



YOUTH UNEMPLOYMENT AND ENTREPRENEURSHIP IN SOUTHERN NIGERIA

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Abstract: This study was designed to analyze the relationship between youth unemployment and entrepreneurship in Nigeria. The study is a quantitative research approach, where structural Questionnaire were administered to 156 sampled respondents to collect primary data. The data collected were analyzed with aid of chi-square and simple percentage. The findings suggested a positive relationship between entrepreneurial skills and youth employment. It further observed the need for training on small business start-up to further mitigate the challenges unemployment among Nigerian youth. The findings recommend that government should formulate laws and policies that will encourage the development of entrepreneurship. Government should equally help entrepreneurs through business incubators and skill acquisition Centre to influence entrepreneurial activities among youth in the country.

Keywords: Unemployment, Youth, Entrepreneurial.

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INTRODUCTION

Like any other emerging economies, Nigeria is confronted with countless challenges specifically poverty and unemployment. This has brought a significant problem to the economic development and survival of the country, thereby demanding greater attention towards education and training specifically on entrepreneurship and skill development to effectively equip the youth for national development.

Though, previous government in the country had come up with different policies to influence formal education which permitted individuals to have the opportunity to be employed after successful graduation. This has in the past adversely ruined entrepreneurial skills development in the country (Nicks, 2008; Raimi, 2010). This has further led to growing

number of unemployment youth in the country. It is on this basis that this study aimed at development of entrepreneurship to influence economy and mitigate level of unemployment among youth in the country. Nigeria has several business and investment opportunities with abundant, natural resources and human resources.

In fact, amazing successes has been recorded in different areas of development. Thus, innovation and entrepreneurship activities have developed in areas such as Agriculture, restaurants, fast food vending. furthermore, solid minerals, quarrying, perm stone Cutting and Gushing engineering. Similarly, in transport and power there is significant development. Furthermore, there is great development area of information and telecom business, particularly, GSM repairs and accessories. On the other hand, hospitality and tourism business, there are hotels, accommodation, resorts centers, cinemas, film and home video production; in oil and gas business, there are construction.

The fact that entrepreneurship development has been observed as the backbone for employment generation and technological advancement in Nigeria, the sector has not received adequate attention with little or insignificant effects on the national economy. It is against this contextual, that entrepreneurship when and if effectively developed in Nigeria will reducing unemployment and thus generating mass youth employment particularly among graduates and position the economy on a right direction. It is in this study seeks to examine the relationship between entrepreneurship and youth unemployment in Nigeria.

Statement of the Problem

The existence of different economic challenges of greater consequences facing third world nations. These economic challenges have negative impact for sustainable economic development and employment generation that Nigeria is currently facing (Williams and Michael, 2012). Although, unemployment is a global phenomenon, Nigeria case is more complex and complicated as the rate of unemployment is growing day by day. The rate of unemployment and rural-urban migration have increased significantly. This has compounded by frightening number of graduates from higher institutions of learning that leave graduated every year. This has increased the rate of social vices in the country by unemployed youths.

Nigerian labour market could barely absorb 15% of the over 5.6 million peoples graduated from the Nigerian higher institutions of learning annually. The problem of this study is how to mitigated challenges of high rate of unemployment and poor productivity in the country. The current condition appears to give an impression of economic insecurity as a result of poor or lack of adequate engagement of right persons in the process of production. Hence, this study was aimed at filling the existing gap by observing the entrepreneurial development and its influence on employment generation the country, towards national economic security.

Objective of the Study

The objectives of this study are:

1. To observe how entrepreneurial education can eradicate unemployment among youths in the country.

2. To examine how different entrepreneurial development programmes in the country can mitigate the problems of unemployment among youths in the country.
3. To determine the extent in which basic training can motivate the youths to start-up small business in the country.

Research Hypothesis

Based on the stated objectives of the study above, the following hypotheses were advanced:

H₁ To what extent does entrepreneurial education can eradicate unemployment among youths in the country.

H₂ To what extent does different entrepreneurial development programmes in the country can mitigate the problems of unemployment among youths in the country.

H₃ To what extent does basic training can motivate the youths to start-up small business in the country.

