

# YOUTHS ENTREPRENEURIAL INSIGHT AND JOB CREATION: THE COVID-19 DEBACLE IN DELTA STATE

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## **Abstract**

*This study examined the relationship between entrepreneurial insight factors and job creation of undergraduate students of Delta state polytechnic Ogwashi Uku and Otefe, Delta state polytechnic. The objective of the study was to examine how entrepreneurial abilities, motivation and resources available to youth affect job creation. Multiple regression and correlation analysis were used as the statistical tools to analyse the relationship and strength of association between the variables. Post regression diagnostic test (PRDT) was carried out so as to certify the regression model before generalization, which includes: test for multicollinearity using the VIF test, test for heteroskedasticity and the Ramsey regression specification-error test for omitted variables (Ramsey RESET) using Stata 13.0 statistical software. The findings showed that entrepreneurial abilities of youths have significant relationship with job creation, motivation of youths have significant relationship with job creation and resources available to youths greatly influence job creation. The study therefore concludes that there are significant and positive co-relations between entrepreneurial abilities, motivation factors and resources and job creation among youths in Nigeria tertiary institutions. The study recommends that youths being the hope of the economy, recognizing and developing their creative talents is a motivational factor that push them to become entrepreneurs, Stakeholders such as policy makers, governments and other institutions needed to encourage students towards entrepreneurship*

*by easing some of the difficult bureaucracies, procedures, complicated formalities and structures, creating an enabling environment to encourage talented youth can manifest their innovative skills.*

**Keywords:** Entrepreneurial insight, youths, job creation, COVID- 19.

## **Introduction**

A large number of small scale businesses have suffered during the pandemic, however, COVID-19 has led to increase in entrepreneurial activities to tackle the increasing unemployment issues arising from loss of job among skilled and unskilled workers. Finding ways towards the utilization of youth talents possess a big challenge to many economies. These challenges have necessitated the development of various entrepreneurship programmes, workshops, conferences and other channels of information on finding lasting solutions to the reasons why youths relies heavily on white collar jobs rather than setting up their future businesses. In Nigeria, several organizations (governmental and non governmental), financial institutions, federal, state and local government have come up with strategic interventions aimed at supporting young entrepreneurs.

COVID 19 pandemic has wide reaching effects on businesses and had already taken millions of lives globally. The lockdown instituted by many countries as a means of preventing measures for curtaining the spread of the virus

have had negative multiplier effects on small and medium scale businesses. Without doubts Hasanat (2020) posits that the coronavirus pandemic had significant negative effects on countries, world economies and society at large. He stated further that COVID-19 pandemic has had a devastating impact and disrupted the value chain of many micro, small and medium sized enterprises in Nigeria which led to complete closure of businesses, sales/profits plummeting and layoff. The level of entrepreneurial activity offers information about the dynamics of an economy, while the level of self-employment is not necessarily correlated with economy development. Nigeria economy situation is in all time low with millions of youths unemployed. The bureau of statistics has reported that the country unemployment rate has risen from 27.1% in the first quarter of 2020 to 33.3% at the end of the second quarter. Presently, the unemployment rate in Nigeria is estimated at 32.5% in 2021. The glaring economic hardships have led to youth restiveness and agitation as exemplified in the recent happening in different parts of Nigeria: militancy in the Niger Delta, IPOB in the South East, and banditry in North central among others. Youth unemployment has led to various social vices; banditry, kidnapping, armed robbery, prostitution, cybercrime, terrorism among others.

Combating youth unemployment through entrepreneurship, the Nigeria government has come up with various entrepreneurial programmes: such as Young entrepreneurship training programme (YETP) and vocational centres aimed at exploiting untapped business talents and opportunities. To encourage the youths towards having entrepreneurial mindset, various approach have been used to encourage the youth towards entrepreneurial activities. Bank of Industry (BOI), Tony Elumelu Entrepreneurship foundation, state Entrepreneurship initiatives etc. According to the Small Medium Enterprises Development Agency of Nigeria (SMEDAN), MEMSs contributes over 76% of the nation's Gross Domestic Product (GDP) with an estimated 30 million small businesses operating in the country.

In the views of Elumelu (2019), building the framework for growing a sustainable succession of successful entrepreneurs is at heart of a credible youth employment strategy, as the young entrepreneurs are the lifeblood of Africans and other nations of the world. In HIS words “entrepreneurship means young Africans no longer have to find a job or be trained to the employees. It will enable the young people to create their own jobs, become employers and take charge of their future instead of letting the future happen to them”. Government through the Central Bank of Nigeria (CBN), initiated and supported Entrepreneurship Development Centres (EDCs) introduced between 2006 and 2008, the National Youth Service Corps (NYSC) sensitization programme, Venture Prize competition and Entrepreneurship Training Programmes to help empower the youths and diversify the economy (CBN, 2012). It has also initiated some program such as Africa Youth Empowerment Nigeria (AYEN), NPower and YouWin. Similarly, Delta state Skills Training and Entrepreneurship Programme (STEP) is an initiative of the state government open to all indigenous persons of Delta State.

