A Rough Guide to Inclusive Entrepreneurship Ecosystem Development
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Acknowledgements

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Foreword

This "Rough guide to Inclusive Entrepreneurship Ecosystems Development" is primarily destined for practitioners working on entrepreneurship promotion globally. It aims to provide guidance on how to design and implement inclusive and holistic entrepreneurship programmes that will catalyze change in the overall entrepreneurship ecosystem to encourage sustainable and large-scale growth and job creation.

This guide builds on several decades of experience of ILO with the design and implementation of entrepreneurship promotion programmes, including but not limited to experience gained through the implementation of the ILO’s Start and Improve your Business (SIYB) entrepreneurship training programme in over 100 countries.

While SIYB continues to be widely used to support entrepreneurs in planning, launching, and developing their business, there is a growing recognition that entrepreneurs need more than a training to succeed. To what extent entrepreneurs are enabled to succeed and thrive depends on a complex web of interrelated factors – including the overall business and policy environment, the availability of finance and required business development services (BDS), the level of human capital, the prevailing entrepreneurial culture, and the accessibility and functioning of markets.

The approach presented in this guide therefore shifts away from an approach that is based primarily on the use of pre-prepared tools like trainings and financial assistance to one that carefully analyses the overall ‘entrepreneurship ecosystems’ in which entrepreneurs live and make a living to design tailor-made strategies grounded in a thorough understanding of incentives and capacities of local actors. The ultimate goal of such an ecosystems approach is to develop the overall ecosystem in a way that it helps all entrepreneurs thrive and grow, and ultimately create decent jobs for themselves and others.

This document represents a first ‘rough guide’ to the ILO’s approach to Inclusive Entrepreneurship Ecosystems Development that has been designed and tested in selected countries. It does not aspire to provide all the answers but seeks to present ideas and guidance based on results of the initial pilot-testing phase of this new approach in selected countries.
Meet Helena. She lives in Windhoek, Namibia, and runs a small enterprise which consists of an e-platform to buy typical Namibian handicrafts. She is connecting artisans from her country to markets abroad. She, like other young people in her city, is having problems accessing loans to expand her business. She is also having difficulties finding agencies to certify her processes as fair-trade and struggles to migrate from MySQL to PostgreSQL. On top of this, her export potential is limited by a lack of regulatory information on markets outside of Namibia.

Now, meet Sami. He is originally from Damascus, Syria, and is currently living in Bursa, Turkey. Sami speaks Arabic and has low command of Turkish. He is having legal issues to continue his textile business, something many other refugees in the area also face. As a relative newcomer, he struggles to understand the business landscape in Bursa and lacks a solid network to find providers. However, his designs appear to be well received by the market in Bursa and despite the exclusion he faces in the ecosystem, his apparel workshop manages to employ three other Syrians.

And finally, meet Maria. She is from a rural area in the Colombian Caribbean Coast, and like her, most people in her town work in small economic units. She runs a small operation of a highly sought-after coffee variety and employs 4 people. She, like other women farmers, is having problems accessing funds to grow her agro-business due to a lack of enough collateral. She does not know about organic certifications and is having issues with composting and the quality level of native seeds. Training programmes for relevant skills are offered but in the larger town 20 kilometers away and only on weekdays. She only knows of one buyer of coffee in the area and does not know about any government regulatory procedures for coffee farmers. She also found out that one of her employees injured her hand while pruning and will be unable to work for several weeks.

Inclusive Entrepreneurship Ecosystems development is all about helping people like Helena, Sami and Maria succeed. Entrepreneurs like Helena, Sami and Maria need many things to succeed: advice and training, access to finance, market information, and infrastructure, to name just a few. But even in countries where entrepreneurship ecosystems are well-developed and such support functions are available, they might not be accessible for people like Helena, Maria or Sami – whether it’s because they live far away or are part of communities that are excluded for different reasons.

ILO’s approach is therefore all about making entrepreneurship ecosystems inclusive and work well for all – so that entrepreneurs like Helena, Sami and Maria have access to all the goods and services they need to succeed.
The ILO’s 2019 study Small Matters found that over two-thirds of total employment is provided by ‘small economic units’, meaning self-employed person, as well as micro- and small enterprises. For low- and lower-middle income countries, these micro- and small-enterprises are particularly important for livelihoods, both accounting for well above the majority of employment.

However, starting and running a business can be challenging for anyone, and in particular for individuals facing economic, social, or political exclusion. Developing inclusive entrepreneurship ecosystems can help these marginalized groups overcome challenges by providing the necessary resources and support to start and sustain successful businesses. This can create opportunities for those starting a business with the potential to generate decent work to their wider community, providing a pathway out of poverty.

All businesses and start-ups are embedded in some form of a support ecosystem, as the term simply describes the combination of services, actors, and regulations that shape business creation in a given context. In order to establish a thriving and inclusive entrepreneurship ecosystem, it is crucial to address the unique challenges that vulnerable groups encounter, like those of Helena, Sami, and María. These challenges may include limited access to capital, networks, information, business development services or education, or other required things.

It may be that these things are inexistent or of low quality, or it may be that they are just not accessible to people like Helena, Sami, and María – for instance, because they live far away, because they are women, or because they are refugees. The key questions, therefore, are whether that ecosystem is a) “mature”, i.e., whether support services, access to markets, regulations, and cultural values play together to create an integrated and accessible web of conducive conditions for business creation; and b) whether it is inclusive, i.e., all groups can access these opportunities. Where entrepreneurship ecosystems are mature, entrepreneurship thrives, and where entrepreneurship ecosystems are inclusive it can help to promote local economic development and reduce inequality.

This guide intends to help practitioners promote inclusive entrepreneurship ecosystems that provide all entrepreneurs with the resources, services and information they need to succeed, irrespective of their gender, background, origin or status in society. It is not a guide to livelihoods but one for projects and practitioners that focus on job creation, job quality improvement, and inclusion by harnessing the potential of new and existing micro and small enterprises in a given geographic context.
Entrepreneurship ecosystems are dynamic, highly complex and emerge from unique conditions and circumstances of a given context. No two entrepreneurship ecosystems are alike, and even within one context entrepreneurs with different social and economic profiles (e.g., male and female entrepreneurs; refugees and host communities; rural or urban populations) may encounter very different support services and opportunities. While there are many definitions of what constitutes an entrepreneurship ecosystem, one of the most widely used approaches and the basis for this rough guide is the approach developed by Isenberg (2011) which identifies six components that are critical to a mature entrepreneurship ecosystem:

1. **Human capital**: Human capital refers to the availability of high-skilled and motivated labour, which is central to entrepreneurs’ ability to build sustainable businesses. Key components that contribute to human capital include existing enterprises that can up-skill the labour force (i.e., entrepreneurs with previous relevant work experience), as well as demand oriented educational, technical, and vocational training institutions and universities. Up-skilling programmes and labour demand and supply matching services can also be important.

