

Youth Entrepreneurship and Unemployment Reduction in Anambra State, Nigeria

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Abstract: Unemployment is the major challenges facing the youths in Nigeria, some are underemployed because they lack the necessary skills required in the environment they operate while some skills have been outdated by technological advancement. Youth Entrepreneurship tends to tackle the issue of unemployment within the society and also create marketable opportunities for them. Thus, the study assessed youth entrepreneurship and unemployment reduction in Anambra State, Nigeria. It specifically determined the extent of relationship between creativity and employment generation in Anambra State. The nature of relationship between opportunity discovery and business ownership was explored. Descriptive survey design was employed in order to elicit information from respondents. Pearson product moment correlation coefficient was used to test the formulated Hypothesis at 5% level of significance. Findings revealed that there is a statistically significant positive relationship existing between creative capacity and employment generation; and between opportunity discovery and business ownership. The study recommends that the Government of Anambra state needs to revitalize and sustain youth empowerment programmes financially, so as to reduce unemployment rate in the state. Moreover, government needs to reorient the youth on new business opportunities in order to enhance their opportunity discovery and business ownership.

Keywords: Business Ownership, Creative Capacity, Employment Generation, Opportunity Discovery, Youth Entrepreneurship, Unemployment Reduction

1. Introduction

Youths are the bedrock of every nation and are required for socio-economic development of a particular clime. A nation with healthy youth population makes headway in terms of development and progress. Valeska affirms that youth is a period of life in between childhood and adulthood [13]. It is described as a time of experimenting with roles and identities, of social norms and obligations, yet slowly preparing the youngsters for their lives as full members of the society.

Youth entrepreneurship provides youngsters with the necessary expertise to excel economically throughout their lives, while helping the society to prosper as well. Pradeep avers that Youth entrepreneurship involves those activities by youths to create and innovate in order to build something of value around perceived opportunities [11].

Youths in Anambra State are faced with unemployment challenges that affect economic growth and sustainable

development. Okoye, Iloanya and Udenze states that youth unemployment is the main impediment to economic development and it leads to social crimes like internet fraud, kidnapping, armed banditry, destitution, prostitution, terrorism and political thuggery [9]. It is against this backdrop that the objective of the study is construed.

1.1. Objective of the Study

The major objective of this study is to explore the relationship between youth entrepreneurship and unemployment reduction in Anambra State, Nigeria.

1.2. Specific Objectives

- 1) To determine the extent of relationship between creative capacity and employment generation in Anambra State.

- 2) To ascertain the nature of relationship between opportunity discovery and business ownership in Anambra State.

1.3. Research Questions

- 1) What is the extent of relationship between creative capacity and employment generation in Anambra state?
- 2) What is the nature of relationship between opportunity discovery and business ownership in Anambra state.

1.4. Research Hypotheses

- 1) There is no significant relationship between creative capacity and employment generation in Anambra state.
- 2) There is no significant relationship between opportunity discovery and business ownership in Anambra state.

2. Review of Related Literature

2.1. Conceptual Definition

2.1.1. Youth Entrepreneurship

To understand the concept of youth entrepreneurship there is need to examine the term youth and link it to entrepreneurship. Youth is the span of transformation from being dependent child to lone adult. Akande opine that youths are within the age limit of 15 and 34 years of age [1]. At times as their population grows, the rate of unemployment increases. Most definition of youth depends on the specific society they exist while entrepreneurship is the identification of opportunities in order to add value and using such opportunity to create a new entity. Kavita defines Entrepreneurship as the driver of sustainable economic growth as entrepreneurs create new business drive and shape innovation speeding structural changes in the economy and introducing new competition that facilitates productivity. [6]

2.1.2. Unemployment Reduction

It is the challenging factor which affects the youth in the society. Unemployment is the circumstance whereby individual seeking for work is unable to get one. Chappelow opined that unemployment is a situation whereby individuals are unable to get suitable job as a result of unavailable job [2]. Unemployment serves as the key tool to measure stability in the economy. According to International labour organization unemployment refers to the share of the labour force that is without work but they are available for and seeking for employment, while unemployment reduction suggests a decrease in unemployment rate owing to government and private creation of job opportunities [4].

2.1.3. Creative Capacity

Creativity is the ability to generate new ways for handling operation and optimal problem solution while creative capacity suggest originality and ingenuity ideation and high capacity for emotional involvement in decision making.

