

Unemployment in Nigeria: The Role of Entrepreneurship Education

Amawu Jacob¹, Ekienabor Ehijiele²

¹Marketing Department, Edo State Polytechnic, Usen, Benin City, Edo State, Nigeria, jacob.

²Business Administration Department, Igbinedion University, Okada, Edo State, Nigeria,

Abstract

This is a quantitative study which examined the role of entrepreneurship education in reducing unemployment in Nigeria. Unemployment refers to a situation where people who are willing and capable of working are unable to find suitable paid employment. The main objective of the study was to look at the possibility of entrepreneurship education in unemployment eradication in Nigeria. To achieve this objective, a questionnaire was administered to collect primary data. Hypothesis was formulated, tested and analyzed using Chi-square test with the aid of Statistical Package for the Social Sciences (SPSS) software. Findings from the result reveal that entrepreneurship education has a significant and positive effect on unemployment eradication in Nigeria. Therefore, it is recommended that students be encouraged to embrace entrepreneurship education or training in order for them to become wealth creators by being self-reliant. Also, there is the need to empower other vocational and skills acquisition centres, by providing them with the necessary materials in entrepreneurship education, in order that they can assist in the development of entrepreneurial skills required by individuals to set up cottage industries.

Keywords: education; entrepreneurial skills; entrepreneurship education; Nigeria; unemployment

I. INTRODUCTION

Despite the realization of the crucial role of entrepreneurship in economic development and industrial recovery by governments in Nigeria since the late 1970s and particularly from the 1980s and its efforts in this regard, it is still disappointing to notice that entrepreneurial activities are still low, training is almost non-existent, savings rate is still low, unemployment continues to exacerbate, capacity utilization is low, manufacturing output continues to plummet and small and medium scale entrepreneurs are still not able to access enough finance for investments.

According to Ihugba, Odii and Njoku (2013) entrepreneurship activities and innovative ingenuity in Nigeria have developed enterprises in areas such as agriculture/agro-allied, solid minerals, transportation, information and telecom, hospitality and tourism business, building and construction, etc. Despite the human and natural resources that abound, Nigeria is still one of the poorest countries in the world and has one of the highest rates of youth unemployment in sub-Saharan Africa.

In respect of the above sad and deplorable situation, the government has done little to reduce the misery and frustrations of the citizenry. This has foisted a state of hopelessness on the majority of young and old people who have resorted to any means including crime to succeed in life. They resort to vices because they are not gainfully engaged. In other words, they are unemployed; unemployed, not because they lack the qualification but because the system has crippled politically, economically, socio-culturally and even religiously (Anyadike, Emeh & Ukah, 2012). The need for entrepreneurship development in the country today and specifically the Nigeria private and public universities is necessitated by the fact that entrepreneurship development is a major factor in economic growth and development.

Again among thousands of tertiary graduates produced by tertiary institutions in Nigeria every year, only a few hundreds of them are lucky to secure paid employment. Hence, going through the higher institutions of learning and/or possessing professional qualifications in disciplines like accounting, law, engineering, and medicine is no longer a guarantee for getting the desired employment because of the shrinking economy. However, the way out is through encouraging the development of entrepreneurial skills which can help to transform the challenges into business opportunities (Odia & Odia, 2013).

The economic environment in Nigeria has been unstable for many years. Graduate employment has hitherto been affected adversely and successive governments in Nigeria in

2nd INTERNATIONAL CONFERENCE ON MANAGEMENT, ECONOMICS & FINANCE

15-17 NOVEMBER 2019

the last 20 decades have tried to address this challenge by adopting monetary, fiscal and industrial policies that are geared at reducing the high rate of unemployment in Nigeria without much success. To this end, the study examines the role of entrepreneurial education in the reduction of high unemployment in Nigeria.

The objective of this study is to examine the possibility of entrepreneurship education in unemployment eradication in Nigeria. Based on the objective, the study set out to give an answer to the research question which is; what effect does entrepreneurship education have on unemployment eradication in Nigeria?

Further, hypothesis was formulated to get an empirical finding. H₀: Entrepreneurship education has no effect on unemployment eradication in Nigeria.