Empowering Nigerian youths to thrive optimally in an uncertain and unstructured entrepreneurial business environment is an uphill task. Nigeria youths Aja and Adaji (2013) faces a lot of challenges that can only be met if they are innovative, well-educated and entrepreneurial citizens who have the spirit and inquisitiveness to think in new ways and encouraged to meet and adapt to the challenges facing them in all facets of life. Entrepreneurial insight is important to economic growth and development. Youth entrepreneurial insight is akin to injecting “fresh blood” that keep the economic growing and flourishing even as other individual organization fails. Entrepreneurial insight is the ability for an entrepreneur to see into a business opportunity. Odi (2012) describes youth entrepreneurial activities as the process involving individuals who want to become self-employed, who have started or want to start a new business, in either the formal or informal sector, in order to generate income.

Developing entrepreneurial skills among youths have become imperative in order tackle the economic meltdown associated with post COVID-19 pandemic. Having a business idea or foresight does not translate into a good business opportunity, rather certain trait are particularly important for becoming an entrepreneur: willing to bear risks, openness to experience, belief in their ability to control own future and extraversion (Caliendo, Fossen, and Kritikos, 2014).

Many youths possess business ideas, but lack the capacity and capability to translate it into viable businesses. This view is consistent with Shane, Locke and Collins(2012) that successful nature of new business startup depends on youth readiness to turn their ideas into business, The low level of untapped business ideas and opportunity among youths is as a result of lack of innovative skill and managerial skill as it relates to entrepreneurial activities.

There are differences in problems of entrepreneurs among countries. Having entrepreneurial insight towards job creation in Nigeria has become a vital tool for galvanizing economic development and growth, with enormous opportunities for the youths to turn ideas and talents into viable ventures. However, turning these ideas into profitable ventures in an unstructured and environment full of uncertainty is not an easy task. Nigeria youths face a lot challenges that can only be met if they possess managerial skills, being well educated as well as having innovative skills. They are also face with the problem of motivation (recognition and self-

actualization). Motivation is as important for the entrepreneur as fuel is important for automobile. Motivation can boost youth’s confidence to match their goals and aspirations.

Motivating our youths through recognition helps to fulfill their aspiration: as motivated thought allow entrepreneurs to think more constructive, productive and experiment new ideas. Motivation is the workhorse behind any ideas. This study aimed at examining the relationship between entrepreneurial insight factors and job creation of undergraduate students, Delta state polytechnics Ogwashi Uku and Otefe in Delta state on the polytechnic were chosen for study because of its focus on both technical and management skills education of students. In view of the above, the objectives of the study are:

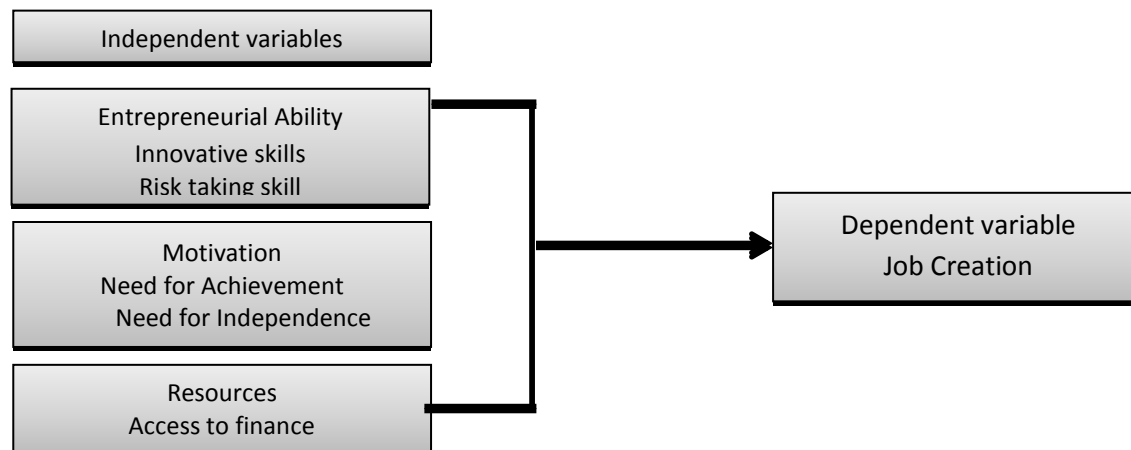
1. To examine the entrepreneurial abilities of youths and job creation
2. To determine motivation of youths and job creation
3. To determine resources available to youths and job creation

**Research Hypotheses**

The following hypotheses guided the conduct of the study

- H0<sub>1</sub>: Entrepreneurial abilities of youths have no significant relationship with job creation
- H0<sub>2</sub>: There is no significant relationship between motivation of youths and job creation
- H0<sub>3</sub>: There is no significant relationship between resources of youths and job creation