2. **Policy**: Legislation and policies that foster business creation are key. These include easy and transparent business registration procedures, fair taxation policies, and policies that actively promote entrepreneurship. For some populations (e.g., refugees) it might be even more essential, like the right to work or open a bank account. While the legal text is important, it is implementation that has the greatest impact on entrepreneurship and business creation. Subsequently, a policy environment that combines top-down and bottom-up approaches and provides an integrated set of effective regulations are important to promoting entrepreneurship.

3. **Appropriate finance**: Access to financial resources is crucial for entrepreneurs seeking to start and grow a business, and the availability of a diversity of financial products and services is an important component of entrepreneurship ecosystems. Financial services should be accessible and appropriate to entrepreneurs at different stages of enterprise development. For some entrepreneurs, loans may be most appropriate. For others, seed and angel investors might be instrumental, while in some contexts, family and friends, crowdsourcing, and other financial institutions like microfinance and financial cooperatives may play a key role.

Introducing ILO’s approach to inclusive entrepreneurship ecosystems development

**Why inclusive entrepreneurship ecosystem development?**
4. **Culture:** This component describes the legitimacy of entrepreneurship in the wider society of a given context, i.e., whether entrepreneurship is considered a viable career path for men and women, whether entrepreneurs have a positive reputation, and if there are cultural assumptions regarding different groups (women, young people, indigenous communities, LGBTIQ+, persons with disabilities) role in the market. A positive entrepreneurial culture is reflected in whether and how entrepreneurial success stories are disseminated (and representative) in the local population and how entrepreneurship ranks as a career choice. This component also looks at how the different actors within the ecosystem interact with each other.

5. **Support:** This component refers to the variety of support services available to entrepreneurs. This includes the availability of demand-driven and accessible non-financial business development services (BDS) like business management training, capacity building, mentoring, and coaching, as well as physical and technological infrastructure, and operational services like accounting and legal advice, IT and design support, and sector-specific support (e.g., veterinary, and agricultural extension services). When looking at this pillar, it is important to consider not only the presence of such services, but also the information and awareness of them among entrepreneurs.

6. **Markets:** The availability of and access to markets is crucial for any business. In the entrepreneurship ecosystem framework, this component refers specifically to the availability of customers who are interested in purchasing innovative products and services. Where local demand is low, strong entrepreneurship ecosystems are often characterised by accessibility to regional or international markets for local entrepreneurs. This component looks at how entrepreneurs interact with the available demand, seeking challenges and opportunities in any given market. Beyond this, the pillar also encompasses the access, or lack thereof, of information on these markets and factors. It may often be the case that many entrepreneurs, for instance those from rural or marginalized communities, struggle to access the information that would inform them about these market tendencies. This includes information on topics like available markets or supply and demand trends.
The various entrepreneurship ecosystems frameworks have been tested and refined again and again over the past decade by a multiplicity of practitioners. A recent study commissioned by the ILO sought to examine this and explore the global landscape of entrepreneurial ecosystems approaches. The findings highlighted the fact that while in recent years these approaches have proliferated, with an increasing number of actors using the term “entrepreneurial ecosystems” to describe their work, there is a lack of consensus on what applying entrepreneurial ecosystem development means in practice.

The study proposes an integrated framework to analyze and categorize different entrepreneurial ecosystem approaches. It also provides a first stock-taking on the effectiveness and sustainability of these approaches, as well as on the existing gaps and potential improvement opportunities to help practitioners and development actors implement sustainable entrepreneurial ecosystems strategies.

Some of the shortcomings identified relate to an excessive emphasis on tech start-ups and on early-stage entrepreneurs. The study also highlights that most current ecosystem approaches do not pay enough attention to factors that structurally exclude certain groups in the labour market, and therefore tend to overlook certain entrepreneur segments including women and marginalized groups. In addition, the entrepreneurship ecosystems field seems to put too much effort into ‘modelling’ and identifying ‘critical success factors’ of mature and successful ecosystems, and on trying to replicate those factors in other ecosystems, rather than adopting a process-oriented and context-adapted approach to system change.

The ILO’s Approach to Inclusive Entrepreneurship Ecosystems Development seeks to close this gap and put forward an approach that proposes a practical and flexible approach that seeks to promote the inclusion of marginalized groups into functioning ecosystems. This rough guide builds on the existing paradigms and proposes to extend them with a view to promote inclusive entrepreneurship ecosystems, i.e., making business creation and entrepreneurship a viable pathway to decent work for María, Helena and Sami, and for all.

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1 ILO (2023): New frontier or the latest buzzword? A Deep Look At Evidence And Best Practice In Entrepreneurial Ecosystem Development
The inclusive entrepreneurship ecosystems framework takes Isenberg’s six ecosystem components as well as the strong focus on integration between components as its basis. It then extends this framework by introducing two cross-cutting dimensions to emphasize the importance of inclusive entrepreneurship ecosystems that support business and, ultimately, quality job creation for all. The two cross-cutting dimensions are:

**Pathways to decent work.** Entrepreneurship can constitute an important pathway to decent work. New businesses drive job creation, and an important role of an inclusive entrepreneurship ecosystem is to ensure that the jobs created are quality jobs, i.e., characterized by decent working conditions. To achieve this, considerations regarding quality job creation through entrepreneurship need to be embedded in the entrepreneurship ecosystem.

Examples of promoting pathways to decent work through inclusive entrepreneurship ecosystems could include:

- Streamlining the process of business registration, licensing and compliance with labour and employment laws. These can serve as strategies under the Policy pillar of the ecosystem that can make it easier for entrepreneurs to uphold decent working conditions.

- Facilitating access to markets where there is a conscious demand for goods or services that are associated with or originate from quality jobs under the Market component of the ecosystem.

- Ensuring that the provision of training, coaching and mentoring schemes under the Support function of the ecosystem embed considerations on the importance of decent working conditions and include guidance on creating businesses that adhere to labour laws.

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In 2022, the ILO launched an entrepreneurship ecosystem IN PRACTICE! - NEPAL focusing on youth in Kathmandu and Pokhara. One of the most commonly cited challenges faced by young entrepreneurs was the difficulty of finding and retaining skilled workers for their businesses. Even when enterprises managed to hire workers who had the right skills for the job, they faced significant difficulties in keeping these workers. A key underlying cause identified in interviews with entrepreneurs and job seeking platforms was the insufficient application of decent work principles in enterprises. This stemmed from a lack of awareness of the benefits of ensuring decent working conditions for workers. Many young entrepreneurs tended to compromise on key decent work principles including on the provision of a decent salary, sufficient time off, and/or social protection measures for their workers, and thereby unintentionally fostered an unattractive working environment which resulted in workers often leaving for new opportunities any time they became available.

