



# Supporting Youth Entrepreneurs A Track Record of Success

Momentum’s Business Development programs work with people living on low incomes who have entrepreneurial dreams to increase their prosperity. Participants experience barriers to meaningful employment, such as low education or essential skills like computer literacy, language, or having a disability. They also often struggle with low self-confidence and under valuing their own abilities and talents. Business Development program participants include many Youth Entrepreneurs who are between the ages of 18 to 34. Youth Entrepreneurs at Momentum participate in business training, coaching, and can access Micro Business Loans to support the launch of their businesses.

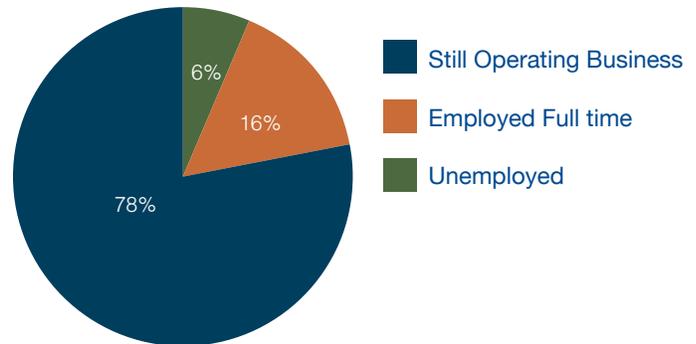
Every year, Momentum aims to work with 125 participants through Business Development training, which leads to approximately 65 business launches annually. Over the past 6 years, Momentum has worked with 163 Youth Entrepreneur participants.

In partnership with a long-time Business Development funder, 41 Youth Entrepreneur businesses were identified to learn more about the impact of the investment in the entrepreneurs’ lives.

## THE STUDY

The evaluation questions were co-created with the program funder and Momentum. Momentum staff successfully reached 32 of the 41 participants, for a response rate of 78%. All of the reported results are only based on the respondents. However, it is important to note that of the 9 participants that could not be contacted in the one-week study period, 4 are known to be operating, and two in particular have grown significantly and hired employees.

**Employment Status of Program Participants**



## FINDINGS

### Overall success

- 25/32 (78%) are still operating. 7/32 (22%) are no longer operating.
- Of the 7 who are no longer operating their business, 5 (71%) are now employed full time.
- 30/32 (94%) participants achieved a successful outcome, as measured by either employment or self-employment. The assumption is that the personal development process and skills gained in business training result in participants becoming more employable.

### Economic Job creation

- From the 25 operating businesses, 96 jobs were created for the owner and others.
- This represents an average of 3.84 jobs per business. However, a small number of businesses created the majority of the jobs.
- Operating businesses represent multiple sectors:
  - » Pets
  - » Food
  - » Child care
  - » Cleaning
  - » Personal services
  - » Arts & entertainment
  - » Manufacturing

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## Other economic impacts

- Of the 32 respondents, 16 accessed a Momentum Micro Business Loan, 13 accessed outside financing and 8 accessed both Momentum and outside financing.
- 22 of 25 respondents were up to date on their tax filing. All 15 of the female business owners were up to date on their taxes.
- There is significant variation in revenue generation of the women entrepreneurs compared to male business owners.
  - » 9 businesses (5 female, 4 male) are making more than \$50,000 in revenue (top quartile category). With 4 (3 female, 1 male) earning over \$100,000.
  - » 9 businesses (7 female, 2 male) are making less than \$15,000 in revenue (bottom quartile).
- Two respondents have declared bankruptcy.

## Qualitative responses

- The most valuable aspects of participation in business development training include:
  - » The business development process itself

- » Individualized support and accountability
- » Technical training, including computer literacy and financials
- » Connections—socially and with community resources
- » Understanding the Canadian business culture

## CONCLUSION

Poverty is a complex issue. The transition out of poverty takes time and is rarely a linear process. Self employment is only one tool that can effectively contribute to reducing poverty. Launching a business can allow a participant to achieve goals that may not have otherwise been possible and change the trajectory of their lives.

Each and every business we support may not grow to become a lasting asset in the community, but it will certainly be an important stepping stone on a participant's journey toward a sustainable livelihood. And as this study indicates, many businesses become exactly what their owners dreamed and planned to achieve—a sustainable, fulfilling source of income.

## CHARLENE CODIO: READY TO WORK, DETERMINED TO SUCCEED

By the time Charlene Codio was 13 years old, she had already taken thousands of photographs.

Charlene spent several years volunteering as often as possible in orphanages in the developing world. It was when she was volunteering in the Dominican Republic that she met Rafael Codio. He was already running his own advertising, design and photography company and they realized their combined skills were a perfect fit.

Charlene sponsored Rafael's immigration to Canada. They arrived in 2010 with their suitcases and three children, ready to work and determined to succeed. Settling in Airdrie, it was still their dream to set up a photography business but they had no capital, no clients and no Canadian entrepreneurial experience.

Attending Momentum's Self Employment Program made all the difference with both business training and a micro loan. In 2011 they officially launched CODIO Photography, specializing in local and destination weddings and lifestyle and newborn photography. The micro loan went toward marketing and equipment, and Charlene says her new business skills—and a lot of hard work—are the foundation of their present success.

The year before the program, they brought in \$8,000; the year after, they brought in \$50,000. They've gone from having no clients to working with thousands of people a year. This year they expect revenues to exceed \$100,000, have bought a home and added a beautiful studio they built themselves.

Charlene and Rafael gladly give back to many nonprofits, including those that helped them initially, and Charlene shares her wisdom with new groups of Momentum participants. They are immensely thankful that their business has allowed them to excel at their craft and do what they really love most—put their family first and, quite simply, be happy.