**Review of Literature**



**Fig 1: Conceptual framework of youth entrepreneurial insight and job creation**

## **Conceptual Review**

### ***Youth Entrepreneurship***

Youth entrepreneurs are simply those that participate in total entrepreneurial activities, who take the risks involved in mobilizing resources together in a unique way so as to take advantage of the opportunity identify in their immediate environment through the production of goods and services (Okafor and Mordi, 2010). Entrepreneurial insight is the ability to understand entrepreneurship principles and how to execute them. Swetha, Mohan and Sudharani (2014) opines that entrepreneurship itself has been recognized as fully fledged profession which youths are expected to occupy more than sixty percent positions in the enterprises. Youth entrepreneurial insight is essential to understanding how they can be empowered to take up economic or productive activities on a scientific manner (Swetha et al, 2014). Empowerment of youths through developing their entrepreneurial insight comes in many dimensions: social and economic dimensions: Ekpe, Mat and Razak (2010) believes that investment to develop entrepreneurs among youths will act as a force to accelerate innovation, job creation and economic growth. Similarly, Taiwo, Alege and Olokoyo (2016) opine that youth involvement in entrepreneurship is important for the socio-economic development of both developed and developing nations. This is because they account for significant percentage of the operators of small and medium scale enterprise (SMEs) in virtually all aspects of the globe. They view youth entrepreneurs as groups of youths who initiate, organize and combine factors of production, operate the enterprise and undertake risks handle economic and uncertainty involves in running a business.

In furtherance to that, Okafor and Mordi, (2010) also posits that youths with a dual entrepreneurship features has the attributes of innovativeness, adaptability, creativity, strength as well as the ability to quickly think and reason. These attributes helps entrepreneur to play important role in the development of their communities and country at large. To develop youth entrepreneurially, the right education, entrepreneurial knowledge, specific business training such as skill acquisition, skill

development and time management is imperative. Youth entrepreneurs must be capable of multiply personalities: creativity, risk takers, inventors, investors, leaders, dispute investigators accountants and marketing specialist.

### ***Entrepreneurial Ability***

The gains of entrepreneurship are realized only if the business environment is receptive to creativity and innovation. Entrepreneurs are rare species driven by innovation, creativity and high tolerance for the uncertainty that comes with developing new process and products. Entrepreneurial skills encompass a large range of both soft and hard skills; as entrepreneurs take on different roles and develop a variety of different skill sets to accommodate the growth of their businesses and brands. Audretsch (2002) posits that entrepreneurs create new technology, develop new products or process innovation and open up new markets.

Entrepreneurs introduce innovation and induce economic growth through radical innovation which they introduced; such as Larry Page and Sergey Brin (Google int.), Larry Elison (Oracle int.), Bill Gates (Microsoft) and Steve Jobs (Apple). Entrepreneurial skills encompass a wide range of skill sets like teamwork, leadership, customer service skill, analytical, problem-solving skills, technical skills, business management skills and creative thinking. One of the important roles of an entrepreneur is the ability to take risk. This skill is perceived as a characteristic that differentiates entrepreneurs from the people who are not entrepreneurs (Ahmad 2010, 205). Similarly, Okafor and Mordi (2010) believes that risk taking is the hallmark of an entrepreneur; with a high level of risk taking attitude; always looking for opportunities, having energetic and optimistic attitude towards business ventures.

There are four personality traits that are particularly associated with becoming an entrepreneur Caliendo, Fossen, and Kritikos (2014): openness to experience, belief in their ability to control their own future (internal locus of control), willingness to bear risk and extraversion. Empirical research Caliendo, *et*

al (2014) reveals that the most important personality characteristics influencing entrepreneurial success are lower levels of agreeableness, higher levels of need for achievement, higher levels of (internal) locus of control and medium levels of risk acceptance.

Young people according to Caliendo *et al* (2014) are always open to new experiences and eager to explore novel ideas. Youths are creative, innovative, inquisitive and curious, these attributes are vital for starting a new venture. Each investment ventured into by the entrepreneur particularly in innovative activities is full of uncertainty and unpredictability. Every entrepreneurial decision is risky, often putting their own funds on the line and ultimately risk losing it if the investment fails.

### **Motivation**

Traditionally, the main reason for a person choosing to be an entrepreneur is financial gains. Recent studies proved otherwise; the motivation of a person's entrepreneurial activities may not necessary to fulfill the economic reasons, but it can be to gain social or lifestyle recognitions (Shane & Locke & Collins 2000, 219.). The role of motivation in entrepreneurship is significant for business success. Motivation is a need or desire that energizes behavior and directs it towards a goal (Vallerand, 2004). Entrepreneurs have a different perception of opportunity considerations, factors such as a need for achievement, need for independence, need for financial freedom, self-actualization, recognition and persistent love for doing something great as pull factors in entrepreneurship (Nel, Maritz and Thongprovati 2010).