2.1.4. Employment Generation

It entails providing business opportunities for mass employment. Employment generation is the socio-economic process of development, creating jobs for the society and meeting the needs of the citizens who desire to make a living. Unemployment tends to reduce through generation of jobs in the economy.

2.1.5. Opportunity Discovery

It is a systematic innovation process that generates new ideas, combines them to form potential opportunities and then identifies the most promising ones for analysis that establishes the basis for commercial development. Opportunity discovery is the precise transformation process that develops new designs, integrate them to create possible opportunities and recognizes notable ones for examination in order to setup the ground for conducting business. Chetty & Karami It is the process of perceiving or finding a favourable set of circumstances to create value [3].

2.1.6. Business Ownership

It is the control over an enterprise, and having the authority to dictate the operations as well as the function. Business ownership can be acquired in many ways such as launching a new venture, franchising already existing business or acquiring an existing business.

2.2. Theoretical Framework

The study is anchored on Kirzner's theory of Entrepreneurship. It emphasizes that entrepreneurship is a spontaneous activity that alters the process of learning. The theory states that entrepreneurship is an activity of conscious knowledge that is motivated by gain instinct. The gain can be personal or financial. Entrepreneurs seek opportunities and use them to make profit for the organization that lead towards the country-based developments. The theory explains that entrepreneurship improves the rate of self-employment and thus, employment in the country.

2.3. Empirical Review

Okafor examined unemployment reduction rate in Nigeria through Entrepreneurship development. Descriptive survey research designed was employed to sample 334 businesses from total population of 1009 businesses identified in Onitsha, Nnewi and Awka zones in Anambra State. The data for the study were analyzed using chi-square (χ^2) test of independence at 5% level of significance and the findings revealed that relevant Institutions and other entrepreneurial activities enhance the reduction of unemployment in Anambra State [7].

Omeje, Jidefor, Mba and Ugwu investigated youth empowerment and entrepreneurship in Nigeria: Implication for economic diversification. Survey design and multinomial logistic regression model were employed. The study recommended that government at all levels and its various agencies, World Bank, Non-governmental Organizations and private Philanthropists, need to do more on entrepreneurship

programmes of the youth [10].

Okeke, Ngige, Onowu and Ikechukwu examined Youth Entrepreneurship and Unemployment in Delta state, Nigeria. Survey research design was utilised and out of population of 10,000 youth entrepreneurs, 370 entrepreneurs were selected through simple random sampling. The data were analyzed using Pearson correlation. The findings revealed that youth entrepreneurship has positive influence on the life of the youth [8].

Jacobs, Ezeokafor and Ekwere studied the effect of Entrepreneurial Education on Unemployment Reduction among students in Nigeria. A cross-sectional research design was used and the population of study was limited to 195 final year students of selected Universities. Multiple Regression Analysis (MRA) was used to analyze the data. Findings revealed that skill acquisition, entrepreneurship empowerment, infrastructural development had significant effect on Unemployment reduction in Anambra state [5].

Zwane, Radebe and Mlambo enquired “is youth entrepreneurship key to addressing youth unemployment? Interrogating South Africa’s Youth Unemployment dilemma”. The study adopted a qualitative approach. Secondary sources of data were used. The findings indicated that youth entrepreneurship development is the key and is an important tool that needs to be employed to address socio economic issues that affect the economic growth of the country [14].

3. Methodology

This study employed descriptive survey research design in order to elicit information from a large population. The population of the study was selected from Youths within 3 Senatorial Zones in Anambra state (Anambra Central, Anambra South and Anambra North).

3.1. Sample Size

The sample size was determined using Uakarn Cochran (1977) sample size determination formula for infinite population [12].

$$\text{Cochran's Infinite population formula no} = \frac{Z^2 PE}{e^2}$$

$$S = \frac{1.96 \times 0.5 \times 0.5}{0.05^2} = 3.7632$$

$$\frac{0.9604}{0.0025} = 384.16 = 384$$

Where s = sample size for infinite population;

z = z score;

P = Population Proportion (Assumed at 50% or 0.5);

e = Margin of error;

Note: z score is determined based on the confidence level.

3.2. Area of Study

The area of study is Anambra State in Nigeria via 3

senatorial zones, which include South Senatorial zone (Nnewi North and NnewiSouth) North senatorial zone (Onitsha North and Onitsha South) and Anambra Central senatorial zone (Awka North and Awka South) in which 2 local governments were selected from each Senatorial zone.

