

Human Resource Crisis: The Quandary of Identifying Future Entrepreneurs in Nigeria

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Abstract

This paper aims to highlight entrepreneurship's importance in today's world as a paradoxical field. On the one hand, human resources have always worked on the labour market as either employees or employers, but today, the migration between the two specific categories has started to be more intense and people have just been developing the needed skills to run their own business (even if they are at the beginning of their career, in late-career or even retired) and to cope with entrepreneurial risks. The study was done using primary data collected with the use of structured questionnaires, personal interview and field survey as well as review of related literature. Extensive use of descriptive statistics was made in analyzing data collected. Percentages and mean scores were employed in determining the economic impact of entrepreneurial activities as well as challenges faced by entrepreneurs operating in Taraba and Benue State. It was established that entrepreneurship is important in combatting, unemployment, poverty and social unrest and that challenges which can easily be ameliorated by government abounds which pose a threat to the smooth running of businesses for entrepreneurs. It was recommended that government and universities should establish learning centres in order to promote entrepreneurship interventions and skills acquisition.

Keywords: Entrepreneurship; Entrepreneurial; Intervention; Human Resources.

Introduction

Entrepreneurship can be viewed from various perspective, but for the contextual fitting of this study, it is seen as the process of acclimatizing a new business following the current opportunities in the market in line with the skill of the entrepreneur as well as given the tendency of developing other skills needed for running the new business. In the light of this, two categories of the theories of entrepreneurship is considered: one in which entrepreneurship is seen simply as unpredictable (Lowe Nielsen, Klyver, Rostgaard and Bager, 2017:23) and theories stating that entrepreneurship is an intentional and planned process with a specific goal (Ajzen, 1991, Krueger and Brazeal, 1994 and Shaver, Gartner, Crosby, Bakalarova and Gatewood, 2001).

Series of uncertainty and crisis bedevil every niche open to entrepreneurship, consequently, in substantiating entrepreneurship with the management of such crisis from the crow's nest of intending or existing entrepreneurs, issues of concern sprout as to determine what makes active population choose a job as a better alternative to running its own business and vice versa. In this respect it is imperative to review the consequences of age and gender gaps on the entrepreneurship in the theoretical part of the paper focusing in the levels the human resource crisis appears, whereas in the second part a quantitative research aimed at identifying Nigerians perception on entrepreneurship and their intentions with regards to running own businesses.

The importance of this paper is given by the fact that it analyses in detail the economic need of increasing the number of entrepreneurs. Hence, it has the following objectives: ascertaining the extent to which entrepreneurial activities aid regional economies, challenges of the entrepreneurs and the impact of entrepreneurship interventions in form of skill acquisition and incentives.

Literature Reviews

Human resources under crises: National, Organizational and individual

We will analyses this topic on three levels, from macro-economic level to individual level, having as a starting point the National (the business environment where Nigerian entrepreneurs shall competitively

operate on a free market), then shortly presenting the Nigerian crisis with a view to Nigerian companies' crisis, presented as follows:

National Crisis: A study in the field, Yolaç (2015:1097), states that entrepreneurship measured by the number of newly created enterprises is influenced negatively by the total number of days required to register a firm, cost of procedures and corporate tax rate whereas positively by GDP per capita and entry density on one hand, and by voice and accountability on entrepreneurship, on the other hand. However, even if Nigeria is considered according to this research to have an entry density higher than the sample average, we consider that Nigerian government, when starting funding projects, should make more real and accurate research so as to create more reliable macroeconomic strategies. This research should be highly based on the connection between education (academic and vocational) and working experience, on one hand, and on the fields of activity needing real business development so as to show economic performance.

Baba (2016:224) shows that performance is not just about an entity's ability to make profit, but also its ability to pay its short and long-term debts and in our view, to absorb Nigerian funds and use them properly. Moreover, in Nigeria, there is also a national urban – rural discrepancy. There is an inequity between developments of rural areas as compared to urban areas. Harpa, Moca & Rus (2016:1102) state that Nigeria has an important growth potential, but it is not sufficiently exploited and we understand that it is the rural areas that shall generate substantial growth potential by their important social role.