Consequently, all motivational factors can be grouped into two categories: push and pull actors. The 'pull' factor are characterized by the positive connotation which drives people to be entrepreneurs mainly due to their dream and vision to create new ideas, to seek opportunities, and to create interesting working environment. Littunen (2000) refers to this group of entrepreneurs as "opportunity" entrepreneurs. The "push" entrepreneurs

usually come into existence due to impoverish situation such as life style and reasons.

"Pull" factors are internal motive that draws people to start a business, usually occurred as a result of seeing an opportunities' (Littunen 2000). Entrepreneurs are created as a result of pull factors are usually inspired by reasons other than financial motives in most of the cases. Accordingly, motivators such as need for monetary motivation and longtime desire to be an entrepreneur are considered as pull factor,

Need for achievement and solving a big problem is one of the most powerful motivations towards being an entrepreneur. Entrepreneurs have a different perception of the future, and they have the ability to see the future before it happens. Compared to other entrepreneurs, an individual who has a strong need for achievement is mostly driven not only by financial gain but by the possibility of achieving satisfaction. In furtherance to that, Littunen (2000) posits that entrepreneurs have a strong desire to solve problems by themselves, they are enthusiastic, passionate, future-oriented and seek self-development. These people with high level of need for achievement commonly find their way to entrepreneurship and their success rate is relatively high. The view is consistent to McClelland (1962) that individual who has a higher need of achievement is more likely to engage in activities that require individual skill and effort, a high degree of responsibility for outcomes, have a moderate degree of risk and clear feedback on performance than an individual with a low need for achievement. He concluded that people high in need for achievement will be more likely to take an entrepreneurial job as their careers than another type of roles.

There is some existing evidence showing that entrepreneurs may be higher in independence than other individuals, according to the survey done by Gray, Foster and Howard (2006) with 60 entrepreneurs. Independence involves taking responsibility for one's own life and activities rather than living off the efforts of others. Being independent requires believing in one's own judgment instead of blindly following the

assertions of others. Desire for independence is categorized as one of the main pull motivational factors to become an entrepreneur according to previous studies. Previous studies Barringer and Ireland (2015) have linked need for independence and self-fulfillment as motives for entrepreneurial ventures. According to these authors having independence to make your decisions is considered the key benefit of being an entrepreneur. Desire for independence occurs because individuals want to be their own boss. People desire for independence and establishing business could be affected by environmental factors such as culture, family background, close role model, the formal and informal education system, prior work experience, access to resources, the legal system and technology infrastructure; by the region such as availabilities of required facilities ( education, transportation and other communication media facilities would determine individual's motive to be an entrepreneur (Gray, Foster and Howard 2006).

Research findings by Shane, Locke, and Collins (2012) revealed that the desire for independence was found to be the primary cause for many people to become an entrepreneur. Most entrepreneurs enjoy being independence than other individuals; as they do not want to make a living by relying on others, tend to start their own business and have a strong motivation for becoming an entrepreneur, want to start a very small business, not willing to listen to others, they don't want to work within any limitation, like asking permission for anything before they take action to do something, and most importantly they don't want to put their time and energy to work for other's dream every day. Another survey by Hisrich (1985) with some U.S female firm founders, found that desire for independence is one of the prime motivations for starting a business. Similarly, Gray, Foster and Howard (2006) survey of 60 entrepreneurs, the measures of independence were significantly higher among entrepreneurs than the general population. They found that for personality measures of independence, entrepreneurs scored significantly higher than the general population.

### **Resources**

Resources are stock of materials, finance, human and other organization assets owned and used by a person or firm to function effectively. Entrepreneurship resources are the propensity of an individual to behave creatively, act with foresight, use intuition and be alert to new opportunities. Entrepreneurial resources are assets, both tangible and intangible of organizations mobilized and to exploit competitive imperfections in markets. Access to finance is a key in the creation, survival and growth of innovative new ventures. Lack of finance typically prevents new ventures from investing in innovative projects, improving their productivity, financing their growth, covering working capital requirement and meeting market demand. The need for financial freedom is one of the factors that have been proven by many researches as a significant factor in inspiring many youths to become an entrepreneur. The financial desire shows the fact that people need to increase and secure their own and family income level to secure a decent standard of living. So, the people who are motivated to become an entrepreneur often have a stronger desire to make more money, especially make money by themselves, not under control or limited by others. For them, life would be non-meaningful without having what they wanted. In order to have what they want, the only way is to start their own business, control their own career and have their own financial freedom even if there are some risks (Okafor & Mordi 2010)

