



SELF EFFICACY AND SELF EMPLOYMENT INTENTIONS OF RECENT GRADUATES IN NIGERIA

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Abstract

This research examines self-efficacy and self-employment intentions among recent graduates in Nigeria to find out the efficiency and effectiveness of Entrepreneurship education, Entrepreneurial training and National Youth Service Corps (NYSC) SAED programs on recent graduates observing their compulsory one year service during 2021/2022. The objective of the study is to investigate the impact of Entrepreneurial self-efficacy on self-employment intentions among graduates in Nigeria. and understand the effect of entrepreneurship education on entrepreneurial self-efficacy among Nigeria graduates. The research design adopted for the study is Survey research design which entailed the administration of questionnaires to respondents through the use of random sample in which 536 questionnaires were distributed electronically through Email and various NYSC WhatsApp groups and Facebook pages. The result from hypothesis one shows the R Square to be 15.3% which indicates that entrepreneurship education contributes to development of entrepreneurial self-efficacy among graduates. Also, the F-statistic of 97.48 was obtained which was significant since the p-value is less than 0.05. The result from the coefficient table shows that 7% variation in entrepreneurial education leads to 57% variation in entrepreneurial self-efficacy development among graduates. This affirms a positive relationship between the variables. The result from hypothesis two shows the R Square to be 0.438. This revealed that entrepreneurial self-efficacy accounted for 43.8% of the variance in the self-employment intentions among graduates, F-statistic of 416.094 was obtained. This is significant as the p-value is less than 0.05. Entrepreneurship education has been confirmed to have contributed to the Entrepreneurial self-efficacy of recent graduates which in turn hone their self-employment intentions. In view of this, the researchers conclude that the place and the role of entrepreneurship education can never be overemphasized as education, among other factors shape and sharpen entrepreneurial self-efficacy. High level of entrepreneurial self-efficacy boosts self-employment intentions and helps grow the economy.

Keywords: *ENTREPRENEURIAL SELF-EFFICACY, SELF-EMPLOYMENT INTENTIONS, ENTREPRENEURIAL EDUCATION*

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Introduction

The formation of an intention is a step closer to starting a business and self-employment. These intentions are gear toward pursuing an economic mission by starting a business or launching a venture. These intentions are transformed into entrepreneurial activities to ensure economic development and of course self-development (Kruja, 2013).

The decision by an individual to take up entrepreneurial task has become a point of concern for researchers, educators, and policy makers seeking to support entrepreneurial activities.

Entrepreneurship is believe to be solution to the problem of unemployment as it is evidently argued that country with more entrepreneurial activities tend to have less unemployment problems. Setiwan (2012) argued that "university needs to prepare students to face the challenge in their life after completing their studies. University need not only help students to be ready to seek job but more than that, University should equip students to be able to create jobs." No wonder the government of Nigeria through its education policy had included entrepreneurship education in the University curriculum and also established entrepreneurial training through the NYSC SAED program and related programs that was aimed at training graduates. Entrepreneurship education is expected to develop entrepreneurial mind-set and intentions among graduates and equip them to be an entrepreneur. (Setiwan, 2013).

Shane (2003) define entrepreneurship as " an activity that involves the discovery, evaluation, and exploitation of opportunities to introduce new goods and services, ways of organizing markets, processes and raw materials through organizing efforts that previously had not existed".

Insecurity, insurgency, tribal conflicts, political and economic instability can be linked to mass unemployment in Nigeria. To curb the panacea of mass graduate unemployment in Nigeria, there is dire need to emphasize and reiterate the importance of self-employment for tertiary students. Self-employment should be seen as a career path vis-à-vis a proven means of economy development. That been said, for self-employment to be a success, there must be strong intentions upon which decisions are based. A job career that is shaped by entrepreneurship spirit provides graduates with the opportunities to enjoy job independence, greater monetary reward and gain towards overall economy via innovation, economic development and job creation (Ahmed, et al., 2010).

