

## The Young Entrepreneur Council

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**Sarina Cerulli** works in the nursing home/assisted living industry where she performs centralized accounts payable. She earned a Bachelor of Science in Business Administration from Suffolk University in 2019 with double minors in accounting and marketing. Cerulli learned the true value of communities of practice (CoPs) as a two-year captain of a collegiate dance company – a role that connected her with others who had shared interests. She continues to derive benefits of CoPs both professionally and personally, and intends to pursue a career in human resources management where she can guide others to successfully implement CoPs into their own lives.

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While a student at the Tisch School of the Arts at New York University, Scott Gerber decided he wanted to open a business.<sup>1</sup> But first, he wanted advice. At a bookstore he examined hundreds of books about startups and new businesses. He dismissed books that assumed entrepreneurs' bootstrap financing primarily comes from family or friends – that wasn't his situation. In fact, his mother vociferously encouraged him to get a "real job." Gerber concluded that most books about entrepreneurship were written with others in mind; whereas he wanted insights from Millennials whom he considered to be his contemporaries and more like himself.<sup>2</sup>

Despite his mother's continued protestations and with no formal training, at 21 years old Gerber launched an entertainment production business.<sup>3</sup> He networked and convinced various producers to hire him to produce music videos and commercials.<sup>4</sup> Though Gerber grew the business to the point that he could live off of the income, it went bankrupt not long after he graduated from NYU.<sup>5</sup> He later acknowledged that the company had a laundry list of problems ranging from client issues, poor marketing decisions, and an unpronounceable company name.<sup>6</sup>

Despite that failure, Gerber continued to argue against his mother's suggestion to seek a paying job at an established firm, and he instead decided to address the unmet need of peer-to-peer business advice.<sup>7</sup> In 2010, Gerber founded a nonprofit called The Young Entrepreneur Council (YEC).<sup>8</sup> The organization's purpose was to provide entrepreneurs under the age of 40 with advice about starting businesses.<sup>9</sup> He "wanted to create something that took all these amazing, dynamic, creative businessfolks [...] and help our generation from within. Learn how they too can learn from our failures, learn how to overcome ones they're inevitably going to experience, come back from worst case scenarios and rock bottom."<sup>10</sup> Gerber convinced young entrepreneurs to join and mentor other entrepreneurial-minded Millennials.<sup>11</sup> Entrepreneurs were only allowed to join after having received a personal invitation.<sup>12</sup> Members later used a wish-list and a limited number of votes each year to make referrals for new recruits.<sup>13</sup>

By 2012, 10,000 inquiries had been made, but only 400 new members were accepted. The YEC charged modest dues, which provided funds for staff to actively manage the organization. Most members indicated that within a month of joining they received advice deemed more valuable than the dues. Known for other online communities he built, Ryan Paugh became YEC's co-founder and Chief of Staff. Paugh managed the YEC community and created an environment where staff actively connected members to one another. Gerber and Paugh got to know each entrepreneur, which allowed the two of them to make personal and targeted introductions between YEC members to connect them to potential clients, mentors, resources, and future business partners.<sup>14</sup>

The restricted membership made it easy for Gerber and Paugh to keep the focus on YEC's purpose. The YEC made entrepreneurship "a less lonely place" for Millennials and "a less dangerous leap" because the exclusive community was "...about helping, it's about learning from others. What we offer is a peer-to-peer group for younger entrepreneurs."<sup>15</sup>

"I can't tell you how many times YEC members have mentored me through issues I thought couldn't be solved at all, or how many times the community team has connected me to resources I couldn't access alone." - Ilya Pozin<sup>16</sup>

By 2019 the YEC had scaled up to 14,000 members and claimed that the organization disrupted the typical "business mentorship and the professional business organization model."<sup>17</sup> The original goal was to create an "informal brain trust of like-minded peers who wanted to help each other's businesses grow."<sup>18</sup> To that end, Gerber fostered a group culture where the norm was to help others before helping oneself.<sup>19</sup> A variety of opportunities allowed for interaction with other members, ranging from an annual retreat to small local events. Members received advice from mentors, by directly contacting one another, e.g., phone calls and messaging since members' contact information was openly shared within the group, and it was shared within the full YEC community via restricted social media groups.

The YEC also adopted the social issue of youth unemployment and involved its members in service activities that provided resources, guidance, and encouragement to youth to start their own businesses and link youth "who aspire to become entrepreneurs with well-established startup owners for mentoring opportunities."<sup>20</sup>

Gerber was so skilled at making effective and timely introductions for YEC members that the media labeled him a "superconnector," a role increasingly necessary in an age where too many connections mask the ones that can be most helpful for specific needs.<sup>21</sup> Superconnectors facilitate "smart connections" for a large group of people to whom they were directly connected and who trusted the superconnector's recommendations and the altruistic reasons behind them.<sup>22</sup> Over the years, Gerber participated in panels with other networking experts, championed the need to foster entrepreneurship in youth, and wrote business columns for major publications such as Inc. magazine, The Atlantic, and Time.<sup>23</sup>

The YEC's successful model spawned a partnership with Forbes to build Forbes Councils in major cities. These mimicked the "multi-channel access to member concierges who are dedicated to providing high-touch support, connecting members to resources and opportunities, and optimizing members' usage" of benefits, including events to build relationships and an online forum to learn from peers.<sup>24</sup> The Councils' coordinated and advertised on their website various social, holiday, and meet-up events, business lunches, and both virtual and in-person skill development workshops.

In 2012, Citi partnered with YEC to launch #StartupLab, which offered curated online and email content to guide the startup process. Experienced entrepreneurs were recruited to act as mentors "both virtual and in-person."<sup>25</sup> The intent was to offer "interactive video chats, email

lessons and a library of how-to articles, videos and eBooks.”<sup>26</sup> In 2013, it was renamed “Startup Collective,” but by 2019 the website was entitled “Business Collective” and had no interactive content.<sup>27</sup> The site offered articles, videos, infographics, resource pages with numerous links, information about YEC and how to apply, and a hotlink to a FaceBook page. The latter explained that the Business Collective “publishes business advice from ambitious thought leaders, entrepreneurs, executives and small business owners.”

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- <sup>14</sup> Fitzpatrick, op. cit.; Pozin, op. cit.
- <sup>15</sup> Fitzpatrick, op. cit.
- <sup>16</sup> Pozin, op. cit.
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