Studies by European Central Bank (2012) on the relevance of access to finance as a key determinant of entrepreneurship and clearly identifies a finance gap in many locations for new and small firms involved in the early stages of innovation, especially in the market for high risk capital. According to the study, at the seed and start-up stages, technology-driven high-growth SMEs can obtain equity financing from entrepreneurs or from family and friends. In earlier stages, self-financing is particularly important since innovative entrepreneurs cannot overcome information asymmetry and therefore rarely finds any lender or investors, even for potentially profitable projects. In the world today, access to license and property right is

key variables to promoting entrepreneurial activities (Ellis & Williams, 2011). Small and new ventures according to OECD (2011a) are particularly affected by these capital market imperfections. The difficulties that innovative entrepreneurs experience stem from several sources: they typically lack collateral and a track record, they are involved in innovation processes whose outcomes are uncertain, they deal with a public good (knowledge), whose return on investment is not predictable and they own assets whose nature may be intangible and difficult to evaluate.

### **Job creation**

Entrepreneurship is one of the ways of creating wealth in every economy. A country might remain backward not for lack of natural resources or dearth of investment capital, but because of its inability to tap the entrepreneurial talents existing in that society for wealth creation (Ochepa, Sule, Adeyeye and Kolo 2017). Developing countries in Africa, Asia and Latin America with limited fiscal capacity to create jobs and absorb new entrants into the labor market believes that the attractiveness of including youth entrepreneurs towards job creation has grown. Globally, entrepreneurs and small- and medium-sized enterprises (SMEs) are widely considered to be vital to national economies, particularly because they create a higher share of total jobs than other employers. Entrepreneurship is a major tool for job creation and employment in every economy. Entrepreneurs stimulate unemployment growth by generating new jobs when they enter the market, create jobs and employment opportunities not only for themselves but for others as well. Also, Alexander (2014) posits that entrepreneurial activities may influence a country's economic performance by bringing new products, methods and production processes to the market thereby boosting productivity and competition more broadly.

Entrepreneurship is a powerful engine of economic growth and job creation which is crucial for improving the quality, number and variety of employment opportunities for the poor. Okafor and Mordi (2010) posits that entrepreneurship has a multiplier effect on the economy, spur innovation and fosters

investment in people, which is a better source of competitive advantage than other natural resources that is capable of being depicted. Furtherance to that, entrepreneurs' create new enterprises, new commercial activities and new economic sectors.

Sustaining job growth requires structural to unleash the potential for sustainable entrepreneurial development especially improving the investment climate/business environment, opening economies to greater trade and improving governance, define in terms of public sector accountability, inclusiveness and efficiency. Research supports the general observation that entrepreneurship can be a crucial generator of jobs (Zoltan and Catherine 2004). While entrepreneurial activities invariably create some new jobs in the short term, more interestingly, evidence from Europe and the United States has shown that competition created by new firms can replace inefficient companies. The loss of jobs from those companies and from failing startups is offset by job creation in the first year of a firm's life, providing a net increase in jobs for the overall economy in the long term (Alexander 2014).

Entrepreneurship has a great contribution to social wealth by creating new products, new technology, new markets, new industries, new jobs, new institutional forms and so on. Entrepreneurs not only work to solve problems, but work hard enough to approach more creative and innovative way to solve problems efficiently. Without the never-ending creation of new business and social changes, our economy would stop.

### **Theoretical Framework**

#### **Human Capital Entrepreneurship Theory**

The study is anchored on the human capital entrepreneurship theory. Underlying this theory Becker (1994) are two factors: experience and education. Similarly, Anderson and Jack (2000) believe that that the knowledge gained from education and experience represents enormous resources that are heterogeneous in nature. This knowledge are further distributed across individuals which are central to understanding

differences in opportunity identification and exploitation,

Furtherance to that is the finding of Robert (2006) that human capital theory supports the view that societal wellbeing is not just a function of accumulation of resources, wealth, capital and labour, rather individual's education, skills and knowledge are paramount. Human capital theory could be used to develop more value system among individual's and society at large, Empirical evidence Anderson and Miller (2003); Kim, Alderich and Keister (2003) shows that human capital factors are positively related increased opportunity, becoming a nascent entrepreneur and entrepreneurial success.

### **Empirical review**

The study by Ibikunle, Orefuwa and Mafo (2019) conducted a longitudinal study on the causes and effects of unemployment in Nigeria: a solution for graduate idleness and poverty alleviation. Secondary data which served the primary sources of data collection source for data from CBN and NBS reports (1985-2015). The study employed a regression statistical analysis using E-views version 9. The study also shows significant positive relationship between government educational expenditure and unemployment rate in Nigeria. The study found that developing entrepreneurial skills and initiation is paramount to facilitates the employability, creativity and productivity of graduates who will contribute to wealth of the nation not only as job seekers, but also as job creators. Similarly, a study by Olugbola (2017) on exploring entrepreneurial readiness of youth and startup success components in Malaysia adopted the deductive approach. The study employed the use of structured questionnaire. The populations of the study were 10,000 students of university of Sains Islam Malaysia and sample size of 490 students. Structural equation model (SEM) was used for data analysis. The results revealed that entrepreneurial readiness of students was influenced when motivated ( $\beta=0.153$ ,  $P<0.05$ ), when they can identify opportunity ( $\beta=0.751$ ,  $P<0.001$ ) and when resources are available ( $\beta=0.180$ ,  $P<0.001$ ).

