Leadership and Entrepreneurship Programs
Evidence and Best Practices

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Executive Summary

This paper examines the evidence for youth leadership and entrepreneurship programs in Africa. Programs that address multiple barriers to employment, such as combining skills training with access to capital, are most effective at combating youth unemployment in Africa. We describe the Asante Africa Foundation Leadership and Entrepreneurship Incubator (LEI), discuss examples of other similar programs, highlighting best practices, discuss recent LEI evaluation findings, and provide recommendations for leadership and entrepreneurship programs more broadly.

The LEI program aims to cultivate successful young adult entrepreneurs, community leaders and change agents. Like other successful programs, LEI provides education, opportunities for applying skills learned, mentorship, and peer networking. LEI also develops students’ critical thinking skills, provides health education and life skills training, and engages in impact evaluation to determine program efficacy.

The findings from this paper suggest that LEI would benefit from incorporating some of the best practices of similar programs as well as continue to amplify what it is doing well.

Recommendations for Asante Africa Foundation’s Leadership Entrepreneurship Incubator (LEI) include:

Opportunities for LEI to grow:
- Deepening development of strong partnerships with micro-financing NGOs serving the regions where LEI students live. This will facilitate the availability of financial capital to LEI students.
- Developing partnerships with successful entrepreneurship training programs in other developing countries, such as Uganda’s Educate! Program, that have actively begun to scale across the country.
- Implementing randomized control-trials (RCT) or other rigorous research designs to determine the impact of LEI.

Amplify what LEI is doing well:
- Continuing to develop a culture of savings, budgeting and financial goal-setting among LEI participants. This is the most commonly shared LEI module between participants and family, friends and communities and an important foundation for personal and entrepreneurship success.
- Continuing to monitor and assess program participant needs, long-term impact data of participant outcomes, and the impact of cross-border training.

LEI provides skills that prepare youth for the rapidly changing and expanding East African economic landscape. These skills youth transition successfully from school to employment by enabling students to become self-confident leaders, entrepreneurs and workers, widening their career choices and improving their chances of creating and sustaining successful businesses.

By considering the recommendations set forth, Asante Africa Foundation has the opportunity to grow and deepen the impact of LEI.
Introduction

In recent years, Tanzania and Kenya – like the African continent – have experienced promising and sustained economic growth\(^3\). Kenya has grown across all economic sectors, while Tanzanian growth has concentrated in communications, financial services, construction, manufacturing and retail trade sectors\(^4\). Unemployment among youth between the ages of 15 and 24 hovered around 17% in Kenya\(^5\) and 6 to 7% in Tanzania\(^6\) between 2010 and 2014. Harder-to-measure levels of underemployment and low productivity, particularly in rural areas, are also chronic problems facing youth in Tanzania\(^7\) and Kenya\(^8\) today.

The majority of Kenyans (75%) and Tanzanians (90%) live in rural areas where more than three-quarters of the workforces of both countries are engaged in smallholder agricultural activities\(^9\). Rural youth in Kenya and Tanzania are particularly vulnerable to poverty due to lack of access to land and few non-agricultural economic opportunities in rural areas. However, economic research shows that entrepreneurs provide valuable economic benefits to societies. Entrepreneurs spread innovation, create jobs, increase productivity growth and produce spillover effects that improve long-term regional employment growth\(^10\).

Fostering youth leadership and entrepreneurship skills is an essential investment to meet the increasingly advanced needs of the expanding Tanzanian and Kenyan economies, to reduce youth unemployment and underemployment, and to foster agricultural innovation.

Background on Promising Practices

Leadership and Entrepreneurship programs arguably provide the most positive impact of all programs promoting youth employment in developing countries\(^11\) and increase youth employment in East Africa\(^12\) as well as other parts of the continent. Entrepreneurial training increases chances for starting successful businesses by developing critical business skills and behaviors\(^13\) and are associated with reduced business failure rates, increased profits, higher savings and growth of small and medium-sized businesses\(^14\) in East Africa. Research from programs supporting entrepreneurs in other developing countries find such programs are associated with increased income and a greater likelihood of currently operating a small business\(^15\).