II. LITERATURE REVIEW

This section will look at some literature related to the research study;

A. *Entrepreneurship Education*

The first graduate course in entrepreneurship was offered at Harvard University by Professor Miles Mace in 1947 (Katz, 2003, Vyakarnam, 2009). Fry (1992) observes that entrepreneurship has been one of the fastest growing disciplines in the U.S.A in the 1990s. Indeed, by the wake of the 21st century, as many as 1600 universities in the North-America were found to be offering different courses in entrepreneurship when compared to merely two dozen in the 1970s (Inegbenebor, 2005). In the U.K, the first few courses in entrepreneurship were launched in the 1980s together with the UK's first initiative for enterprise in higher education (Elton, 1991, Kirby, 1989 & 2005, Volkmann, 2004).

The need for entrepreneurship education started in Nigeria in the mid-1980s when the economy collapsed due to political instability and inconsistencies in the social-economic policies of successive governments. This resulted in very high youth and graduate unemployment (Arogundade, 2011). Graduates of tertiary institutions were not having sound knowledge and skills which would make them self-reliance. The lacuna led to the introduction and emphasis on entrepreneurial education owing to the belief that its introduction into tertiary education would lead to the acquisition of skills that would enable its graduates to be self-reliant and consequently reduce unemployment problems (Nwangwu, 2006). Arogundade (2011) argues entrepreneurship education will equip the students with the skills to be self-reliant and task the government and other education stakeholders should make sure that educational programme at all levels of education are made relevant to provide the youths and graduates needed entrepreneurial skill.

Entrepreneurship education in the narrower sense follows a direct approach, developing students' competencies and entrepreneurial intentions towards starting a business as a career

2nd INTERNATIONAL CONFERENCE ON MANAGEMENT, ECONOMICS & FINANCE

15-17 NOVEMBER 2019

option. According to Paul (2005), the objectives of entrepreneurship education include: Offering functional education to the youths to make self-employed and self-reliant. Providing youth graduates with adequate training to the creative and innovative in identifying novel business opportunities and establish a career in small and medium scale businesses. Reducing the high rate of poverty and rural-urban migration. Creating employment and serve as a catalyst for economic growth and development among others.

B. Causes of Youth Unemployment in Nigeria

In the study unemployment in Nigeria, Adebayo (1999), Alanana (2003), Echebiri (2005), Ayinde (2008), Morphy (2008), and Awogbenle and Iwuamadi (2010) have identified the main causes of growing unemployment 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. In addition to this, youth move to the urban area with the probability of securing lucrative employment in the industries. The seconds is the accelerated growth of population, Nigeria's unemployment problem is multi-faceted. It affects the supply side through a high rapid increase in the labor 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 youth unemployment in Nigeria. ((Muogbo & John-Akamelu, 2018).

C. Challenges of Today's University Graduates / Professionals

The importance of the development of entrepreneurial skills by every graduate cannot be overstated because gone are the days when jobs were available everywhere both in the private and public sectors of the economy and employers go about looking for potential employees to employ. Indeed, in the past, it is the employers who go round universities and polytechnics in Nigeria to hunt for potential graduates for employment. Then there were fewer universities and polytechnics and University enrolment was low. Today, things have changed very significantly such that many graduates of tertiary institutions are now sellers of recharge cards, some work as bus conductors and other jobs not meant for graduates. The situation is an economic tragedy and waste! The question of choice of job or the type of employer is gradually being eroded each year. Many graduates are now desperate to get just any kind of job just to make a leaving. Even the professional disciplines like medicine, law accounting, and engineering and some few others are now difficult in getting employment opportunities.

Employment prospects amongst qualified graduates are faced with a lot of increasing competition and the job openings are equally limited. From past experiences, many graduates have always had a strong preference for the industry or public sector practice but things have

2nd INTERNATIONAL CONFERENCE ON MANAGEMENT, ECONOMICS & FINANCE 15-17 NOVEMBER 2019

since changed. Even employment opportunities in the public sector have also decreased. Indeed, job prospects have diminished in both the private and public sectors. Added to this ugly situation are the increasing trend of job outsourcing in almost every establishment, the increasing phenomenon of rightsizing of labour among big firms and corporations, and the casualization of labour in the oil and gas industry in the country.