REVIEW OF RELATED LITERATURE

Concept and Definition of Entrepreneurship

The term entrepreneur is originated from the French term “entrepreneur” suggestion “to commence”. Therefore, when it was used in related to particular occupations, the concept of the entrepreneur has been developed and expanded to embrace thought that are allied to the individual not occupation. Hence, an entrepreneur is a person who brings human and material resource to create utility at a profit. By marketing a products or services in the market, in return he pays rent, interest and wages at a profit. The entrepreneur has been described as a “risk bearer” a person who assumes uncertainty, strikes out on his own through native wit, devotion to duty and singleness of purpose somehow creates an industry where none existed before.

Mbaegbu (2008) submitted that there is, therefore no “one-best” definition for the entrepreneur. He however stated, “Anyone who creates a business, establishes it, and nurses it to growth and profitability or takes over an existing business because the founder is dead or has sold it, on a man who inherited it and continues to build and innovate on it, or a man who runs a franchise qualifies as an entrepreneur in our usage.

The Concept of Unemployment

Every economy is characterized by both active and inactive populations. The economically active ones are referred to as the population willing and able to work, and include those actively engaged in the production of goods and services and those who are unemployed. According to Fajana (2000), unemployment refers to as a situation where people who are willing and capable of working are unable to find suitable paid unemployment. It is one of the macro-economic problems which every responsible government is expected to monitor

and regulate. The higher the unemployment rate in an economy the higher the poverty level and associated welfare challenges. Fajana (2000), Alao (2005) and Wikipedia (2010) identify the following types of unemployment.

Conceptualizing Entrepreneurship

Entrepreneurship has been defined by various professions to mean many things since the middle age. The entrepreneur has been seen as an actor, innovator or a developer of technology. Ossai (2008) defined entrepreneurship as the process of creating some new or different values by developing the necessary time, assuming the accompanying financial, psychic and social risks, and receiving the resulting rewards of most personal satisfaction. Entrepreneurship is the process of bringing together creative and innovative ideas and coping them with management and organization skill in order to combine people, money and resources to meet an identified need and thereby, creating wealth. Although, each of these definitions or description views entrepreneur from a slightly different perspective, they all contain similar notions such as risk taking, organizing, creating wealth, initiative and newness.

Causes of Youth Unemployment in Nigeria

In the study unemployment in Nigeria, Adebayo (1999), Alanana (2003), Echebiri (2005), Ayinde (2008), Morphy (2008) and Awogbni and Iwuamadi (2010) have identified the main causes of growth employment in Nigeria. The first is the rapidly growing urban labour force arising from rural urban migration. Rural – Urban migration is usually explained in terms of push–pull factors. The push factors include the pressure resulting from man-land ratio in the rural areas and the existence of serious under employment arising from the seasonal cycle of climate. The factors are further exacerbated in Nigeria by the lack of infrastructural facilities, which makes the rural –life unattractive. In addition to this, youth move to the urban area with the probability of securing lucrative employment in the industries.

The second is the rapid population growth in Nigeria. Going by the 2006 census in Nigeria, the nation's population was put at 140,431, 790 and projections for the future indicates that the population could be over 180million by the year 2020. The accelerated growth of population, Nigeria's unemployment problem is multi-faceted. It affects the supply side through a high rapid increase in the labour force relative in the absorptive capacity of the economy

The third is the outdated school curricula and lack of employed skill and the fourth is the rapid expansion of the educational system which directly leads to increase in the supply of educated manpower above the corresponding demand for them. This contributes to the problem of the youth unemployment in Nigeria.

In a nutshell, Nigeria is a country with numerous business and investment potentials due to the abundant, vibrant and dynamic human and natural resources it possesses. Corruption, which has permeated the entire social structure of Nigeria, has robbed the country of developing a vibrant economic base. Funds meant for development projects have been misappropriated, diverted or embezzled. Thus crippling the economy and engendering and

exacerbating unemployment which creates abject poverty, hunger and frustration, killing the zeal and means for entrepreneurship development on the Nigeria youths.