Case studies, program evaluations and case-control studies highlight ‘best practices’ of entrepreneurship education training (EET) programs. In addition to focusing on entrepreneurship training, virtually all EET programs also contain components that teach participants leadership skills required in the workplace\(^16\) so a separate section on promising practices related to leadership training programs is not included here.
Successful youth entrepreneurship training programs share four main elements.\textsuperscript{17} They teach entrepreneurship skills; provide opportunities for youth to apply newly gained skills; offer mentorship from local entrepreneurs, and foster peer networking opportunities that help youth exchange ideas, innovate and continue to grow their entrepreneurial skills. Combining education and skills application enables participants to apply entrepreneurship skills in an ongoing process that builds their experience levels and provides opportunities for greater learning.\textsuperscript{18}

Further, successful programs understand local context, have developed key stakeholder relationships and buy-in, screen and select candidates for training, develop training programs for mentors, develop sustainable program operations and measure impact\textsuperscript{19}. Programs that address multiple barriers to employment, such as combining skills training with access to capital, are most effective at combating youth unemployment in Africa\textsuperscript{20}. Access to micro-finance (small-scale lending), is crucial for entrepreneurial success\textsuperscript{21} because individuals, and youth in particular, often lack savings or other capital required to start businesses. Youth also face more obstacles to obtaining credit than older individuals with longer work histories and higher savings\textsuperscript{22}. Therefore, a ‘best practice’ for educational entrepreneurship training programs is to develop relationships with micro-finance institutions to facilitate access to small-scale lending for EET program participants.

**Examples of Youth Entrepreneurship Education Training (EET) Programs**

Research and best practices show that youth entrepreneurship education training programs are most effective when they cater to the needs of a targeted group and consider local economic dynamics, such as market size and product saturation, into program design. Monitoring progress, responding to challenges as they arise and assisting program participants to procure capital for start-ups are also critical to the successful creation of sustainable businesses by individuals trained in EET programs.

Below I describe three youth entrepreneurship education training programs in Kenya and Uganda to illuminate challenges and benefits of recently implemented EET programs in East Africa. More intensive, residential academic youth entrepreneurship and training programs, such as Africa Leadership Academy (ALA) are not discussed in this report because they are much more resource- and time-intensive than LEI, making them less appropriate comparisons.

TechnoServe, with the support of Nike, initiated the *Young Women in Enterprise (YWE)* program in 2009.\textsuperscript{23} To date the program provided a six-month training program focusing on entrepreneurship and leadership skills to over 4,000 females aged 14 to 24 living in Nairobi. Early on, YWE administrators noticed high attrition and low attendance – concerns that made them question the program’s sustainability\textsuperscript{24}. To gain understanding of young women’s needs and barriers to program participation, YWE program leaders administered focus groups to program participants and targeted youth and their parents. As a result, staff tailored the YWE program to address the needs of young females residing in the slum which included allowances for daycare and lunch, a shorter training period, and separate training for older and younger girls. YWE also offers other innovations including providing risk-free start-up capital; cultivating public-private partnerships to fund start-up kits and the business plan competition and engaging in continuous participatory program design to identify and meet the needs of program participants.

*Girls Empowered by MicroFranchising (GEM)* was created by the International Rescue Committee in 2011 in partnership with Youth Initiatives Kenya and Family Health Options to serve female youth, ages 16 to 19\textsuperscript{25}. Unlike many entrepreneurship training programs, participants are limited to choosing a local franchise of an existing East African business. Franchises included mobile food carts, mini hair salons,
and sales of low-cost solar power products. This program, initiated in 2012, faced several challenges in its first year. Program participants were difficult to track during and after the program due to the high mobility among urban youth, making it difficult to assess participant progress and program success. Only 50% of program participants started businesses in the first year of the program. Originally, GEM participants who opened a franchise were required to select and employ two more GEM girls, but this element was difficult to implement. It was difficult for new young business owners to recruit and retain peers due to high mobility of the age group and other factors. Despite these setbacks, more than half of GEM participants operated their own businesses with an average earnings gain of $24 per month.