Wilson, F., Kickul, J. and Marlino, D. (2007) refers to entrepreneurial intentions as the conscious goals to become an entrepreneur. Intention is a state of mind that focuses a person attention towards a goal or path. (Boyd & Vozkir, 1994). Intentions are related to motivation which is the driving force in any action (Ryan & Deci, 2000). Self-employment intention (SEI) can therefore be seen as the state of mind that initiate people to opt-in for self-employment rather than choosing traditional salary based employment (Afolabi, Kareem, Okunbanjo, Ogunbanjo and Aminkan, 2017).

Entrepreneurial Self efficacy as an antecedent of entrepreneur intentions was defined by Chen, Green and crick as "an individual belief in his/her capability to perform tasks as and roles aimed at entrepreneurial outcome". From the definition, it is crystal clear that the decision by individual to take up entrepreneurial task is fuelled by the instrumentality (i.e education, training) aimed to hone self-efficacy.

Admittedly, self-efficacy often precedes entrepreneurial intention because it is a predictor of any behaviour. Self-efficacy is a person's belief in his/her ability to perform certain task (Bandura, 2012). High level of self-efficacy increases the chances of success even at the face of obstacles. In a research done by Karlsson&Moberg (2013), entrepreneurial self-efficacy (ESE) is a yardstick for assessing a person's belief in his/her ability to launch entrepreneurial ventures successfully. Saraoih, Zuraini and Suhana (2017) concluded that persons with high self-efficacy have more believe and confidence in their abilities than persons with low self-efficacy. Undoubtedly, to attain this level of entrepreneurial self-efficacy, intensive Entrepreneurship education must be provided for tertiary institutions students prior to graduation via: storytelling by successful entrepreneurs, meeting entrepreneurs through field visits, having entrepreneurs as a guest lecturers/speakers, analysing case studies etc. this will invariably increase the level of self-employment intentions (Welsh et al.,2016)

As such, many researchers have tried to study the relationship/correlation existing between self-efficacy and self-employment intentions. Peterman and Kennedy (2003) revealed that there is composite and relative contribution of self-efficacy to students entrepreneurial intentions in three different autonomous college in USA. Fatima and Helisa (2019) studied the influence of self-efficacy, self-confidence on entrepreneurial intentions. They were of the opinion that education and role modelling as a measuring variable influences self-efficacy which later has influence on entrepreneurial intentions.

Entrepreneurship Education and self-efficacy

Essentially, Entrepreneurship Education (EE), Entrepreneurial Self-efficacy (ESE) and Self-employment Intentions (SEI) are interwoven. EE substantially change participants' Self-Employment Intentions (Iglesias-Sanchez et al., 2016). Vohora et al (2004) were of the opinion that entrepreneurs who get the required education can identify new opportunities. Handarul et al (2012) concluded that business owners who are experienced in formal education has differences of entrepreneurial self-efficacy than the ones who does not experienced a formal education. Leaving out entrepreneurship education while training to-be-graduates in reality of the present National economic condition is as good as putting square peg in a round hole; apparently, it will not work and unemployment rate will increase.

Statements of the Problem

The panacea of mass unemployment is increasing geometrically with recent graduates adding to the number of unemployed citizens year-in year-out. Tertiary institutions made up of universities, polytechnics, mono-technics and colleges of education, for example, continue to churn out graduates that have constantly clogged up the labour market thereby increasing the rate of graduate unemployment in the nation (Sodipo, 2014).

The National graduates survey carried out by a leading recruitment agency shows that, Nigeria is in dire need to ramp up training and job creation (self-employment) schemes for tertiary institutions graduates.

In Nigeria, tertiary institutions produce more than 600,000 graduates each year (<https://www.afterschoolafrica.com/55704/10-reasons-why-nigerian-graduates-are-unemployed-and-unemployable/>). The total number of people classified as unemployed, increased from 17.6 million in fourth quarter of 2017 to 20.9 million in third quarters of 2018. (<https://nigerianstat.gov.ng/elibrary/read/856>)

In view of all the researches and surveys cited, it is undeniable that Nigeria is plague with mass-unemployment. To battle this dilemma, entrepreneurship spirit should be instilled in students through various entrepreneurship educations.

This study therefore seeks to assess the impact of entrepreneurship education on entrepreneurship self-efficacy and then investigate the effect of entrepreneurship self-efficacy on self-employment intentions. This study also seeks to contribute to pioneer researches and clearly establish the relationship between self-efficacy and entrepreneurial intentions of graduates in NYSC program in Nigeria.