The Role of Entrepreneurship Education on Job Creation among Youths

Education is the key to national development. This is because it unlocks the economic potentials of the people; empowers and equip individuals in the society to participate in, and benefit from there national economy; facilitates economic development and provides the basis for transportation. Education is the essential tool for sustainability. Quality education plays a vital role in the social, political and economic development of any nation. This is possible when jobs are created for the citizenry by establishing a lot of businesses that will accommodate the unemployed youth in Nigeria. A qualified graduate of entrepreneurship education would have acquired enough skills relevant to management of small business centre. Through entrepreneurship education, a pool of potential entrepreneurs who are well equipped with skills and technical know how to manage small/medium scale industries are produced. This will equally help in job creation. Through quality entrepreneurship education, Nigeria will provide a lot of entrepreneurs who could establish and manage business on their own. This will help in reducing poverty in Nigeria.

Theoretical Framework

Several theories are bound to serve as platform for the explanation of the nature, processes, manifestations and variables of entrepreneurship. Schumpeter's theory developed in the 1934 dwells on the "concentric circles" of economic boom and depression which generates the "social climate" that determines societal attitudes, encouragement and rewards to business endeavors. The creative imitation theory espoused by the likes of drucker, on the other hand, stressed the issue of change which in turn informs the search, response and exploitation of opportunities by people in a particular society at a given time. Proponents of the economic survival theory are adopted by this study as the framework for presentation and better understanding of this research work. The proponents of this theory's argument focuses on what Gilder (1981) referred to as the "movement from poverty to wealth. The theory assumes that entrepreneurship is prevalent among people who are oppressed by marginalization, suppressed by discrimination, victimized by circumstances and affected by political upheavals. According to Mbaegbu (2008), various theories have been advanced to explain the nature of entrepreneurship and the factors of variables that drive entrepreneurship in a given society.

METHODOLOGY

This section discusses the research design of the study, instrument of collection, validation of research instrument, reliability of the research instrument and method of data analysis.

Research Design

The study used a descriptive survey design. The study adopted both the primary and secondary sources which have to do with first-hand information. Questionnaire items were carefully drawn and sent to collect factual information from the respondents concerning the

topic at hand then to achieve the personal observation, personal interview as well designed questionnaire which was administered on the respondent. The questionnaire was designed in an open ended and close ended question that was distributed to members of ABC Transport Company limited and some selected ABC transport company workers in Awka. This approach was adopted to ensure that respondents fill the questionnaires without making it officials; this will enable reliable information and favorable returns. The questions were designed to reflect the problems and objectives of the study.

Population of the Study

The population of the study was conducted in ABC Transport Company limited, Anambra state. The population of the study was made up of forty-five (290) workers all staff of ABC transport company limited. Management staff (134) and junior staff (156).

Determination of Sample Size

It was impracticable to study the whole population therefore the study settled for a sample size using Taro Yamani formula stated below

$$S=N$$

$$I = N (e)^2 \text{ (Taro Yamane's formula)}$$

Where N = population if the accounted staff as estimated

E =level of error as estimated = 100

S = sample size to be determined

Note: That the staff are grouped into senior and junior staff here: Senior staff = 34

$$1 + (34) (0.1)^2 = 25.37$$

$$\text{Junior staff} = 54$$

$$1 + (54) (0.1)^2 = 35.07$$

Population of senior staff was estimated to 34 and sample size at 25 and 42% of accounting staff while junior staff was estimated to 54 and sample size of 35% and 58% of the strength.

Validation of Instrument

The validity of questionnaire was carried through content validation. This was done through the help of experts. These experts were requested to critically, analytically and logically examine the questionnaire instrument for relevance of content and clarity of statement; comment from these is experts are reflected in the modification of the instrument

Reliability of the Instrument

Reliability was established by administering questionnaire to greater number of the staff of ABC Transport Company limited comprising of both junior staff. Some weeks later, the same questionnaire was re-administered; to the same people, using the relevant score of the first and second score of the administration of the instrument as test retest.

Method of Data Analysis

The findings from the study are represented in percentages. To test for the relationship between the finding and formulated hypothesis the Chi square (χ^2) method of data analysis was used the formula states as follows:

$$\chi^2 = \sum \frac{(O-E)^2}{E}$$

When χ^2 = Chi-square

F_o – observed frequency

F_e – expected frequency

This is calculated as; $EF = \frac{TR \times TC}{GT}$

GT

Where EF = Expected frequency TR = Total Row

TC = Total Column

GT = Grand Total

DATA PRESENTATION AND ANALYSIS

This section presents and analyses the data accepted from the research. A total number of one hundred and seventy one (171) questionnaires were distributed and 160 copies were returned and completed. This analysis based on the answers from the questionnaire collected back whose percentages is 93% returned and 7% not returned.