Educate! leadership and entrepreneurship training program serves 16-20 year old youth in Uganda. The program, started in 2004, has changed the educational landscape of Uganda. At the invitation of Ugandan government officials, who noticed Educate!’s success, Educate! developed and implemented national curriculum to youth in secondary education across Uganda. Educate! core programs start in the last two years of secondary school and provide continued support after graduation. Educate!’s approach is innovative in several ways. Educate!’s training curriculum is open-source – free and available for use by individuals, programs and schools around the world – and it continues to be refined and updated. Educate! focuses on teacher training to ensure that teachers approach Educate! curricula in a standardized manner across Uganda. Graduates experienced a two-fold increase in monthly income, from an average of $9 a month before entering into Educate! versus $23 a month after graduating; 94% of graduates are employed, self-employed, or attend college and 56% of graduates run a business, a 34% increase compared to those who start the program.

Leadership and Entrepreneurship Incubator Overview

Asante Africa Foundation developed the Leadership and Entrepreneurship Incubator (LEI) to inspire male and female youth to visualize themselves as entrepreneurs, leaders, global citizens and change agents in their communities. Specifically, LEI targets vulnerable youth between the ages of 15 and 20 from deeply rural areas of Kenya and Tanzania in East Africa and provides them with opportunities to work with their peers across borders to develop personal leadership, job readiness, and entrepreneurship skills that will enable them to become successful entrepreneurs. Since its inception in 2010, the program has delivered comprehensive training to over 400 rural youth from Kenya and Tanzania.

LEI is designed as a four-year training program that begins with a cross-border, seven-day intensive training hosting students from Kenya and Tanzania. Each year the returning students expand their skills, apply knowledge learned in previous years, and earn new responsibilities. LEI leverages the talents of youth trained in the program by inviting many of them to serve as LEI facilitators, organizers and project managers. LEI is a competitive four-year program and only half of students attending in a given year are invited back to attend the following year’s session. Between LEI’s inception in 2010 and the end of 2014, approximately 500 students, 50 percent of whom are female, participated in LEI’s intensive training.
Expected outcomes of LEI

- Increased youth in the labor force with strong cognitive problem solving and creative skills.
- Increased number of young community leaders equipped with a leadership toolset.
- Increased number of youth trained in professional skills such as finance.
- Increased number of youths engaging in active job searches and interviews.
- Increased number of ideas proposed and funded in a business plan competition.

What Sets LEI Apart: Cross Border Exchanges and ‘Pay-It Forward’ Knowledge Transfer

There are two novel components of LEI that set it apart from other leadership and entrepreneurship programs in Africa. The facilitation of cross-border relationships and the knowledge transfer accomplished through the ‘Pay-It-Forward’ program create greater programmatic impact.

Each year LEI is held alternately in Kenya or Tanzania, providing opportunities for students from the other country to travel and build long-term relationships across borders. LEI facilitates the spread of new ideas and critical thinking skills by enabling collaboration and cross-cultural learning. This innovative aspect of LEI anticipates the workforce needs of the growing economies of Kenya and Tanzania, which are diversifying and engaging in greater levels of exportation of manufactured products, especially to other African nations. By preparing youth for the increasingly global marketplace, LEI provides a uniquely competitive edge to its students and advances the youth workforces of Kenya and Tanzania. In addition, this cross-border component gives participants an understanding of other cultures and a broader world-view, which further sets LEI apart.
LEI cultivates youth to become ‘change agents’ who improve their communities through ‘Pay-It-Forward’ projects. ‘Pay-It-Forward’ projects are initiated by LEI students and cover a broad array of activities that reach beyond participants’ family with goals to share knowledge learned from LEI, stretch their skills and create positive change for others. Past LEI ‘Pay-It-Forward’ projects have included creating a sports club for at-risk youth, providing entrepreneurship and health training to local youth, and a girls-focused local community-wide leadership training workshop. For LEI students, these projects provide valuable leadership experience, build confidence in their abilities to design, manage and lead projects, and allow them to share what they have learned from LEI with others.

Estimates from impact surveys with students suggest that over 75,000 individuals have been impacted by LEI ‘Pay-It-Forward’ projects in the past four years. This large number reflects the ambitious and wide-reaching projects implemented by LEI participants. Youth have formed community NGOs and collaboratives to address social challenges, led start-ups that engage peers and parents, sparked cross-border initiatives to develop solutions to issues affecting both countries and created a youth-centered radio program.