Organizational Crisis: The need of entrepreneurs or employees within the Nigerian business environment is an issue of debate. There are fields of activity highly developed by companies with many employees (for example IT&C and automotive industry) and fields where entrepreneurship is highly encouraged (service and professional companies and agro-tourism). This creates discrepancies with regard to the active population's income and skill development, multinational companies being very competitive on the labour market. As Alexe & Alexe (2017:957) state, certain industries of utmost importance worldwide are interested in Nigerian human resources because of Nigeria's trending population, high skills and speed of assimilation, high level of training and interest in Western cultures, faster infrastructure and competitive costs. Strategic cost minimization, together with investment in human capital, is the major association generally made to the effectiveness of human resources management, according to Vardarlier (2016:464).

Individual Crisis: Entrepreneurship approaches have mainly presented differences on gender (men wish more than women to start their business), family background (it highly influences the risk-taking process on the basis that future entrepreneurs have home role-models and personal mentors), motivation (men tend to start a business for monetary rewards whereas women for the sense of their lives, according to Sasu and Sasu, 2015:580), attitude to work (controlling own life, being own boss and doing an interesting work), attitude to family (caring for children and elder and making own schedule), decision control (having full responsibility of running the business and taking risks) and business knowledge (interpreting accounting information as correlated to taxation, Anton, 2015:247). Sima and Gheorghe (2017:26) conclude that in Nigeria, the development of women entrepreneurship is correlated with the evolution of the image of women in society, on the background of the changes taking place in the national culture and mentality and propose the development of a national strategy for entrepreneurship education specifically focused on women and young people, drawing on the successful business model of the female entrepreneurship in Europe. On the other hand, we remark the tendency of becoming an entrepreneur irrespective of age, meaning that people who have been employed for some decades, do start running own businesses with the premises of their expertise in a certain field and using their savings. Kautonen, T., Kibler and Minniti (2017:332) highlight in their research the importance of late-career entrepreneurship to active aging with positive consequences on income and life quality.

Empirical Reviews

Mutallib *et al.* (2016), analysed the effect of entrepreneurship on poverty reduction by direct interview using questionnaires, in-depth discussions with respondents, field notes and documentation they collected

data and the data were analysed using descriptive statistics and Partial Least Square (PLS) analysis. Findings showed that entrepreneurship has significant effect on poverty reduction.

Olorundare and Kayode (2014) examined the nature and concept of entrepreneurship education and its application for graduates of Nigerian universities. A model of how public and private partnership can be enhanced through entrepreneurship education in Nigerian universities towards national transformation was developed by the authors. The challenges of entrepreneurship education which include inadequate trainers or little knowledge of entrepreneurship by the universities' lecturers, inadequate fund for the program by the universities administrators as well as challenges in the area of curriculum development and implementation were pointed out as major drawbacks with measures of addressing same proffered in the paper.

Olayinka and Olusegun and Babatunde (2015), empirically examined the impact of entrepreneurship training and education on poverty reduction in Nigeria. They adopted a stratified random sampling technique on 500 entrepreneurs and apprenticeships from six recognized Local Government in Lagos State. The best linear unbiased estimator was used to test the relationship between entrepreneurship training and poverty reduction Nigeria. Results suggests that there exist a positive and significant relationship between entrepreneurship and poverty reduction.

Adofu (2013) in his research entitled "Alleviating Poverty through the Use of Entrepreneurship Skill Acquisition in Kogi State, Nigeria" shows that 65% of respondents said that a lack of entrepreneurial skills among youth is closely related to the high level of poverty in Nigeria. These results indicate also that at least 60% of the population have entrepreneurial skills training may be trying to meet their basic needs. Therefore, the study recommends that for most people who follow entrepreneurial training programs to meet their basic needs, then the government should consider the program into poverty alleviation programs.