The study by Aja and Adali (2013) on how youth empowerment could be achieved through entrepreneurial education in Nigeria Nigerian universities using empirical evidence from literature. The findings revealed that there was no educational degree requirement to become an entrepreneur, but they have a great diversity of personal traits and the willingness to take risk for profit. Furtherance to that, Okoye, Lloanya and Udenze (2014) examined to what extent entrepreneurship in Nigeria has to reduce youth unemployment using empirical literature review. It was found out that policy initiative from governments have affected the "transformation question" due largely to a rise in corruption, inadequate and inefficient infrastructural facilities and maladministration.

In a Similar study Mtenga (2013), utilized survey data generated from 145 trained youths in Makangarawe to study how empowering the youths through entrepreneurship skills training can bring about economic growth and development. Descriptive statistical tool and pair-wise ranking correction were used for the data analysis. The findings of the study revealed that majority of the youths in Makangarawe do not have entrepreneurial culture and skill and spend most of their time indulging in promiscuous activists and loitering. Another research conducted by (Kirkwood & Walton (2010), on "What Motivates entrepreneurs to Start a Business", considered motivational factors such as gap in the market, money- to make a living, independence-being own boss, passion- passion for environment, family related motivators- life style have been described as significant motivators that encourages people to start a business. Thus the research concluded that independence and passion were the two factors that met the significant test level.

A study conducted by Collins, Locke, and Hanges (2000) on meta-analysis of a need for achievement and entrepreneurship studies, examined 63 "need for achievement and entrepreneurship The finding of the first and only meta-analysis of a need for achievement and entrepreneurship studies. The findings of the study revealed that the need for achievement has a significantly positive

relationship to founding a company; Its findings also revealed that that a positive relationship exist between need for achievement and entrepreneurial activities.

### **Methodology**

The qualitative research method was adopted for the study, which focuses on objective numeral data collection through structured questionnaires which provided a picture about the insight of entrepreneurs. The study also adopted a census survey comprised of 350 students of Higher National Diploma of the department of Business Administration, Delta State polytechnic Ogwashi uku, Delta state. Structured questionnaires served as primary source of data collection. The purpose was to address and test the hypothesis formulated for study.

The choice for the population was based on the fact that these are youths in the territory institutions within their youthful ages and for ease of questionnaire distribution. The descriptive statistics and multiple regressions were used for data analysis.

A total of 30 items were used in the questionnaire with five point Likert scale ranging from SA= strongly agreed, A= Agreed, UD = undecided, D = Disagreed, SD = strongly Disagreed

### **Model Specification**

JOBC = f(ENTI)

ENTI = (ENTA, MOTN and RESS)

JOBC =  $\alpha + \beta_1$ ENTA +  $\beta_2$  MOTN +  $\beta_3$  RESS + u .....

Where:

ENTA = Entrepreneurial Abilities

MOTN = Motivation of youths

RESS = Resources available to youths

JOBC = Job Creation

ENTI = Entrepreneurial insight

$\beta_1 - \beta_3$  = Regression terms

$\alpha$  = constant

u = Error term

### **Statistical Methods of Analysis**

The analysis of data in this study were largely quantitative in nature, it involves a combination of both descriptive and inferential statistics.

After data cleaning which entailed checking for errors in entry, descriptive statistics and frequencies were estimate for all variables and information presented in form of frequency tables. Descriptive statistics were further used to provide a profile of respondent demographics. Descriptive statistics enable researcher to meaningfully describe the distribution of scores or measurement using a few indices (Saunders Lewis and Thornhill, 2007). Data frequency distribution was used in describing and explaining the situation as it is in firm, in this respect, fundamentals statistical measures (averages, frequencies, percentages) were used. Regression analysis is the most commonly used statistical technique in strategy research (Wiersema and Bowen, 2009). Multiple regression and correlation analysis were used as the statistical tool to analyse the relationship and strength of association between the variables. Post regression diagnostic test (PRDT) was carried out so as to certify the regression model before generalization, which includes: test for Multicollinearity using the VIF test, test for Heteroskedasticity and the Ramsey regression specification-error test for omitted variables (Ramsey RESET). The hypothesis was tested at 0.05% significance level with 95% confidence, which is acceptable in non-clinical research study. The statistical tool employed in this study is Stata 13.0 statistical software package.

### **Test of Hypotheses**

Post-regression diagnostic testing was performed before testing the formulated hypotheses. Heteroskedasticity test - 0.92(0.33) which indicates that the variation between the dependent and independent variables is homoskedastic since there is no heteroskedasticity problem. The model is free of unequal variance. This study further point to the reliability and validity of our probability values for drawing inferences at the level of significance. Thus, implying that robust regression or weighted square least regression is not required.