Objective of the study

The objectives of this study are:

To understand the effect of entrepreneurship education on entrepreneurial self-efficacy among Nigeria graduates

To investigate the impact of Entrepreneurial self-efficacy on self-employment intentions among graduates in Nigeria.

Statement of hypothesis

The following null hypotheses were postulated in order to achieve the purpose of this stud.

Ho1 : there is no significant relative contribution of entrepreneurship education (EE) in the development of entrepreneurial self-efficacy (ESE) .among Nigerian graduates.

Ho2: There is no positive influence of entrepreneurial self-efficacy (ESE) on self-employment intentions (SE) of graduates in Nigeria

Methodology

Research design

This study employed a descriptive research design of corrections type.

Population

The population of this study consisted of Nigeria graduates currently undertaking the compulsory NYSC program in the country.

Sample and sampling technique

The sample for this study is (536) which is feasible because the large population involved. The sample was selected using cluster sampling techniques, this was done based on the 4 regions within the country that is, northern, western, southern and Eastern region. Of which one state each was randomly selected from the regions respectively. These are Kano state representing the north, Ondo state representing the west, Delta state representing the south and Anambra state representing the east.

Data collection

Questionnaire containing 10 items which responses was based on 5-point likert scale ranging from strongly agree to strongly disagree was prepared using Google form and distributed electronically through Email and various NYSC WhatsApp groups and Facebook pages. This was necessary as it gives room to reach out to large number of Corps members in each state.

Method for data analysis

The data collected was analysed using regression analysis and ANOVA to test the relationship with the help of SPSS package.

Model specification

The hypothesis was tested through the model paths

$$y=f(x) + e$$

$$SEI=f(ESE) + e \text{-----eq1}$$

Where

$$ESE=f(EED) + e \text{-----eq2}$$

Where:

SEI = Self-employment intentions

EED = Entrepreneurship education

ESE= Entrepreneurial self-efficacy

e= Constant /error term

Results

Hypothesis 1: there is no significant relative contribution of entrepreneurship education (EED) in the development of entrepreneurial self-efficacy (ESE) .among Nigerian graduate.

Table 1(a) Model Summary of the regression analysis of the contribution of entrepreneurship education to entrepreneurial self-efficacy development among graduates

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.393 ^a	.154	.153	2.401	.154	97.478	1	534	.000

a. Predictors: (Constant), Entrepreneurship Education

Table 1(b) Coefficients of relative contribution of entrepreneurial education on entrepreneurial Self-efficacy development among graduates.

Model	Unstandardized Coefficients	Standard ized Coefficients	t	Sig.	Correlations

	B	Std. Error	Beta			Zero-order
1 (Constant)	7.431	.705		10.540	.000	
entrepreneurship education	.569	.058	.393	9.873	.000	.393

a. Dependent Variable: Self Efficacy

The results in table 1(a) shows that entrepreneurship education (EE) contributed to the development of entrepreneurial self-efficacy among graduates ($R = .393$; $R^2 = .153$; $F_{(1,534)} = 97.478$; $P < .05$). This revealed that entrepreneurship education only accounted for 15.3% of the variance in the development of entrepreneurial self-efficacy among graduates. This finding negates the earlier stated null hypothesis, which stated that there is no significant relative contribution of entrepreneurship education to entrepreneurial self-efficacy among graduates. Thus, Entrepreneurship education is a good predictive of entrepreneurial self-efficacy.

However, the results in table 1(b) revealed the strength of the causation of the predictor variable which is very potent ($\beta = .569$; $t = 9.873$; $r = 39.3\%$; $P < 0.05$). Therefore we reject the null hypothesis and accept the alternate hypothesis which states that entrepreneurship education contribute to the development of entrepreneurial self-efficacy among graduates in Nigeria.

Hypothesis 2: There is no positive influence of entrepreneurial self-efficacy (ESE) on self-employment intentions (SE) of graduates in Nigeria.