The example highlights how applying decent work principles is good business sense and ultimately benefits all stakeholders. To address the identified challenge in Nepal, the assessment recommended the project to partner with key actors including the Ministry of Labour and Chambers of Commerce to raise the awareness of young entrepreneurs on the benefits of applying decent work principles in their business, and ultimately help them understand that applying decent work principles is in their interest and makes good business sense.

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1. **Decent work** sums up the aspirations of people in their working lives. It involves opportunities for work that are productive and delivers a fair income, security in the workplace and social protection for all, better prospects for personal development and social integration, freedom for people to express their concerns, organize and participate in the decisions that affect their lives and equality of opportunity and treatment for all women and men. The decent work Agenda is central to efforts to reduce poverty and as a means for achieving equitable, inclusive, and sustainable development.

2. Related to this, **decent work deficits** represent the absence of sufficient employment opportunities, inadequate social protection, the denial of rights at work and shortcomings in social dialogue. Many vulnerable groups, such as refugees, migrants, youth, and women may be particularly vulnerable to these deficits, such as exploitation, lack of representation and voice, and inadequate protection from income loss.

3. **Inclusiveness.** Entrepreneurship ecosystems not only differ by context but also in terms of the opportunities that it offers to different groups in each context. Let us not lose sight
Financial and business development services may exist in a given context, though access to them is rarely equal among all entrepreneurs. Informal norms and values (the Culture component of the ecosystem framework) may impede business creation among marginalized groups, such as refugees, women, youth, migrants, or other populations and their intersection. Often, differences in access to the entrepreneurship ecosystem are implicit and promoting an inclusive ecosystem that works for all entrepreneurs therefore requires a clear understanding of the target group(s) and needs, and sensitivity to structural and take-for-granted dynamics in how different target group(s) experience the existing entrepreneurship ecosystem. In other words, it is not enough to know whether certain necessary goods and services are available, but important to verify whether these are actually accessible by different communities.

Examples for promoting inclusiveness through entrepreneurship ecosystems could include:

- Piloting business models for innovative financing solutions for young female and male refugees.
- Facilitating the adaptation of BDS to respond to the specific needs and barriers experienced by female entrepreneurs under the Support component.
- Developing spaces where ecosystem actors can meet and share success stories to showcase role models of entrepreneurs of all groups under the Culture pillar.

of Helena, Sami and María, and the issues they face given their identities.
To foster a mature and inclusive entrepreneurship ecosystem that provides decent work opportunities for all, it’s important to follow a systematic approach that involves three steps:

1. Firstly, defining geographical and target group boundaries and establishing clear entrepreneurship promotion objectives.

2. Secondly, identifying constraints within the entrepreneurship ecosystem as a whole, as well as those actors that can and want to drive change.

3. Finally, addressing ecosystem constraints, by shifting away from only using tools for enterprise development, such as providing training and grants, towards an approach focused on addressing ecosystem constraints holistically and sustainably.

These three steps are essential for any project or initiative aiming to promote entrepreneurship and provide decent work opportunities for all, while ensuring inclusivity in the process.

1. Establish a clear objective and create boundaries for analysis

The objective of Inclusive Entrepreneurship Ecosystem (IEE) Development is to foster mature ecosystems that can effectively support the establishment of businesses, while ensuring inclusivity so that the creation of businesses leads to the provision of decent work opportunities for all.
Hence, to start, the following needs to be clear:

- Who is the desired target group of the initiative, i.e., who does the initiative plan to better include in the ecosystem? (Women, refugees, LGBTIQ, ethnic groups, young people, people with disabilities, the poor, etc.)

- In which geographical areas is the initiative focused? The more delimited the easier it will be to identify constraints and then address them. In the end, the IEE initiative needs to generate more and better opportunities for the intended target group in the determined geographical area.

Failing to establish specific objectives can result in a general analysis that informs broad intervention strategies. For instance, consider the task of conducting an assessment to support an initiative aimed at developing the entrepreneurship ecosystem of Colombia. To conduct this assessment, you would need to interview individuals with a national perspective on the topic, meet with a wide range of entrepreneurs, and analyze general statistical information to establish context.

Without a clear objective for the initiative, such as bolstering rural entrepreneurship or strengthening the capacity of the ecosystem to better include women (remember María and her coffee business?), the resulting analysis could be too broad and likely vague. As a result, the recommendations you make may also be overly general given the scale of the task and lack of specificity in the objective. You have probably seen some of these analyses out there, they are usually large, full of nice logos and presented in fancy events. Remember how operational they were?

Now, imagine that the assessment you must undergo is to inform a project that aims to “create more jobs by better integrating women in the Colombian Caribbean rural entrepreneurship ecosystem”. Despite the region’s vast size, you can identify individuals with a direct influence on the topic, comprehend the specific needs and challenges faced by rural women entrepreneurs, assess the capacity of relevant stakeholders to address these needs, and analyze context-specific data to further refine your assessment.

To improve precision in interventions, it is essential to establish specific objectives and (geographic) boundaries that enable practitioners to focus their efforts and resources effectively. This approach also allows practitioners to conduct more detailed analyses, which can lead to precise interventions.

Inclusive Entrepreneurship Ecosystems IN PRACTICE! - NEPAL

Before the launch of the ILO’s entrepreneurship ecosystem assessment in Nepal, the study’s target group was chosen to be youth based on the Nepali government’s conception of the term, i.e., those aged 16-40. The geographic scope was then selected to include separate analyses of two major cities: Kathmandu and Pokhara. Both settings share a wealth of similarities, for instance they are the country’s first and second largest cities, respectively, and both represent important economic and tourist hubs. Nevertheless, the decision to analyze their entrepreneurship ecosystems separately proved essential, as despite their commonalities it was found that young entrepreneurs faced very different challenges, cultures, and support systems in each city.
2. Identify constraints and key actors in the entrepreneurship ecosystem

All businesses are embedded in an entrepreneurship ecosystem, no matter how weakly defined. Any work to promote a mature and inclusive ecosystem should therefore build on a solid analysis of the entrepreneurship ecosystem. It is important to remember, however, that the assessment is not the end goal but rather the starting point for projects and practitioners. Therefore, the goal should be to keep assessments reasonable in length and scope, by strategically zooming into key areas. Concretely this entails a four-step procedure:

1. Develop an initial sketch of the ecosystem and profiling of the target group

Creating an initial sketch and profile of the ecosystem should not be a resource or time-intensive process. Instead, it should be built upon existing analyses, and light fieldwork should be conducted to frame each pillar from the target group’s perspective. Desk research should focus on identifying:

- Existing programmes & policies in the ecosystem.
- Main actors and their roles.
- Previously mapped ecosystems.
- Entrepreneurship indexes and statistical information.
- Studies on enterprise creation / overall state of the economy.
- Available information on the characteristics of the target group.