Methodology

This study used a descriptive survey design which entails factual information that explains the phenomenon. The population of the study is entrepreneurs and intending entrepreneurs who were randomly selected through a simple random sampling within the area of study that also had at one time or another tried establishing a business and experienced a form of entrepreneurial challenge. Wukari and Zaki-ibiam are some of the commercial nerve centre of Taraba and Benue state with thriving environment and institutions as well as a lucrative market for exploitation. Wukari local governments was chosen as our object of analysis in Taraba State while Benue state was represented by Zaki Ibiyam local government area. The Target population of the study is the intending and existing entrepreneurs in the selected local governments of the sampling frame. The study makes use of structured questionnaire, personal interviews, inspection of business premises where necessary all for the purpose of eliciting information on the two sections namely, the demographic characteristics of the population which comprises of age, gender, marital status and professional status. While, the second section bothers on the vital role of entrepreneurial establishment in Taraba and Benue state, importance of entrepreneurship intervention as well as challenges entrepreneurs face using Likert scale-five scaling points namely Strongly Agree (SA)=5; Agree (A)=4; Disagree (D)=3; Strongly Disagree (SD)=2; Neutral (N)=1. Likert scale produces ordinal data that is data that can be ranked from 1 to 5 which makes it easy for our work in this paper. There are 600 respondents in all and all of them, that is 100% are entrepreneurs. Male entrepreneurs constitute 60% of the population while female entrepreneurs constitute 40% of the population of study. Their age ranges from 25-50 with a mean age of 38 years. The academic qualification of the participants ranges from SSCE, Trade test certificate, OND, HND, B.SC, and M.SC. Descriptive Statistics were basically used in analysing the data gathered in order to arrive at a logical conclusion. In analysing the data, mean scores and standard deviation were used. A cut off point was determined by finding the means of the nominal values assigned to the responses. Thus $5 + 4 + 3 + 2 + 1 = 15/5 = 3.00$. For decision to be reached, mean scores of 3.00 and above were regarded as agreed statement while mean scores below 3.00 were regarded as disagreed statement.

Table 1: Sampling Frame for the Study

Area of the Study	No. of Respondents
Taraba State	300
Benue State	300
Total	600

Source: Field Survey (2019)

Results and Discussion

Table 2: Does entrepreneurship intervention in the form of skill acquisition and incentives impact densely on your chosen area of establishment?

S/NO	QUESTIONS	SA	A	DA	SD	N	MEAN
1.	Entrepreneurship intervention provides necessary training skills required for being an entrepreneur.	200 (33.3)	120 (20)	100 (16.6)	100 (16.6)	80 (13.3)	3.43
2.	Entrepreneurship intervention provides the training that will inspire creativity and innovation in identifying business opportunities.	300 (50)	150 (25)	50 (8.3)	50 (8.3)	50 (8.3)	4.0
3.	Entrepreneurship intervention enhances one's ability in management.	220 (36.6)	230 (38.3)	80 (13.3)	30 (13.3)	40 (6.67)	3.93
4.	Entrepreneurship intervention gives opportunity to utilize one's potentials.	180 (30)	120 (26.67)	100 (16.67)	100 (16.67)	100 (16.67)	3.5

Source: Field Survey (2019)

Table 2 seeks to analyze whether entrepreneurship intervention by the government and private individual inform of skill acquisition and incentives impacts positively on businesses. 53.3% of the respondents agree with the assertion that Entrepreneurship Intervention provides necessary training skills required for being an entrepreneur. The mean score of 3.43 for question one which is greater than the mean acceptance threshold of 3.00 means that entrepreneurs experienced that their requisite skills of doing business or managing their business has improved after undergoing entrepreneurship training whether by the government or not, formal or informal training. Questions 2,3, and 4 with mean scores of 4.0, 3.93 and 3.5 respectively, meaning on average, entrepreneurs have seen a positive improvement on their business with entrepreneurship education.

Table 3: Do entrepreneurial activities play a vital economic role in this region?