As a side effect, the figure of tertiary graduates who have not been able to secure the first employment since graduation for upward of 5 years is on the increase and even those with professional qualifications like Medicine (NMA), Law (NBA), Engineering (COREN) and Accounting (ICAN) are not spared from this ugly socio-economic phenomenon. Some graduates are even paid peanuts if they are lucky to secure paid jobs. University and polytechnics graduates now fall back on their lower qualifications like the School Certificates, National Diplomas (ND) and Polytechnics (OND and HND) to secure menial jobs.

III MATERIALS AND METHODS

The experience survey method involving the use of questionnaires was adopted for this study. The Experience survey method is chosen in preference to other methods like content analysis because of its capacity to measure human opinions and attitudes. This will enable the researcher to generate valid information from samples of human elements that is, the respondents of the questionnaires issued as described by Orodho (2009) as cited in Ekienabor and Arilesere (2018).

Data for this study were primary data generated from questionnaires distributed to a hundred respondents randomly selected from the federal ministry of labour and productivity and some ownership of small scale businesses in Benin City, Edo State. The data generated were then subjected to a statistical test using Chi-square statistics. The respondents were asked whether entrepreneurship education has an effect on unemployment eradication in Nigeria. The table 1 below shows the response to the question.

A. Questionnaire Analysis.

Table 1: Response to questionnaire

Option	Number	Percentage
Yes	70	70
No	30	30
Total	100	100

Source: Field survey (2019).

**2nd INTERNATIONAL CONFERENCE ON
MANAGEMENT, ECONOMICS & FINANCE
15-17 NOVEMBER 2019**

70% of the respondents were of the opinion that provision of social amenities by the government will improve the performance of entrepreneurship and in turn economic development of Nigeria.

IV. MATERIALS AND METHODS

To achieve the stated objectives of this study one hypothesis stated in NULL form was formulated and tested as below:

Hypothesis 1

Entrepreneurship education has no effect on unemployment eradication in Nigeria.

To test this hypothesis table 1 above was subjected to Chi-square statistical test through the use of SPSS. The result of the analysis is presented in table 2 below:

Table 2: Chi-square test analysis

	Hypothesis One
Chi-square	4.000 ^a
Df	1
Asymp. Sig.	.046

a.0 cells (.0%) have expected frequencies less than 5 then minimum expected cell frequency is 50.0.

Decision Rule:

Reject Null Hypothesis (Ho) if X2 calculated is higher than X2 tabulated and accept Null Hypothesis (Ho) if X2 calculated is lower than X2 calculated.

Decision:

From the SPSS result as shown above in table 2, X2 calculated is 4.000. At 5% level of significance and 95% confidence level, X2 tabulated at a degree of Freedom of 1 is given as 3.84.

A look at both the chi-square calculated and tabulated comparatively as shown in table 4 reveals that chi-square calculated is higher than chi-square tabulated. Therefore, the decision is to reject the null hypothesis and accept the alternate hypothesis which states that: Entrepreneurship education has a significant and positive effect on unemployment eradication in Nigeria.

V. CONCLUSIONS AND RECOMMENDATIONS

This Entrepreneurship is essential for rapid and sustained economic growth and development. It creates the required manpower and skills necessary for accelerated growth, reduced unemployment and alleviates poverty. It is therefore strategic and important for Nigeria to assign a significant and increasing role to entrepreneurship education in their effort to reduce unemployment and revamp the economy if the aim of becoming a developed nation is to be achieved.

2nd INTERNATIONAL CONFERENCE ON MANAGEMENT, ECONOMICS & FINANCE

15-17 NOVEMBER 2019

The importance of entrepreneurship education cannot be overemphasised since it is very vital in the area of ensuring a steady supply of food and thereby checking the level of food insecurity in the nation. Well-Implemented entrepreneurship education can promote the growth of Agro-businesses. Entrepreneurship education ensures proper utilization of a nation's vast human and material resources. That is, it promotes local or indigenous technologies. With Entrepreneurship education on course, the entrepreneurial skills acquired by the students/learners are better used in harnessing the nation's resources towards attaining optimum utilization of resources.