Socio-Demographic characteristics of the respondents

Table 4.1: Educational Qualification of the respondents

Academic questionnaire	Frequency	Percentages
Diploma	91	56.88
BSC, HND	58	36.25
MSC/MBA	11	06.88
Ph	0	0
Total	160	100

Source: Field Survey 2017

From the table, 4.1 it shows that 91 respondents or 56.8% were diploma holders, 56 respondents or 36.25% were BSC/HND holders and 11 respondents or 6.8% of respondents were Msc/MBA holders.

Table 4.2: sex distribution of respondents

Questionnaires sent	Frequency	Percentages
Male	110	68.75
Female	50	31.25
Total	160	100

Source: Field Survey, 2017

The table 4.2 shows the sex distribution /configuration of the respondents, 110 respondents or (68.75%) were male while 50 respondents or (31.25%) were female.

Table 4.3: Working experience of the respondents

Questionnaires sent	Frequency	Percentages
0-3years	70	43.75
3-6years	43	26.88
7-10 years	37	23.12
10 and above	10	6.25

Source: Field Survey, 2017

From the table above showed that responses of those that have worked from 0-3 years were 70 or 43.7%, 43 or 26.8% have worked with the organization for 3-6 year, 37 or 23.12 respondents have worked for 7-10 years while above 10 years recorded 6.25 percentage responses. In this case, it shows that the number of people who have worked for 0-3- years was higher than other years.

Analysis of Research Questions

Question 1 – are there possibility of curbing the youth unemployment problem in Anambra state through entrepreneurial development?

Table 4.5: Response from respondents

Question sent	Frequency	Percentages
Yes	133	83.12
No	27	16.88
Total	160	100

Source: Field Survey 2017

From the table above, 133 or 83.12% agreed that there are possibilities of curbing the youth unemployment problem in Anambra state through entrepreneurial development and 27 or 16.88 of the respondents said that there is no possibility. Therefore, the youth employment problem can be curbed.

Question 2 can youths be given basic training on how best to mobilize savings for growth and development of business enterprises in local communities with the state?

Table 4.6: Response from respondents

Questionnaire sent	Frequency	Percentage
Yes	121	75.62
No	39	24.38
Total	160	100

Source: Field Survey 2017

From the table above, 121 or 75.62% said that youths in Anambra state be give basis

training on how best to mobilize savings for growth and development of business enterprises while 39 or 24. 38% of the respondent said vice-versa. With this, it means that youths in Anambra state can give basis training on how best to mobilize savings
 Question 3- to what extent can different entrepreneurial development programmers been able to lessen the unemployment problem in Anambra state?

Table 4.7: Response from respondents

Questionnaires sent	Frequency	Percentages
Some	110	73.33
No	50	31.25
Total	160	100

Source: Field Survey, 2017

The table show that 70 or 43.75% said that different entrepreneurial programmers been able to lessen unemployment problem in Anambra state to some extent while 50 or 31. 25 of the respondents said to every extent and 40 or 25% of the respondents said to no extent.

Test of Hypothesis

H01: there is no possibility of curbing the youth unemployment problem in Anambra state through entrepreneurial development

Table 4.8

Questionnaires sent	Frequency	Percentages
Yes	133	83.12
No	27	16.88
Total	160	100

The chi – square calculation

Questionnaire sent	F _o	F _e	F _o -f _e	(f _o -f _e) ²	$\frac{(f_o - f_e)^2}{F_e}$
Yes	133	80	53	2809	35.11
Total	160	160	0	5618	70.22

Calculated chi_ square $x^2 = 70.22$ For critical valve
 Degree of freedom =
 1 Level of significant =
 0.05 Critical value =
 3.841

Decision rule

In the hypothesis ii, critical value is 3. 841 while computed value 70. 22, since the computed x^2 is greater than researcher therefore concludes the there are possibilities of curbing the youth unemployment problem in Anambra state through entrepreneurial development.

Summary of Result

The responses to questionnaire administered to the employees of ABC Transport Company reveals that the impact of entrepreneurial skill aids in reduction of youth unemployment in Anambra state. The research also ascertains that there are roles entrepreneurial skills or business play in employment of youths in Anambra State through entrepreneurial development. Furthermore, it also shows that youths can be given basic training on how best to mobilize savings for growth and development of business enterprise in local communities within the state and it also goes ahead to reveal that different entrepreneurial development programmes can be able to lessen the unemployment problem in Anambra State.

