

4 tips to kickstart a young entrepreneur's business

Local entrepreneur and CEO of Merchant Capital, Dov Girnun, says South Africa's youth unemployment rate could be partially alleviated by helping the country's young people create their own businesses, but they'll need some help along the way.



Dov Girnun, CEO of Merchant Capital | image supplied

As we enter Youth Month, the country's unemployment rate stands at 34.5%, having decreased by 0.8% in the first quarter of 2022, according to [Stats SA's Quarterly Labour Force Survey](#).

Positively, there was a slight decline in the number of unemployed youth in quarter one of 2022 as well, with the total number of unemployed youth aged 15-34 declining by 0.1% (or 5000) to 4.7 million from quarter four of 2021.

These 4.7 million young people are referred to as 'not in employment, education or training'. This means they are effectively shut out of the economy, with little hope of gaining experience in the labour market, receiving an income from work, or enhancing their education and skills. But helping them start their own small businesses would break this cycle and continue the positive trajectory of the youth unemployment rate, says Girnun.



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Catherine Wijnberg 9 May 2022



"Young people have the energy and potential to start their own businesses – but few youth are able to sustain themselves in self-employment, because they simply don't have the knowledge or resources to do so. If we can find ways to support young people on their entrepreneurial journeys, we could make a real dent in our unemployment problem," says Girnun.

Not everyone was born to be an entrepreneur. But Girnun has long believed the entrepreneurial mindset is something that can be learned. And entrepreneurial skills don't only help people to start their own businesses: they also improve your employability, self-esteem and confidence.

Here are his top four tips for young people who want to start their own businesses.

1. Have a trusted advisor (or two)

Trusted advisors have seen it all before – and usually, they've done it as well. They offer sensible advice and understand how to consider all the business owner's issues to help them make an informed decision.

By surrounding yourself with experienced people, you're able to avoid making many of the 'rookie errors' that many young business people make when they're starting out on their own.

2. Don't go it alone

Many young business owners want to do things on their own. But there's an African proverb that says: 'If you want to go fast, go alone. If you want to go far, go together.'

Working with other small businesses can open up opportunities or customer bases that would never have been possible otherwise.



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3. Find the right funding partner

At some stage, all small businesses need some working capital to take their business to the next level – whether that's buying stock, renting premises, or even paying overheads during a lean time. If you don't have an established credit record, it's difficult to borrow from traditional lenders, like banks.

That's where it's worth looking for alternative lenders who have an intimate understanding of how small businesses operate and what they need.

4. Stay up to date with the latest trends

Right now, the world is changing. Companies are having to deal with everything from climate change to Covid-19 to changing consumer behaviour. For a young business person just starting out, it's critical that you know what your market

needs, and be able to adapt your business quickly to meet those needs.

Every real entrepreneur knows that challenging times bring new problems – and new problems need new solutions. There's an opportunity around every corner. Don't miss it.

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