Table 2(a) Model Summary of the regression analysis of the influence of entrepreneurial self-efficacy on self-employment intentions of graduates in Nigeria

Model	R	R ²	Adj R ²	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.662 ^a	.438	.437	2.270	.438	416.094	1	534	.000

a. Predictors: (Constant), Self-efficacy

Table 2(b) Coefficients of the contribution of entrepreneurial self-efficacy to self-employed intentions among graduates in Nigeria

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Correlations	
	B	Std. Error	Beta			Zero-order	Partial
1 (Constant)	3.434	.548		6.271	.000		
self-efficacy	.768	.038	.662	20.398	.000	.662	.662

a. Dependent Variable: self-employment intentions

The results in table 2(a) shows that entrepreneurial Self-efficacy combined to determine self-employment intentions among graduates in Nigeria ($R = .662$; $R^2 = .438$; $F_{(1,534)} = 416.09$; $P < .05$). This revealed that entrepreneurial self-efficacy accounted for 43.8% of the variance in the self-employment intentions among graduates. Also there is a significant relationship among entrepreneurial self-efficacy and self-employment intention among graduate. This is evident at $r = 0.662$. This finding negates the earlier stated null hypothesis, which stated that there is no significant relative contribution of entrepreneurial self-efficacy to Self-employment intentions among graduates. Thus, Entrepreneurial self-efficacy is a good predictive of self-employment intentions.

Also, the results in table 1(b) revealed the strength of the causation of the predictor variable which is very potent ($\beta = .768$; $t = 20.398$; $r = 66.2\%$; $P < 0.05$). Therefore we reject the null hypothesis and accept the alternate hypothesis which state that, there is significant relationship among entrepreneurial self-efficacy and self-employment intentions among graduates in Nigeria.

Discussion of findings

The first hypothesis stated that “There is no significant relative contribution of entrepreneurial education in the development of entrepreneurial self-efficacy”. This hypothesis was rejected by the analysis of data indicating that entrepreneurship education contributed significantly and relatively to the prediction of entrepreneurial self-efficacy development among graduates in Nigeria. This showed that entrepreneurship education accounted for 15.3% of entrepreneurial self-efficacy development among graduate in Nigeria. This shows that entrepreneurship education is just one factor among many others that contributed to the development of entrepreneurial self-efficacy. This finding supported the research from the Fayolle et al., (2006); and Souitaris et al., (2007) that reported that self-efficacy emanates from an individual’s exposure and learning from a formal education program in the form of an entrepreneurship course in a polytechnic setting.

The second hypothesis stated that “There is no positive influence of entrepreneurial self-efficacy (ESE) on self-employment intentions (SE) of graduates in Nigeria”. The outcome of this has established a significant relationship between self-efficacy and self-employment intention among graduates in Nigeria. This finding supported the work of Uloko, and Ejinkeonye, (2010) which reported that the youth’s level of self-efficacy is a greater factor in stimulating their interest to set up a personal business after school.

Furthermore, the result of this hypothesis resonates with the concluding remark of Fatima and Helisa (2019). They argued that the higher the level of education as a measuring variable of self-efficacy, the higher the level of entrepreneurial intentions. By and large, 43.8% of self-employment intentions among graduates are as a result of entrepreneurial self-efficacy.

Recommendation

This research work, hinged on the two formulated hypotheses made it clear that there is need for recent graduates to develop their entrepreneurial self-efficacy to successfully launch and venture into entrepreneurship. However, the place and the role of entrepreneurship education can never be overemphasized as education, among other factors shape and hone entrepreneurial self-efficacy.

Entrepreneurial education/training should be more of practical than obsolete theories with little or no application at all. To achieve this, government must provide modern facilities across the nation where students/graduates-to-be have access to intensive training sessions with notable entrepreneurs.

The curriculum of entrepreneurship education should be tailored towards a particular field of study as against the general structure in use in the Nigerian university. For instance, a computer science student should be thought how entrepreneurship can be embedded in computer science field.

NYSC SAED program should not be taken with kid’s glove but must complement the education received during undergraduate studies of recent graduates. It is typically not out of point to monitor the progress of trained graduates to encourage continuity.

To crown it all, the role of entrepreneurship in economic growth and development of a nation like ours should foster the effort of government, NGOs and concerned individuals to help encourage recent graduates toward entrepreneurship career with mouth-watering incentives.

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