SUMMARY, CONCLUSION AND RECOMMENDATION

Unemployment problem like corruption in Nigeria is a hydra-head phenomenon and cannot effectively tackle through a mono-technology. Our study looked at the way the unemployment problems in Nigeria can be solved through entrepreneurial problem in Anambra state can be curbed through effective entrepreneurial development. This is in spite of government efforts aimed at reducing effort alone is not sufficient when compared with the magnitude of the unemployed in Nigeria. Our finding is in line with an assertion by Obanla. In Nigeria, unemployment rate has been found to be highly based on lack of entrepreneurial development. This justifies the need to increase entrepreneurial activities to reduce high rate of unemployment (and its negative effects). The youth through Training are said to learn to develop inner qualities for self and organizational improvement, they also learn the need to develop common sense creativity and wisdom. However, things may not be in order as planned, hence the need for psychological, sociological, economical and technological training to prepare the young entrepreneurs for the rainy day. Therefore, through a well planned and executed entrepreneurship development in Nigeria, unemployment rate (which is the case of the present kidnapping Boko Haram and other problems in our society) will reduced and become be a thing of the past.

CONCLUSION

There is evidence that young people are enthusiastic about starting business. However, it is clear that few young people actually start business relative to those who express an interest. This reflects a number of barriers affecting youth entrepreneurship in this area including skills, networks and financing; barriers that are often particular to youth or more severe for youth than for adults. In a period when Nigeria faces an economic crisis that has increased levels of youth unemployment and reduced youth participation in the labour market beyond the already harsh long run trends, public policies and programmes for entrepreneurship can play a role in addressing the challenges. Unarguably, youth entrepreneurship is not only solution to the youth unemployment problem but it does have represents a robust platform in facilitating a route into the labour market for young people with the ambition and wherewithal to become entrepreneurs. The evidence suggests that when designed appropriately, government programmes can have significant impacts on increasing the exit rate of young people from unemployment with reasonable results on value for public money. He youth entrepreneurship policy landscape in Nigeria and other African countries still needs

to evolve in its coverage and comprehensiveness and the quality of the approaches used. Finally, sustained education and enlightenment programmes on the opportunities that abound in the environment should be put in place. If the Nigerian government must revitalize its economy, reduce unemployment progressively, and generate more employment opportunities, a paradigm shift in policy that is critical to effective entrepreneurship development becomes imperative.

RECOMMENDATIONS

Based on the research findings, the study will be incomplete without the following recommendations and suggestions to management of organization (RSCS) and other organizations that may find this research work relevant.

Following the finding of this work the authors make bold to recommend as following:

That there should be a process of a program geared toward training youths in Nigeria in act of entrepreneurship. There should be the inculcation of entrepreneurial development course in all higher institutions curriculum in Nigeria that still need to be done as these platforms are just being institutional. They ought to be proactive and pragmatic.

- I. Federal government should hasten the power sector reforms and re-stabilize it to end the looming energy crisis in Nigeria. This is to encourage entrepreneurial activities in the country as power is major factor in the economy, in terms of enterprise activities.
- II. Religious, ethnic and political violence and crisis should be controlled by all means necessary as it displaces people and causes serious harm on their means of livelihood. Many companies have left Nigeria because of violence in certain areas of the country. Therefore, any act of violence should be checkmate.

Our results of finding show that government efforts aimed at entrepreneurial development cannot solve the multi-dimensional nature of the Nigeria unemployment problem. As such, it will require the collective efforts of both the public and private enterprises to mitigate the unemployment problem in Nigeria i.e. a public private partnership in curbing the unemployment problem through entrepreneurial development.

Secondly, as it is currently being practiced in some Nigeria institutions of higher learning entrepreneurial programmes and curricula should be designed to meet with the current trends. Its content should be properly designed towards making a graduate in Nigeria skillful in a particular trade or enterprise of interest before he or she leaves the school. Finally, adequate fund should be set aside by both the public and private enterprise and channeled towards assisting graduates with entrepreneurial skill to set up their own privately-owned enterprises in the area of their skill.

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