The main objective is to have a good breakdown of the TG, and map the EE identifying the main actors, challenges and positive developments in each pillar in relation to the overall objective.

2.1 Develop an initial sketch of the ecosystem and profiling of the target group

This first step aims to obtain an initial overview of the state of the entrepreneurship ecosystem for target entrepreneurs. To this end, practitioners should conduct an initial desk review of previous research, collect relevant data, conduct brief interviews with key actors, and engage in focus group discussions with the target group (TG).

In many regions, existing research on Entrepreneurship Ecosystems mainly centers on mapping the essential actors and services available. Practitioners are advised to use these mapping exercises as a foundation for this analysis, while incorporating the ILO’s dimensions of inclusiveness and pathways to decent work to ground the study in the desired outcomes for the target group.

The ecosystem mapping and analysis consists of identifying the key actors and services that are available to the target group across each ecosystem pillar (Policy, Culture, Human Capital, Finance, Support, and Markets). Additionally, the analysis evaluates the strengths and challenges for each of these ecosystem pillars, assesses the level of inclusion or exclusion of the target group in the dynamics of each pillar, and determines how conducive each pillar is to the creation of decent work.
Helena lives in Windhoek and runs a small enterprise with an e-platform to sell typical Namibian handicrafts. With this platform, she is able to connect artisans from her country to markets abroad. Like other young people in her city, Helena is having problems accessing loans to expand her business. She also struggles to find agencies to certify her processes as fair-trade. The migration from MySQL to PostgreSQL also poses serious challenges for her and she lacks regulatory information in markets outside of Namibia.

Imagine you are now running a project aimed at scaling up digital small economic units led by young men and women in Windhoek. You would start by hiring a national consultant to prepare an initial outline of the entrepreneurship ecosystem that helps to identify the main challenges within each pillar for the creation of digital business by young people. Here is what such a preliminary sketch could look like:

- SME policy in gender blind and do not consider young people
- Public tender platforms seem to favour big businesses
- There is a good infrastructure for E-Commerce platforms
- There are some sectors that are providing entrepreneurs with quality information regarding market demands
- There is lack of clarity regarding the demands of markets in fair-trade and other similar certifications
- It’s hard to find talent proficient in MySQL and PostgreSQL
- Young entrepreneurs struggle with offering competitive salaries
- There are good developments in digital job matching sites
- There is little training offer on digital skills
- There is a solid provision of entrepreneurship training services
- Generally, BDS are focused on gazelles, not SMEs
- There is little information and capacity regarding fair-trade practices
- Young people have challenges accessing loans due to lack of collateral
- There are some guarantee schemes working in the country targeting other TGs
- There are limited sources of seed capital
- There are many programmes of credit and loans training available for young people
- Young women are often ignored in the country’s business culture
- There seems to be a growing digital culture and literacy in the country
- There are little-to-none spaces for entrepreneurs to meet.
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After creating an initial outline through desk research, it is important to conduct fieldwork that centers on understanding the key actors, challenges, and strengths from the viewpoint of the target group. The combination of desk research and fieldwork will allow the project to draw a mapping of the entrepreneur ecosystem, and develop an in-depth characterization of the actors, strengths and challenges of each pillar, all of these with the target group at the centre of the analysis. As the approach is based on inclusiveness and its focus on the selected target group, it is important to maintain this lens when characterizing the ecosystem’s challenges and strengths.

The table below lists a selection of questions that have been employed in past ILO Entrepreneurship Ecosystem mapping endeavours. While this list is not exhaustive, it is intended to serve as a sample that can be modified, updated, and supplemented based on the specific context and target group.

It is important to note that questions should be posed both to the various ecosystem actors to analyse the ecosystem and the offer in terms of support services, as well as the to the target group and entrepreneurs themselves to analyse access of the target group to support services, with the individual questions adapted accordingly. Through these questions, the project would aim...
to understand more about the specific services or ecosystem actors that exist, but also the entrepreneurs’ access to them, including any barriers they may face in this. The precise formulation of each question will vary depending on whether it is being asked to a service provider or a member of the target group, so we recommend adapting these questions when applying them.

Once these questions are addressed, along with the initial desk research, practitioners will have a reliable and comprehensive understanding of the entrepreneurship ecosystem’s mapping and pillars dynamics. This initial research will therefore allow the project to develop the entrepreneurship ecosystem mapping and an in-depth characterization of each pillar, with the target group at the centre of the analysis.
## Table: Sample interview questions for ecosystems actors and entrepreneurs

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<th>Pillar</th>
<th>Sample questions to ecosystem actors</th>
<th>Sample questions to entrepreneurs</th>
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<tr>
<td><strong>Policy</strong></td>
<td>Are there policies targeted specifically to the target group (TG)? Why?</td>
<td>Do policy makers involve your TG in the development of programmes and/or policies? Why?</td>
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<td>Do you consult the TG in the development of policies or programmes? Why?</td>
<td>What are the main barriers you face when dealing with policymakers and government officials?</td>
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<td></td>
<td>What are the main barriers you face when including the TG? Why?</td>
<td>What are the main barriers you face when dealing with policymakers and government officials?</td>
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<td>How integrated do you think the TG is in the policy space of the ecosystem? How could they be better integrated?</td>
<td>How integrated do you think you are in the policy space of the ecosystem? How could you be better integrated?</td>
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<td></td>
<td>Who are the main actors in the policy space involved with the TG?</td>
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<td><strong>Finance</strong></td>
<td>Are there financial services specifically designed and available for the TG? Which are those?</td>
<td>Are there financial services specifically designed and available for you? Which ones? How easy is it to access these?</td>
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<td></td>
<td>What are the main barriers you face when including the TG? Why?</td>
<td>What are the main barriers you face when dealing with financial institutions? Why?</td>
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<td></td>
<td>Where does the TG get funding? Why?</td>
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<td>Who are the main financial service providers? Do they see market potential in the TG?</td>
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<td><strong>Human Capital</strong></td>
<td>How would you assess the capacity of the TG as entrepreneurs? Why?</td>
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<td>What are the main challenges to access qualified human capital? Are there sectors that are better/worse? How?</td>
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<td></td>
<td>Do the TG have difficulties/advantages to attract the necessary talent? Why? Does it vary by sector? How?</td>
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<td></td>
<td>Which ecosystem actors are involved in matching entrepreneurs to human capital? How well are they working with target entrepreneurs? Does it vary by sector? How?</td>
<td>Which ecosystem actors are involved in matching entrepreneurs to human capital? How well are you working with them? Does it vary by sector? How?</td>
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Table 1: Sample questions to ecosystem actors and entrepreneurs