The variance inflation factor test follows, the mean VIF value is 1.35 which is lower than the reference value of 10, indicating the absence of multicollinearity. The results obtained from test

for Ramsey regression equation specification error test, indicates the probability value of 0.507 indicating that the model has no omitted variables.

**Ho<sub>1</sub>:** Entrepreneurial abilities of youths have no significant relationship with job creation. Entrepreneurial abilities ( $\beta = 0.1957$ ,  $p = 0.000 < 0.05$ ) indicates that there exists a significant positive relationship between entrepreneurial abilities and job creation. In light of this, the null hypothesis was dismissed and the alternative hypothesis was adopted, suggesting that Entrepreneurial abilities of youths have significant relationship with job creation.

**Ho<sub>2</sub>:** There is no significant relationship between motivation of youth and job creation. Motivation of youth ( $\beta = 0.340$ ,  $p = 0.000 < 0.05$ ). Indicates that there exists a significant positive relationship between motivation and job creation. In light of this, the null hypothesis was dismissed and the alternative hypothesis was adopted, suggesting that motivation of youths have significant relationship with job creation.

**Ho<sub>3</sub>:** There is no significant relationship between resources available to youths and job creation. Resources available to youths ( $\beta = 0.344$ ,  $p = 0.000 < 0.05$ ). The null hypothesis was dismissed and the alternative accepted, suggesting that resources available to youths greatly influence job creation.

It was also observed from the multiple regression that the adjusted R-squared value of 0.41 implying that 41% of job creation in brought about by entrepreneurial insight. The F-statistic of 72.78 and its associated P-value of 0.000 shows that the multiple regression model on the overall is statistically significant at 1% level.

### Discussion of Findings

Youth entrepreneurs are simply those that participate in total entrepreneurial activities, who take the risks involved in mobilizing resources together in a unique way so as to take advantage of the opportunity identify in their immediate environment through the

production of goods and services (Okafor & Mordi, 2010). Entrepreneurial insight is the ability to understand entrepreneurship principles and how to execute them. Swetha, Mohan and Sudharani (2014) opines that entrepreneurship itself has been recognized as fully fledged profession which youths are expected to occupy more than sixty percent positions in the enterprises. Youth entrepreneurial insight is essential to understanding how they can be empowered to take up economic or productive activities on a scientific manner (Ekpe, Mat & Razak, 2010: Swetha et al, 2014: Taiwo, Alege & Olokoyo, 2016)

The gains of entrepreneurship are realized only if the business environment is receptive to creativity and innovation. Entrepreneurs are rare species driven by innovation, creativity and high tolerance for the uncertainty that comes with developing new process and products. Entrepreneurial skills encompass a large range of both soft and hard skills; as entrepreneurs take on different roles and develop a variety of different skill sets to accommodate the growth of their businesses and brands. In line with the above the study established that entrepreneurial abilities of youths have significant relationship with job creation. This is in consonant with Audretsch (2002) that entrepreneurs create new technology, develop new products or process innovation and open up new markets. Entrepreneurs introduce innovation and induce economic growth through radical innovation which they introduced; such as Larry Page and Sergey Brin (Google), Larry Ellison (Oracle), Bill Gates (Microsoft) and Steve Jobs (Apple) and all these activities creates job. Similarly, Ahmad 2010; Saul, Hui, Gerald and Baruch (2012) affirmed that one of the important roles of an entrepreneur is the ability to take risk and this skill is perceived as a characteristic that differentiates entrepreneurs from the people who are not entrepreneurs, believing that risk taking is the hallmark of an entrepreneur. With a high level of risk-taking attitude; always looking for opportunities, having energetic and optimistic attitude towards business ventures. Caliendo, *et al* (2014) also reveals that the most important personality characteristics influencing entrepreneurial success are lower

levels of agreeableness, higher levels of need for achievement, higher levels of (internal) locus of control and medium levels of risk acceptance, embedded in entrepreneurial ability.

Traditionally, the main reason for a person choosing to be an entrepreneur is financial gains. Recent studies proved otherwise; the motivation of a person's entrepreneurial activities may not necessary to fulfill the economic reasons, but it can be to gain social or lifestyle reasons (Shane & Locke & Collins 2000, 219). The study finds that motivation of youths has significant relationship with job creation. This is in line with the findings of Valllerand (2004) Motivation is a need or desire that energizes behavior and directs it towards a goal. Nel, Maritz and Thongprovati (2010) also asserted that entrepreneurs have a different perception of opportunity considerations, factors such as a need for achievement, need for independence, need for financial freedom, self-actualization, recognition and persistent love for doing something great as pull factors in entrepreneurship and that this pool factor results in job creation. The role of motivation in entrepreneurship is significant for business success (Barringer and Ireland, 2015). Resources available to youths greatly influence job creation. In order to have what they want, the only way is to start their own business, control their own career and have their own financial freedom even if there are some risks (Kiyosaki, 2012; Kirkwood & Walton, 2010). This is because access to finance is a key in the creation, survival and growth of innovative new ventures. Lack of finance typically prevents new ventures from investing in innovative projects, improving their productivity, financing their growth, covering working capital requirement and meeting market demand as key variables to promoting entrepreneurial activities (Ellis & Williams, 2011; Olugbola, 2017).