3.3. Population of Study

The study population was infinite owing to the fact that the population of Youth in Anambra state cannot be determined due to inadequate record of youth ventures in the State.

3.4. Sampling Technique and Sample Size Determination

Sequel to infinite nature of the population, Cochran 1977 [13] sampling technique was applied to arrive at (384) Three Hundred and eighty four Youths were sampled from the three senatorial zones via six Local Government Areas. Therefore, sixty four (64) respondents were drawn from the 6 selected Local Governments of the three senatorial zones to determine the sample size of Three Hundred And Eighty Four (384), with judgemental sample techniques.

3.5. Source of Data

Data were sourced from respondents using structured questionnaire.

3.6. Validity of Research Instruments

The research instrument was validated through content validity on structured questionnaire items.

3.7. Reliability of Research Instrument

Cronbach Alpha reliability test was employed for the study.

Table 1. Reliability statistics for creative capacity and employment generation.

Reliability Statistics	
Cronbach's Alpha	N of Items
.875	8

Source: Field survey, (2022).

Table 2. Correlations.

		Creative Capacity	EMPLOYMENT GEN
Creative capacity	Pearson Correlation	1	.905**
	Sig. (2-tailed)		.000
	N	324	324
Employment Gen	Pearson Correlation	.905**	1
	Sig. (2-tailed)	.000	
	N	324	324

** . Correlation is significant at the 0.01 level (2-tailed).

Table 2 indicates the creative capacity and employment generation with p. value of 0, 000 and correlation coefficient of 0.905 respectively. Since P. value is less than

0.01, the null hypothesis is rejected while the alternate hypothesis is accepted. The result shows that creative capacity has positive relationship with employment generation in Anambra state.

Table 3. Descriptive Statistics.

	N	Minimum	Maximum	Mean	Std. Deviation
Q1	324	3	5	4.33	.629
Q2	324	3	5	4.08	.641
Q3	324	1	5	3.75	1.012
Q4	190	4	5	4.99	.073
V6	324	1	5	3.58	.955
Q6	324	4	5	4.08	.277
Q7	324	4	5	4.33	.472
Q8	324	3	5	4.33	.625
Valid N (listwise)	190				

Source: Field survey, (2022).

Table 3 shows the descriptive statistics of the variables, creative capacity and employment generation, the mean value

is above 3.58 showing that the response are related. The descriptive statistics shows that the respondents are 324.

Table 4. Correlations.

		OPPRD	BIZOWN
OPPRD	Pearson Correlation	1	.938**
	Sig. (2-tailed)		.000
	N	324	290
BIZOWN	Pearson Correlation	.938**	1
	Sig. (2-tailed)	.000	
	N	290	290

**. Correlation is significant at the 0.01 level (2-tailed).

Table 4 shows the correlation result between opportunity discovery and business ownership with a p. Value 0.000 and Correlation of .935, given that P. value is less than 0.01 ($p < 0.01$) at 5% level of significance, the null hypothesis is rejected, while the alternate hypothesis is accepted. Therefore, there is positive relationship between opportunity discovery and business ownership.

Table 5. Descriptive Statistics.

	N	Minimum	Maximum	Mean	Std. Deviation
New ideas	324	3	5	4.33	.629
More Branches	324	3	5	4.08	.641
Expertise	324	1	5	3.75	1.012
Business outlets	190	4	5	4.99	.073
Business Styles	324	1	5	3.58	.955
Original Products	324	4	5	4.08	.277
Business Growth	324	4	5	4.33	.472
Through Hard work	324	3	5	4.33	.625
Valid N (listwise)	190				

Source: Field study, (2022).

Table 5 shows the descriptive statistics of the variables opportunity discovery and business ownership. The mean value is above 3.75 showing that the responses are related. The descriptive statistics shows that the respondents are 324.

4. Recommendations

Following the findings and results aforementioned, the recommendations are made;

- 1) The government of the state needs to revitalize and sustain youth empowerment programmes financially so as to reduce unemployment rate in the state.
- 2) Moreover, government needs to reorient the youth on new business opportunities in order to enhance their opportunity discovery and business ownership.

5. Conclusion

It is therefore concluded that effective and efficient entrepreneurship reduces unemployment in Anambra state specifically, and Nigeria in general.

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