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<th>Sample questions to ecosystem actors</th>
<th>Sample questions to entrepreneurs</th>
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<tbody>
<tr>
<td>Culture</td>
<td>How is entrepreneurship perceived by society at large? How are entrepreneurs perceived?</td>
<td>Are there spaces for entrepreneurs and ecosystem actors to meet? Which ones? How would you rate the participation and representation of the TG in those?</td>
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<td></td>
<td>How would you assess the overall coordination of the ecosystem? Are there actors leading this? What is the participation of the TG in that coordination? Why?</td>
<td>Are there spaces for the TG to meet and coordinate their interaction with other ecosystem actors? Among themselves?</td>
</tr>
<tr>
<td></td>
<td>Does the TG have a specific role or expectation (by other actors) in the ecosystem (work in a specific sector, have a certain type of company or size, to not be an entrepreneur but an employee)? Why?</td>
<td>What is the overall perception of the TG in society? How does this perception affect entrepreneurs?</td>
</tr>
<tr>
<td></td>
<td>What is the overall perception of the TG in society? How does this perception affect entrepreneurs?</td>
<td>Are there organizations/actors working to better integrate (socially and economically) the TG in the market in general? How integrated are these organizations with other ecosystem actors?</td>
</tr>
<tr>
<td>Support</td>
<td>Are there BDS specifically designed and available for the TG? Which are those? Which actors are offering them?</td>
<td>Are there BDS specifically designed and available for the TG? Which are those? How easy it is to access them? Which actors are offering them?</td>
</tr>
<tr>
<td></td>
<td>What are the main barriers do you face when including the TG? Why? How much does it vary by sector?</td>
<td>What are the BDS providers? Why? How much does it vary by sector?</td>
</tr>
<tr>
<td></td>
<td>How does the TG get access to BDS such as: Training, coaching, incubation, acceleration, mentoring, access to information?</td>
<td></td>
</tr>
<tr>
<td>Markets</td>
<td>What is the scope of market access for the TG (local, regional, national, international)? How much does it vary by sector?</td>
<td>Are there actors providing information and facilitation services for entrepreneurs to reach markets? In which sectors is better/worse?</td>
</tr>
<tr>
<td></td>
<td>Can the TG meet market demands? Why?</td>
<td></td>
</tr>
</tbody>
</table>

2.2 Analyse and define priority pillars

The previous step focused on the development of a preliminary overview of the entrepreneurship ecosystem and its pillars, presenting a multitude and multidimensionality of challenges affecting the target group. It would however be difficult for a single project or organization to address all these challenges. Furthermore, the identified challenges at this stage are quite general, and additional research is required for practitioners to design effective interventions by identifying underlying constraints. Conducting an in-depth analysis of each pillar would result in extensive and time-consuming research, and projects might not have the capacity and budget to focus on all the pillars anyway. Therefore, the ILO methodology proposes a prioritization of pillars.

How many pillars can be selected for further analysis and action depends on the specific context and on the capacity and budget available to any project. As a general rule of thumb, this guide recommends selecting 2-3 pillars for further analysis.
The prioritization of pillars helps to ensure a deeper analysis of the key challenges identified, a better understanding of the underlying constraints behind these challenges, and a clearer recognition of the key actors that need to be involved in potential solutions. The selection of pillars is based on a healthy balance between the pillar’s challenges and strengths, and the ecosystem and project’s capacity to influence change in the pillar. This means that the pillars selected may not necessarily be those with the biggest or most glaring challenges. Instead, the pillar selection needs to consider also the feasibility of catalysing positive change in the pillar, meaning the capacity of the project and of actors within these pillars to address the identified challenges. This will certainly vary depending on multiple factors, including the project’s size, make-up of the project team, donor priorities, country context, and more.

The ILO methodology proposes three criteria for the selection of pillars:

1. The potential of the pillar. This refers to the positive characteristics and developments within the ecosystem. For example, a pillar would receive a high score for this if the initial mapping revealed an extensive number of actors, national policies, other projects or sources of funding that can potentially

In Bosnia and Herzegovina, the ILO conducted an assessment that focused on the entrepreneurship ecosystem for women and youth in Sarajevo. After developing an initial sketch of the ecosystem, the team decided to summarize information on the specific strengths and challenges of each pillar. This specifically focused on key actors that could drive change under each pillar as a key factor to determine strengths and challenges within each pillar.

Below is an example of their summary of actors, strengths and challenges of the ‘Markets’ pillar:

**Market pillar: strengths**

Some organizations of the ecosystem, in particular the Chamber of Commerce, function as facilitators between customers and women or young entrepreneurs, e.g., through fairs, exhibitions and similar. As an example, Foundation 787 provides specific support that facilitates access markets through networking for women and young people. Another example is the Foundation Mozaik that can hire a salesperson who sells for young entrepreneurs until they are able to do so.

Several service providers are offering digital marketing support programs for entrepreneurs, namely the Centre for Excellence in Entrepreneurship (training and mentoring program), CPE (training), academy387 (training), OAK (online training), IT Academy (training), and alike.

Some results have been achieved in using Bosnia and Herzegovina’s diaspora as an entry point to export products and services, primarily to the EU market. Several projects supported by international donors have been engaged in this field, namely I-Platform and Diaspora for Development (supported by Swiss Agency for Development and Cooperation), and Diaspora Invest (supported by USAID).

**Market pillar: challenges**

While the IT sector in Canton Sarajevo is export oriented, the absorption capacity of new technology in the Canton is low, due to poor quality education, low investment in human capital as well as in research and development.

Most of the ecosystem actors focus their support on the incubation period. Hence, there is not much support available in connecting entrepreneurs with markets, let alone for women and young people. Based on our interviews, women entrepreneurs access the market through personal networks including social media channels. Social media in this regard is used to access both the local and regional markets.

Furthermore, a recent study on the current state of entrepreneurship support for young women in Bosnia and Herzegovina found that help is needed regarding training in how to conduct market research for non-university educated women who are willing to start their own business.