### **Conclusion**

The quantitative research is an attempt to provide a pictorial relationship on youth's entrepreneurial insight and job creation. Entrepreneurial abilities, resources and motivation are driving forces that pushes or

pulls people towards some desired goals. These factors create a difference between individuals' career options and way of living. Important findings of this research are that abilities, resources and motivational difference are apparent among individual respondents. The findings also revealed that one common characteristic of entrepreneurs is not give up easily, as starting a business requires a lot of efforts and patience. For instance, most of the students who participated in this survey reflected their strongest desire to become an entrepreneur as a cause of pull factor motivators rather than the push factors. From the results obtained from the study, we conclude that, most of the students want to be entrepreneurs, but their primary motive is not simply to solve immediate unfavorable prevailing situation which emerged as a result desperation or family reasons. Rather, there is a common aspect that "pull factor" motivators such as a desire to do something one loves, self-actualization, desire to be one's own boss and not want to be controlled, are the factors that have been supported by more respondents. Desire for independence which is one of the statistically significant factor based on the research findings, was found as a primary motivational factor that push students to become entrepreneurs.

The study therefore concludes that there are significant and positive relationship between entrepreneurial abilities, motivation factors and resources and job creation among youths in Nigeria tertiary institutions.

### **Recommendations**

1. It is recommended that youths being the hope of the economy, recognizing and developing their creative talents are motivational factor that pushes them to become entrepreneurs.
2. Stakeholders such as policy makers, governments and other institutions needs to encourage students towards entrepreneurship by easing some of the difficult bureaucracies procedures, complicated formalities and structures.

3. It is also recommended that creating an enabling environment to encourage talented youth so that their innovative skills can manifest.

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**Appendix 1: Results**

Source	SS	df	MS	Number of obs =	300
Model	112.559363	3	37.5197877	F( 3, 296) =	72.78
Residual	152.587304	296	.515497647	Prob > F =	0.0000
				R-squared =	0.4245
				Adj R-squared =	0.4187
Total	265.146667	299	.886778149	Root MSE =	.71798

jobc	Coef.	Std. Err.	t	P> t	[95% Conf. Interval]	
enta	.1957744	.0527476	3.71	0.000	.0919665	.2995823
motn	.34044	.0511738	6.65	0.000	.2397295	.4411505
ress	.3448777	.0582514	5.92	0.000	.2302383	.4595171
_cons	.665213	.2334935	2.85	0.005	.2056954	1.124731

variable	mean	p50	max	min	N
enta	3.776667	4	5	1	300
motn	3.866667	4	5	1	300
ress	3.863333	4	5	1	300
jobc	4.053333	4	5	1	300

	enta	motn	ress	jobc
enta	1.0000			
motn	0.3359	1.0000		
ress	0.4926	0.4054	1.0000	
jobc	0.4548	0.5170	0.5398	1.0000

Skewness/Kurtosis tests for Normality

Variable	Obs	Pr(Skewness)	Pr(Kurtosis)	adj chi2(2)	joint Prob>chi2
enta	300	0.0000	0.4013	21.95	0.0000
motn	300	0.0000	0.0002	49.80	0.0000
ress	300	0.0000	0.0037	38.18	0.0000
jobc	300	0.0000	0.1716	28.28	0.0000

Breusch-Pagan / Cook-Weisberg test for heteroskedasticity

Ho: Constant variance  
 Variables: fitted values of jobc

chi2(1) = 0.92  
 Prob > chi2 = 0.3386

. estat ovtest

Ramsey RESET test using powers of the fitted values of jobc

Ho: model has no omitted variables  
 F(3, 293) = 0.78  
 Prob > F = 0.5077

. estat vif

Variable	VIF	1/VIF
ress	1.44	0.692443
enta	1.36	0.735118
motn	1.23	0.811188
Mean VIF	1.35	

. alpha enta motn ress jobc, detail item

Test scale = mean(unstandardized items)

Item	Obs	Sign	item-test correlation	item-rest correlation	average interitem covariance	alpha
enta	300	+	0.7432	0.5259	.3956001	0.7409
motn	300	+	0.7332	0.5163	.4053549	0.7452
ress	300	+	0.7831	0.6076	.3698699	0.6993
jobc	300	+	0.8208	0.6456	.3260238	0.6754
Test scale					.3742122	0.7710