S/NO	QUESTIONS	SA	A	DA	SD	N	MEAN
1.	Entrepreneurship boosts job opportunities for unemployed youths.	400 66.67	80 13.3	40 6.67	40 6.67	40 6.67	4.26
2.	Entrepreneurship boosts economic activities that reduce social vices.	350 58.3	120 20	30 5	40 6.67	60 10	4.10
3.	Entrepreneurship brings about increase in the standard of living.	250 41.67	100 16.67	80 13.3	150 25	20 3.3	3.68
4.	More quality products are introduced into the markets as a result of entrepreneurial activities.	380 63.3	120 20	20 3.3	30 5	50 8.33	4.25
5.	Increase in income is sometimes directly linked to entrepreneurial activities.	150 25	150 25	120 20	80 13.3	100 16.67	3.28
6.	Entrepreneurship is a gateway out of poverty.	200 33.33	100 16.67	100 16.67	80 13.3	120 20	3.3

Source: Field Survey (2019)

Table 3 is used to analyze the acceptance level on whether entrepreneurial activities play a vital economic role in Taraba and Benue State. All the mean scores from question one to question six shows mean scores greater than three which is an indication that most of our respondents agree that entrepreneurship helps in revitalizing their economy around them. When the question, Entrepreneurship boost job opportunities for unemployed youths was asked 79.9% of the respondents agree that entrepreneurial education boosts job opportunities which helps in reducing poverty among job seekers who got employed by entrepreneurs. When asked whether Entrepreneurship boost economic activities that reduce social vices, 78.3% claimed that entrepreneurship brings about more business minded youths that limit crime activity as businesses utilized the opportunity to expand positive activities and open up more opportunities for the market. One entrepreneur explained how after acquiring certain skills decided to expand his business by engaging other willing to work and as such the level of social unrest in his region is on the low. Questions 3, 4, 5 and 6 all have exactly 50% or more of the respondents responds in the affirmative of the impact of entrepreneurship in playing a vital economic role.

Table 4: Challenges faced by entrepreneurs in Taraba and Benue state

S/No.	Questions	SA	A	DA	SD	N	Mean
1.	Insecurity is a challenge to entrepreneurial undertakings.	110 18.3	100 16.67	200 33.33	150 25	40 6.67	3.15
2.	Financial constraints serve as a major challenge to entrepreneurship.	18 30	110 18.3	150 25	90 15	70 11.6	3.4
3.	Government and its agents are very supportive of entrepreneurs.	10 16.67	100 16.67	200 33.33	100 16.67	100 16.67	3.00
4.	There is ease of doing business in the state.	80 13.3	100 16.67	220 36.6	120 20	80 13.3	2.96

Source: Field Survey (2019)

Table 4 is used to analyze whether those entrepreneurs doing business in Taraba and Benue state are facing any challenges in carrying out their businesses. With regards to question one, only 28% agree that insecurity is a challenge to their undertakings. They claim that there is still a wide gap between the kind of secure business environment a state should possess and what they have right now. In analyzing the second question, 48.3% said that finance for entrepreneurship engagement is another challenge too. In question three, most entrepreneurs comprising of about 33% didn't see government as being supportive of their role in the region. Government exposes entrepreneurs to multiple taxation, government fails in providing infrastructures needed for the smooth running of business, insecurity has been on the rise with operations in certain locations difficult due to kidnapping and burglary. Funds such as grants and loans meant for entrepreneurs not easily accessible, equipment and appliances meant to support and encourage entrepreneurs through schemes such as poverty alleviation program, FADAMA, etc. ends up in the wrong hands.

Conclusions

In conclusion, the importance of entrepreneurship in an economy cannot be overemphasized. Considering the fact that the Government of Taraba and Benue States have not done any major employment in the past ten years and local government authorities in the concerned local government of study in Taraba and Benue state has no capacity to employ, the last resort are entrepreneurs like proprietors of private schools, sachet water producers, block industry operators, traders, restaurant owners, boutiques owners, telecom operators, laundry and drycleaners, agro processing companies or agro-entrepreneurs, and the likes that employ a large number of graduates that universities are churning out and even those with little or no skills. From survey conducted in this study it can be deduced that most, if not all of the entrepreneurs interviewed became entrepreneurs after experiencing some form of challenges either formal or informal.

Recommendations

There is need for government, regulatory agencies, institutions of learning to make entrepreneurship a better option for all via fighting some of these challenges in order to spur and inspire more people into not only creating jobs and means of livelihood for themselves but also for others who would have been wallowing in poverty without any opportunity. There is need to develop centres for training and skills acquisition and making funds and grants available for start-ups. Universities should establish skills acquisition centres and commercialize research, encourage students to develop and build from scratch new products that solve existing problems in their field.

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