Young entrepreneurs also largely connect and access the market through social networks or personal channels. They report that networking events that promote access to the market and to potential customers are greatly needed and beneficial. They appreciate trainings on market functioning and dynamics, market analysis and competition. Unfair competition is something young people perceive as problematic and as such it is preventing them from participating and looking more actively into the networking events. There is also a need for organizations and actors to work as intermediaries between the entrepreneurs and different market related resources, which is perceived by the target group as an essential form of help.
contribute to addressing the challenges faced by the target group within the pillar.

2. The **relevance** of the pillar’s challenges to the target group. Some pillars may present more prominent challenges for the target group than others. For example, a pillar would receive a high score for this if it presents many relevant challenges and constraints for the target group.

3. The **feasibility** of facilitating change in this pillar. The focus of this criteria is primarily on capacity of the project to address the challenges faced by the target group within the pillar given the project’s timeline, budget, and general operating environment. A high score here would mean a high likelihood that the challenges of the given pillar can be addressed with the time and financial resources available in the project.

Imagine you are conducting an assessment of Bursa’s ecosystem for refugee entrepreneurs like Sami. Interviews with several business incubation centres and other local actors suggest a key challenge for entrepreneurs in this sector is related to human capital, such as the retention and availability of adequately skilled labour. However, while this is a while this is a problem for Sami as well, it turns out this is not his main issue. He and other refugees regularly cite a lack of access to relevant information and support services adapted to his language and situation as limiting factors for their business. He and other Syrian refugees are new to Turkey and find it hard to know where and how relevant business development services can be found. And, when they do identify relevant support services, these are often not available in Arabic. Although challenges with workers retention and availability of skilled labour are more glaring and more broadly cited across the ecosystem, since your project is focused on the ecosystem for refugees like Sami, you should probably place your focus of analysis on the pillar with the challenges that are more **relevant** to refugees like Sami: support.
To make prioritization and selection clearer, it can be useful to assess and rate each pillar against the three criteria, by assigning a score between 0-10 based on the information uncovered during the research and mapping phase. Each pillar would then ultimately receive a final score between 1-10 based on the average of the three scores for potential, relevance and feasibility. The six pillars can then be ranked based on their ultimate final score.

The guiding questions below can be useful for pillar prioritization:

- Did the initial mapping of the sector reveal a relatively extensive number national policies, strategies, initiatives, etc., that would indicate that there is existing awareness of the pillar’s importance and challenges among national actors?
- Is there a wide range of local actors active in the pillar?
- Are these actors currently fulfilling their stated role in the ecosystem, or are they hindered by challenges like lack of personnel or funds?
- Are there other projects or sources of funding present that directly or indirectly address the key constraints within the pillar?
- What is the nature of the key constraints within the pillar? Could the project (taking into consideration its timeline, budget, and overall capacity) realistically address it?
- Can change within the pillar be led by local and existing ecosystem actors, or would it be overly reliant on direct intervention from the project?

2.3 Conduct an in-depth analysis of the selected pillars

After selecting two pillars (or more or less, depending on the scope of your project), another round of fieldwork is carried out, this time to conduct a thorough analysis of the challenges within each prioritised pillar. The primary aim is to gain a comprehensive understanding of the underlying constraints, not just the surface level “symptoms” of the identified challenges. With key actors that can drive change to be identified in the following step, this analysis ultimately leads to recommendations of interventions that are based on the identified actors’ capacities and incentives to address the underlying constraints.

The main objective is to detect the underlying causes of the identified constraints and identify key stakeholders and their capacity and willingness to adapt.

The fieldwork at this step includes collecting additional data through interviews, surveys, focus group discussions, etc., to gain a nuanced understanding of the constraints manifested in these priority areas. This should then be followed up by a deeper analysis to understand the root causes of each constraint, for instance, by asking why the ecosystem’s actors are not overcoming the constraints themselves. Conducting a thorough analysis is crucial to ensure that practitioners are targeting the underlying causes of the challenges identified in each pillar, rather than taking a “band-aid” approach that fails to lead to sustainable and long-term changes.

A suggested approach is to spend roughly 30% of the fieldwork on creating an initial sketch of the ecosystem and allocating 70% of the time to conducting a more in-depth analysis of the selected pillars.

To get to the underlying constraints of each challenge, the ILO approach utilizes the Iceberg systems thinking model. The model suggests that problems have both visible and hidden aspects, much like an iceberg, where only a small part is visible above the waterline, while much of its mass is hidden below. Similarly, many problems have visible symptoms, but the underlying constraints may be hidden from view.
Helena's online platform is connecting artisans from her country to markets abroad. Remember that, like other young people in her city, Helena is having problems accessing loans to expand her business. She also struggles to find agencies to certify her processes as fair-trade. The migration from MySQL to PostgreSQL also poses serious challenges for her, and she lacks regulatory information in markets outside of Namibia.

Your project aimed at supporting digital entrepreneurs like Helena has elaborated an initial sketch of the ecosystem for digital entrepreneurs and has conducted a rough analysis of the different pillars of the ecosystem. You are now hoping to select two pillars for further analysis and action. Your project therefore organizes a workshop with relevant actors to discuss each pillar and to rate and rank each pillar based on your three criteria: potential, relevance and feasibility.

During your discussion, it becomes clear that potential is relatively high across all pillars since there are many active actors and ongoing initiatives that could lead to positive change in these pillars. However, analyses of the challenges under each pillar reveals vast differences in terms of relevance of these challenges to digital entrepreneurs like Helena. The challenges most relevant to digital entrepreneurs in Windhoek seem to be related to the markets, support and finance pillars that were rated higher than other pillars on the relevance criteria.

Digital entrepreneurs like Helena seem to struggle more than other entrepreneurs to gain access to important information about consumer trends, preferences and standards on international markets they are trying to sell to. And while business development services (BDS) are generally well-developed in Windhoek, BDS and advice specifically for digital entrepreneurs is rather weak, and entrepreneurs like Helena struggle to find advice on digital tools best suited to run their platforms. Access to finance is an issue for many entrepreneurs, but particularly for digital entrepreneurs since banks in Namibia are conservative and believe that digital entrepreneurship is very risky.

You look at the final average scores for the different pillars and notice that these are rated highest for ‘Markets’ and ‘Support’ pillars. While finance was clearly noted as a very relevant pillar, it was rated low on the feasibility scale. Your project has a very limited timeframe and you feel that influencing the attitude and culture in banks is beyond the reach of your project at this point in time. You do however have significant experience and approaches to help entrepreneurs like Helena gain access to relevant information on markets, and to strengthen relevant BDS and provision of advice. Your project therefore ultimately decides to focus on the ‘Markets’ and ‘Support’ pillars for further analysis and action.