LEI invests in individual students and nurtures them to multiply the program’s impact by sharing knowledge and creating programs that improve education and quality of life for people living in their own schools and communities.

**Objectives of LEI:**

**Leadership Development & Academic Enrichment**

- Build essential cognitive skills such as reasoning, critical thinking, communication and team building.
- Build leadership, entrepreneurship and employment readiness skills while instilling an increased sense of self-confidence.
- Develop awareness of personal challenges that could derail plans, such as health, personal safety and civic rights and develop methods to ‘stay on track’.
- Cultivate and nurture ‘change agents’ mindsets that encourage youth to improve their communities through ‘pay-it-forward’ projects.

**Job Readiness**

- Support youth in developing personal and career goals and creating action plans supporting those goals.
- Develop personal and business financial skills including personal savings and budgeting and project budgeting.
- Prepare youth for the increasingly global, 21st century marketplace by fostering cross-cultural awareness and professional collaboration between Kenyan and Tanzanian youth.

**Entrepreneurship**

- Increase youth’s understanding of entrepreneurship concepts.
- Help youth develop new small-enterprise business plans, marketing plans, sales pitches and financial plans ready to present to investors.
- Encourage and assist youth in exploring small-enterprise funding options, including loans and grants.
Monitoring and Evaluation Results from LEI

Impact on LEI Participants

LEI program impact evaluations spanning the launch of the first LEI pilot in 2010 to a recent evaluation in 2013 show the following:

- Participants consistently improved personal leadership and communication skills;
- Participants learned about new careers and alternative routes to achieve those careers;
- Participants reported understanding leadership better and possessed greater self-confidence;
- Participants agreed that the program supports academic success, exam preparedness and stress management; and,
- Participants better understand how to make safe and healthy decisions.

Highlights from evaluations in 2013 and 2014 LEI program show that overall, participants reported high levels of satisfaction with LEI. Participants also reported important improvements in LEI’s three focus areas:

Leadership Development and Academic Enrichment

- The training unambiguously met one of its primary objectives: to provide students with a plan for achieving their dreams. 100% of participants reported having a plan for pursuing their dreams.
- 90% of LEI participants reported learning about careers they previously were not aware of.
- 91% reported learning new skills they indicated would help them with exams.

Job Readiness

- 71% of participants responded that the information learned at Leadership Incubator would help them in their lives outside school.
- Self-confidence improved dramatically. The percentage of participants who agreed or strongly agreed with the statement “On whole I am satisfied with myself” jumped from 56% in the pre-intervention survey to 76% in the post-intervention survey.
- Knowledge and confidence in savings increased. Those who agreed with the statement ‘If I want to buy something, I know how to save or stretch my money to get that item’ increased from 76% to 84%. Similarly, 98% of LEI individuals believed that it is important to save money, up from 82% at the initiation of LEI training.

Entrepreneurship

- LEI training increased participants’ perceptions of entrepreneurship as a viable career option. Before LEI training, 4% reported wanting to become entrepreneurs; this increased to 13% post-training.

These results indicate that LEI is meeting its objectives to cultivate leadership development and academic enrichment and to improve job readiness and entrepreneurship knowledge.

LEI Impact via ‘Pay-It-Forward’ Projects
Over the last two years we have also begun to trace the “ripple” effects of the ‘Pay-It-Forward’ program element. ‘Pay-It-Forward’ projects allow LEI graduates to benefit others, using knowledge and training they received from LEI. As students move through the changing roles of the LEI program, they develop drive and confidence, propelling them to apply their skills to find solutions to challenges in their home communities.

LEI survey results show that over one-third of LEI participants reported plans to initiate a ‘Pay-It-Forward’ project within a year. The most common project reported, accounting for one-quarter of planned projects, focused on educating others about the risks of Female Genital Mutilation (FGM). Other project topics included HIV/AIDS education and leadership and entrepreneurship training. Examples of community education and business projects designed and implemented by past LEI participants include:

Emily Thurian, (Age 19, Kenyan) formed a community based organization (CBO) in her home town to teach lessons in planning, preparing for exams and saving to primary school children. Emily’s CBO, which includes 26 active youth leaders, started a local weekly 3 hour radio program to discuss hot topics for youth that everyone is afraid to discuss in public. The radio program allows the issues to come to life and be discussed.