Based on the findings of this study the following recommendations are made;

1. Students should be encouraged to embrace entrepreneurship education or training in order for them to become wealth creators by being self-reliant.
2. Also, there is the need to empower other vocational and skills acquisition centres, by providing them with the necessary materials in entrepreneurship education, in order that they can assist in the development of entrepreneurial skills required by individuals to set up cottage industries.

ACKNOWLEDGMENTS

I would like to express my very great appreciation to Edo State Institute of Technology and Management, Usen, Benin City, Edo State, Nigeria. I would also like to offer my special thanks to the Tertiary Education Trust Fund (TETFund).

REFERENCES

- Adebayo A. (1999). youth unemployment and national directorate of employment self employment programmes. Niger J. Econ and Soc Stud 41(1): 81-102
- Alanana O.O (2003). Youth unemployment in Nigeria: some implications for the third millennium. Global J. Soc. Sci. 2(1):21-26.
- Alao .O. (2005) Principles of Economics: Macro. Darkol Press and Publishers, Isolo, Lagos.
- Anyadike N., Emeh I.E.J. & Ukah F.O. (2012). Entrepreneurship development and employment generation in Nigeria: Problems and prospects. Universal Journal of Education and General Studies. 1(4) pp. 088-102.
- Arogundade, B.B. (2011). Entrepreneurship education: An Imperative for sustainable development in Nigeria. Journal of Emerging Trends in Educational Research and Policy Studies (JETERAPS). 2(1): 26-29
- Awogbenle A.C & Iwuamadi K.C. (2010). Youth unemployment: entrepreneurship development programme as an intervention mechanism. Afr. J. Bus. Mgt. 4(6):831-835.
- Echebiri, R.N. (2005). Characteristics and determinants of urban youth unemployment in umuahia, nigeria: implications for rural development and alternative labor market

**2nd INTERNATIONAL CONFERENCE ON
MANAGEMENT, ECONOMICS & FINANCE
15-17 NOVEMBER 2019**

- variables. A paper presented at the isser/cornell/world bank conference on “shared growth in Africa” held in Accra, Ghana, July 21-22.
- Ekienabor E. & Arilesere M.S. (2018). The impact of business ethics on employees performance in the banking industry in Nigeria. *international journal for social studies*. 4(10); 1-6
- Elton, L. (1991): Enterprise in higher education: Work in progress-looking back of the first 3 Years, *Education and Training* 33(2) 5-9
- Fajana S (2000). *Functioning of the Nigerian Labour Market*, Labonfin and Company, Lagos.
- Fry, F.L (1992) *Entrepreneurship - A planning approach*: New York, West Publishing Company.
- Ihugba O.A., Odii A. & Njoku A.C. (2013). Challenges and Prospects of Entrepreneurship in Nigeria. *Academic Journal of Interdisciplinary Studies*. 2(5); 25-36
- Inegbenebor, A.U (2005): Education for entrepreneurship: Experience of the University of Benin, Benin City, Nigeria. *Academy of Management Journal*, pp 61-75
- Katz, J.A. (2003). The chronology and intellectual trajectory of American entrepreneurship education 1876-1999. *Journal of Business Venturing*, 18(2),283-300.
- Kriby,D (2005):A case for teaching entrepreneurship in higher education, <http://www.heacademy.ac.uk/resources.asp>
- Morphy R (2008). Nigeria: youth unemployment, poverty – a time bomb for country. leadership, Wednesday, 27 August
- Muogbo U. S. & John-Akamelu C.R. (2018). Impact of entrepreneurial skills in reducing youth unemployment in nigeria. *European Journal of Business, Economics and Accountancy*. 6(3); 1-12
- Nwangwu I.O. (2006). *Fundamentals of entrepreneurship in educational management*. Enugu: Cheston Agency Ltd
- Odia J.O. and Odia A.A. (2013). Developing Entrepreneurial Skills and Transforming Challenges into Opportunities in Nigeria. *Journal of Educational and Social Research*. 3(3); 289-298
- Paul, E.O. (2005). *Entrepreneurship education in Ezema P.A.N*, Paul E.O.; Anioke B. O., Godwin A.G. Okwuolise, C. A. Eheli,H.U. Anih (ed) *Entrepreneurship in vocational education*. Enugu: OZYBEL Publishers
- Volkman,C. (2004): *Entrepreneurship studies. An ascending academic discipline in the twenty-one century*.