<table>
<thead>
<tr>
<th>Pillar</th>
<th>Potential</th>
<th>Relevance</th>
<th>Feasibility</th>
<th>Average score of the pillar</th>
</tr>
</thead>
<tbody>
<tr>
<td>Policy</td>
<td>8</td>
<td>2</td>
<td>3</td>
<td>4.3</td>
</tr>
<tr>
<td>Human Capital</td>
<td>7</td>
<td>4</td>
<td>7</td>
<td>6.0</td>
</tr>
<tr>
<td>Finance</td>
<td>6</td>
<td>6</td>
<td>4</td>
<td>5.3</td>
</tr>
<tr>
<td>Markets</td>
<td>7</td>
<td>7</td>
<td>8</td>
<td>7.3</td>
</tr>
<tr>
<td>Support</td>
<td>6</td>
<td>6</td>
<td>9</td>
<td>7.0</td>
</tr>
<tr>
<td>Culture</td>
<td>8</td>
<td>3</td>
<td>8</td>
<td>6.3</td>
</tr>
</tbody>
</table>
Don’t shoot in the dark:

Designing solutions to a problem without understanding the root causes is like shooting arrows in the dark, hoping to hit the target. Without a clear understanding of the underlying constraints, a practitioner might propose interventions that only address the surface level symptoms of a problem. Just as blindly shooting arrows in the dark can cause harm or miss the target completely, addressing only the symptoms of a problem can be a waste of resources and time, and even worse, perpetuate the problem. To ensure effective and sustainable solutions, it is essential to take the time to understand the root causes and underlying constraints of a problem, and then design interventions to address them. This approach increases the likelihood of hitting the target and making a real impact.

To uncover these hidden aspects, it is important to ask “why” many times, digging deeper with each answer until the underlying constraint is revealed. By using this approach, practitioners can develop a better understanding of the complexity of the problem and design more effective and sustainable solutions. This approach is crucial when dealing with complex issues, where the root cause might be hidden deep within the system, and without asking “why” many times, we may only address the symptoms of the problem, leaving the underlying issues unresolved.

Inclusive Entrepreneurship Ecosystems IN PRACTICE! - BOSNIA AND HERZEGOVINA

Remember the ILO project focused on promoting entrepreneurship for women and youth Sarajevo? After sketching the ecosystems and conducting a rough analysis of challenges under the different pillars, the project proceeded to rate and rake the pillars, and selected the ‘Culture’ pillar as the pillar with highest potential, feasibility and relevance for women and youth in Sarajevo.

The project team then proceeded to conduct a deeper analysis of the culture pillar. A particular challenge for women entrepreneurs, they found, was related to ‘poor institutional support culture to develop opportunity-driven entrepreneurship among women’. The project could have decided to leave it there and provide a quick fix to the problem, for instance by providing seed capital and direct support to women entrepreneurs. That, however, would not have fixed the underlying issue.

Recognizing the importance of addressing the underlying issues for effective interventions, the project delved deeper and found that organizations dedicated to advancing women’s entrepreneurship often originated from a background of advocacy and support for women, rather than from a foundation rooted in entrepreneurship or job creation. This background left them somewhat disconnected from the broader dynamics involving other ecosystem participants.

The lack of dialogue, exchange and information sharing between the organizations in the ecosystem and between organizations and women entrepreneurs contributed both to the absence of services tailored to women’s needs and the poor knowledge of women on existing support services for them. Based on this analysis, the team therefore identified the underlying constraint of this challenge to be the “isolation of organizations promoting female entrepreneurship from other business support service providers in the ecosystem”.

2.4 Identify key ecosystem actors to work with

Understanding the underlying constraints of challenges in an entrepreneurship ecosystem and developing a vision for is a critical step in developing sustainable solutions. However, how the identified root cause is ultimately addressed is of equal importance. Sustainable solutions must be rooted in the capacity and willingness of market actors to bring about the needed change. This includes the willingness of key players in the ecosystem, such as policymakers, financial institutions, and business development service providers to support the proposed solutions. Additionally, sustainable solutions must be based on a clear understanding of the market dynamics, and the incentives and motivations of various actors within the ecosystem. Without this understanding, solutions may fail to gain traction or have unintended consequences that ultimately undermine their effectiveness.

In order to select appropriate partners for interventions in the entrepreneurship ecosystem, it is crucial to evaluate different actors active in the selected pillars using a Will-Skill Framework. By assessing an organization’s capacities (skill) and
incentives (will), practitioners can determine suitable strategies to support these organizations based on their classification. The framework classifies organizations into four categories: high will, low skill; low will, high skill; low will, low skill; and high will, high skill.

High will, high skill organizations are considered ideal partners. However, practitioners should investigate why they are not delivering certain services despite possessing both incentives and capacity. If external factors like the regulatory environment are impeding them, practitioners should respond accordingly and address those factors.

Low will, low skill organizations should be avoided, while organizations with low will but high skill require incentives to deliver certain services, such as sharing risks. High will, low skill organizations require support to develop their capacity further, even though they already have a strong incentive to deliver services.

Remember:

- Don’t shoot in the dark. Take the time to unveil the underlying constraints of each challenge. Asking "why?” along your research is the way to go
- Will-Skill: Sustainable interventions are rooted in the dynamics of the actors in the ecosystem

**Figure 5. The Will-Skill Framework**

Source: ILO (2021): Value chain development for decent work
Let’s go back to the case of Sami, the Syrian refugee who started his own textile business in Bursa, Turkey. Remember Sami’s particular issue with accessing information and support services that are adapted to his situation and language?

Your project has therefore selected the ‘Support’ pillar for further analysis and action and has conducted an analysis of the root causes of the lack of support and advice for refugees like Sami in Turkey. Through this, you have established that BDS providers, consultants and incubators that offer advice and guidance to entrepreneurs primarily serve Turkish entrepreneurs.

The underlying root cause, it seems, is that these providers believe refugees are primarily dependent on humanitarian aid and are unlikely to venture into entrepreneurial activities – they simply do not see refugees like Sami as potential clients.

Your project is thus determined to change this. You therefore dig deeper into the ‘will’ and the ‘skill’ (or the ‘capacity’ and the ‘incentive’) of various BDS and entrepreneurship training providers in Bursa. Amongst them is a business incubation centre, an association of business mentors, and a consulting firm offering various business development services.

The consulting firm is well established and offers a variety of useful services, advice and trainings to entrepreneurs. They even have a staff member who speaks Arabic but are reluctant to offer their services to refugees. They tell you that they do not believe that refugees would be willing to pay for their services and are therefore reluctant to market their services to refugees like Sami. You categorize the consulting firm as ‘High Skill, Low Will’.