Lepilali Ngoilenya (Age 19, Tanzania) and other LEI alumni created a group called Champions of Leadership (CHALETA) to teach LEI principles to elementary-age school children rural communities. His team teaches exam preparation, resilience, hazards of FGM, and how learning is a journey, requiring many steps along the way. In 2014, Lepilali was named a Global Youth Ambassador for Tanzania based on his advocacy.

‘Pay-It-Forward’ projects have tremendous long-term potential to create lasting community change, particularly in the rural areas where LEI participants live and work. These projects may supplement and enhance existing local health, leadership and entrepreneurship education and they may expose students to information they would not otherwise learn.

Recommendations

Asante Africa Foundation’s Leadership and Entrepreneurship Incubator (LEI) aims to cultivate successful young adult entrepreneurs, community leaders and change agents. Like other successful programs, LEI provides education, opportunities for applying skills learned, mentorship, and peer networking. LEI also develops students’ critical thinking skills, provides health education and life skills training, and engages in impact evaluation to determine program efficacy. LEI’s diverse skills training curriculum is a strength. Programs that address multiple barriers to employment, such as combining skills training with access to capital, are most effective at combating youth unemployment in Africa.

The LEI Program could benefit from incorporating the best practices of similar programs in addition to deepening successful existing elements. Recommendations for Asante Africa Foundation’s Leadership Entrepreneurship Incubator (LEI) include:

- Continuing to monitor and assess program participant needs and obstacles to creating and sustaining successful businesses through needs assessments or other activities. Develop partnerships with micro-financing NGOs that serve the regions where LEI students live to facilitate the availability of financial capital to LEI students. Access to micro-finance (small-scale lending) is crucial for entrepreneurial success because individuals often lack savings or
other capital required to start businesses. Youth face more obstacles to obtaining credit than older individuals with longer work histories and higher savings\textsuperscript{35}. Partnerships with micro-financing institutions will increase youth’s chances of successfully forming businesses.

- Continuing to deepen and reinforce a culture of savings, budgeting and financial goal-setting among LEI participants. Many youth live day-to-day financially and need assistance and education on how to save money for emergencies, business needs, and other activities.
- Enhancing current program evaluation initiatives to gather more long-term impact data about program participants including: numbers of business plans developed; numbers of businesses created; length of operation of businesses; business mortality; number of loan applications submitted by LEI participants; number of loan applications received, business costs and net profits and other details as appropriate. Gathering such information will allow LEI to monitor the progress of participants long-term and observe factors that may contribute to business success or failure.
- Implementing randomized control-trials (RCT) or other rigorous research designs to determine the impact of LEI. This will allow AAF to determine if LEI training, rather than selectivity of students or other factors, positively impact students’ business success, income generation and other related outcomes.
- Enhancing current program evaluation initiatives to gather information on the impact of cross-border training.
- Considering a partnership with Educate! to effectively scale LEI to reach and educate greater numbers of youth in Kenya and Tanzania.

Conclusion

Asante Africa Foundation aims to close the opportunity divide between a trainable youth workforce and a growing demand for more skilled and educated labor in Kenya and Tanzania. LEI provides high-quality training to prepare Tanzanian and Kenyan youth for the rapidly changing and expanding East African economic landscapes. These skills will play important roles in transitioning youth from school to employment by helping students become self-confident leaders, entrepreneurs and workers, widening their career choices and improving chances of creating and sustaining successful businesses. By considering the recommendations set forth above, Asante Africa Foundation has the opportunity to grow and deepen the impact of LEI on its graduates and their communities.

\textsuperscript{4} Ibid.
\textsuperscript{5} http://data.worldbank.org/indicator/SL.UEM.1524.ZS
\textsuperscript{6} Ibid.


Ibid.


The surveys used and method of analysis has varied from year to year which has made a single longitudinal study across years difficult. Despite this challenge we see common themes that have emerged through our evaluation of each year.

Based on supporting data collected through impact interviews with teachers, community elders, and students in April 2015.


