi, 2024).

**The use of a large database**

The literature regarding social entrepreneurship in Italy and most countries is relatively thin, which may have prejudiced the outcome of the research since there is an inadequate available empirical study to confirm or oppose the findings (Giusi Gaeta, 2024).

**Implications for future research**

The following areas are suggested for further investigation from this research study:

- To what extent is an entrepreneurial skill required for social entrepreneurs to be successful?
- Is the low number of youth entrepreneurs in Italy related to the level of social awareness among young people?
- How influential are professional bodies in the trajectory towards success for economic sectors?

**Closing remarks**

While entrepreneurship holds the potential to improve the economic participation of youth, according to the literature and local practitioners, the sector is still in its infant stages in Italy

and globally. Only actions that will resonate with each other between the private, civil, and public sectors, aiming to support the creation of a legal form for entrepreneurial ventures, will harness that potential.

This would facilitate a legal entity that enables clarity of regulations and improved financing opportunities for social enterprises from both the private and public sectors. For example, once social enterprises are legally recognized, the private sector may provide funding sources while enjoying tax benefits. Even private businesses can commercially team up with social enterprises in the delivery of products and services for community welfare that will yield returns to both parties.

In the case of higher awareness of entrepreneurship among youth, the sector can promote business and career opportunities, increasing economic participation. It is in this kind of collaboration between the public, civil, and private sectors that an effective response could be brought to the challenges of economically marginalized youth in Italy.

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