The business incubation centre on the other hand tells you that they are already thought about offering their services to refugees. They are convinced that many refugees are eager to start a business and even willing to pay a small fee to get to the information and advice they need. Yet, they do not have staff who speak Arabic. On the few occasions were refugees attended coaching sessions, the centre struggled to understand their realities and misunderstandings and cultural differences made it difficult to work effectively. You therefore assess the centre as ‘High Will and Low Skill’.

You realize that you could possibly try and partner with either organization, but that strategies to work with them would ultimately be different. The consulting firm would require little help to adapt their services, but the project would need to work on reinforcing their incentives, i.e. a strategy to convince them that marketing their services to refugees would be in their interest and make good business sense. You could for instance offer to conduct a study to determine how many refugees would be willing to pay for their services, or you could offer help to develop initial marketing material to help them reduce the initial costs of marketing their services to refugees.

The incubation centre on the other hand would require some work to build their capacity to cater to refugees. The center is already convinced and eager to offer services to refugees, but would need help to develop adapted training programmes. You could offer to co-finance costs for hiring Arabic-speaking personnel or organize a training course on intercultural communication and sensitivities for staff of the center.
3. Design and implement a strategy to catalyse change in the ecosystem

Once you are clear on the root causes of the key challenges for your target group and you understand the capacity and incentives of relevant local organizations, it is time to think through and implement your project strategy. This means providing temporary support to ecosystem actors that leads to lasting improved inclusive outcomes. The proposed interventions seek to stimulate ecosystem actors to adopt new and/or improved roles that are aligned with their mission and overall strategic objectives. Given that the project is temporary, long-term solutions must not rely on the project being there to solve the problem in the future. In practice, this means that every solution must be rooted in existing actors.

Applying an ecosystems approach means shifting from an approach that is based primarily on the use of pre-prepared tools like trainings and financial assistance to an approach that carefully determines constraints for any given context and target group and designs tailor-made strategies grounded in a thorough understanding of incentives and capacities of local actors.

Similarly, rather than delivering goods and services directly, ecosystems projects focus on empowering relevant actors of the ecosystem to take ownership of the proposed solutions. In other words, this approach avoids the direct delivery of interventions and, instead, focuses on equipping the market actors to take up new or improved roles. The role of the project is to identify these key actors and liaise with them to come up with solutions to address their capacity or willingness to act. This may involve sharing risk to incentivize actors to take on new roles or to improve their existing ones. Unlike with traditional approaches, this does not involve the project directly implementing solutions, but rather relies on market actors to uptake new or improved roles.

Project strategies and interventions that are grounded in a solid understanding of the ecosystem and have a vision for how it could work better for different groups of entrepreneurs therefore have a greater chance of creating positive systemic change that is sustainable after the end of the project. Ultimately, when projects succeed in catalysing positive change in one pillar, it can have profound positive effects on other pillars in a way that it strengthens the overall ecosystem.

Remember:

- You want to be an ecosystem facilitator; providing temporary support to ecosystem actors in a way that leads to lasting improved outcomes to promote the inclusion of the target group in the ecosystem.

- Focus on empowering local ecosystem actors to take ownership of the proposed interventions

- Interventions are most often associated with multiple pillars.
The ILO project that worked to improve the ecosystem for women entrepreneurs in Sarajevo, had uncovered ‘isolation of organizations promoting female entrepreneurship from other business support service providers in the ecosystem’ as the underlying root cause for a lack of support for women entrepreneurs.

The project team then looked closer at the ‘will’ and the ‘skill’ of various support organizations to determine what exactly would be needed to facilitate change in the ecosystem, working towards a vision whereby different relevant organizations would be well connected and able to provide adapted high-quality support to women entrepreneurs. The ultimate vision of the project was an ecosystem where support organizations across the system have a better knowledge and understanding of women’s specific challenges and are thus better able to integrate gender-sensitive approaches in their service offer for entrepreneurs.

It was found that certain organizations were highly motivated to lobby and advocate for better mainstreaming of women’s specific issues across all support organization but were lacking the skills to do so effectively. On the other hand, there existed organizations that offered support services to entrepreneurs and were eager to better serve women, but unsure how to do so. The project then determined and implemented the following interventions from that:

a. **Promotion of women entrepreneur clubs:** the project worked with selected organizations to help strengthen their capacities of representation and social dialogue. This included helping these clubs in the development of key agenda items to be discussed with the municipality and development of new spaces for the clubs to establish dialogues with key ecosystem actors.

b. **Development of the capacity of actors to use the ILO’s Women’s Entrepreneurship Self-Check (WE-Check):** the project worked with key business development service providers and assisted them in conducting an institutional self-assessment of the extent to which they target and serve women entrepreneurs. The project then worked with these organizations to pilot their improved offer to women entrepreneurs. To institutionalize the tool, the project also worked with selected actors in the ecosystem, to build their capacity to offer the WE Check tool as a service to the organisations in the ecosystem.

The project theorized that these specific interventions in the ‘Culture’ pillar of the ecosystem would also generate positive externalities to other pillars and develop a diagram to visualize the expected changes. In the below diagram, the purple arrows indicate interventions that worked with actors from other pillars of the ecosystem to help addressing challenges of the Culture pillar. The red arrow illustrates the way that the interventions proposed in the Culture pillar are associated to other pillars of the ecosystem, both by affecting them and being affected by them.
This guide offers a framework for practitioners to develop inclusive entrepreneurship ecosystems. With a focus on generating decent work opportunities for all, the approach underlines the importance of improving entrepreneurship ecosystems for people belonging to excluded or disadvantaged groups to have better opportunities to develop their micro or small businesses.

The first recommendation of this guide is to select a target group and define the geographic boundaries of the analysis. Then, the analysis starts by mapping the entrepreneurship ecosystem and, characterizing its individual pillars based on research about each pillars’ challenges, strengths and actors, with a focus on the target group. By looking at the challenges of each pillar and assessing their relevance to the target group and the feasibility to address them by working with actors in the ecosystem, the project can then select priority pillars to focus on.

As the methodology strives for sustainable and locally driven solutions, it is key to identify the underlying causes of the challenges identified in each priority pillar. Upon understanding these as well as the key actors throughout the ecosystem, recommendations of interventions can then be devised taking an ecosystem facilitation approach as opposed to the more short-term oriented direct delivery of support. Doing so allows the existing ecosystem actors to take the lead of the changes, fulfilling new or improved roles.

As compared to the direct delivery of support, an ecosystem facilitation approach has a greater likelihood that these changes will persist even after the project reaches its end. Such an approach, which also pays due attention to the smaller economic units that are often overlooked for the more glamorous tech start-ups and larger companies, thus aims to lead to high impact interventions for specific groups of people who need them the most.