

## UNEMPLOYMENT AMONG BUSINESS EDUCATION GRADUATES IN NIGERIA

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### **Abstract**

*Unemployment phenomena in Nigeria has been very disturbing for some years now. This paper discussed the concept of unemployment, Types of unemployment, unemployment and Business Education, Goals of Business Education, State of unemployment in Nigeria, Causes of unemployment among Business Education graduates and the effects of unemployment on Business Education graduates. The paper implicated poor pre-employment preparation of Business Education graduates, shortage of qualified lecturers, poor and obsolete equipment and inadequate facilities, unworkable government policies among others as the central issues responsible for the state of unemployment of Business Education graduates. It was recommended that the gap between pre-employment training of Business Education graduates and the demands of labour market be bridged among others for policy packaging in Nigeria with fragile economy.*

### **INTRODUCTION**

Nigeria is generally regarded as a country endowed with enough human and natural resources. It is a country with a population of over 140 million people NPC (2008). In the 1960's before the advent of the oil boom, unemployment did not quite constitute a problem in Nigeria. This was due partly to the fact that there was a growing subsistence and commercial agricultural sector. The country then was an exporter of food and cash crops such as cocoa, rubber, palm oil, groundnuts, among others. At that time, the Nigerian economy was diversified and grew rapidly.

In the early 1970's, when oil had replaced the agricultural produce, world oil prices caused sudden flood of wealth in the country and the orientation of Nigerians drastically changed. There was influx of the school leavers and youths into the cities seeking for paid jobs. In the early 1980s production of oil fell sharply as a result of sudden decrease in world demand. As a result of this, large number of the youths who left for the urban areas in search of higher wages remained in the cities even when they failed to find jobs. Unemployment and underemployment started unabated. Unemployment in Nigeria worsened because the educational system handed over by the colonial masters was liberal oriented. It was a general education that had no technical and vocational content.

A related phenomenon is the issue of mobility of labour. Mobility of labour is the geographical and occupational movement of workers. In Nigeria, there are also impediments to mobility of labour because the jobs are not there. The purpose of this paper was to discuss unemployment among Business Education graduates in Nigeria. The concept of unemployment, Types of unemployment, goals of Business Education, the state of unemployment among Business Education Graduates; and the causes of unemployment were discussed. Suggestions for policy options were also put forward.

### **MEANING AND CONCEPT OF UNEMPLOYMENT:**

Unemployment has increasingly come to be recognized as one of the serious socio-economic problems currently confronting many developing countries, especially in Africa, Asia and Latin America. Unemployment has been described as a situation in which the segments of the labour force willing to work at the prevailing wage rate are unable to find employment (Dike 2010). According to the World Bank (1998), the unemployed is a member of an economically active population, who are without work but available for and seeking for work, and those who have voluntarily left work. Thus, 'unemployed' refers to those who do not have a job but are actively seeking employment (ILO, 2006); (ILO, 2007).

In Nigeria today, graduate unemployment has reached an alarming rate. The unemployed graduates and non-graduates roam the streets of the cities in Nigeria searching for jobs that do not exist.

It must be noted that the issue of unemployment goes beyond mere shortage of jobs. It includes the growing divergence between inflated attitudes and job expectations of school leavers.

#### **TYPES OF UNEMPLOYMENT:**

Unemployment can be discussed under the following sub-headings which may be applicable to business education graduates in Nigeria.

- (1) **Open Unemployment:-** This is a type of unemployment where trained people are excluded from jobs which they could be qualified for and therefore get their financial needs from other sources rather than employment.
- (2) **Underemployment:-** This is where individuals who are in employment work less than what they would have been able or like to work on a daily, weekly or monthly basis. According to Anyaele (2003), it is a situation whereby the potentialities of worker are not fully utilized. There are financial, mental and physical under-employment. It is financial when the worker is not getting equal pay from the work he is doing; mental when there is a mismatch between the work a person is doing and what he studies; and physical when the worker is underutilized.
- (3) **Technological Unemployment** – This is as a result of switching from labour intensive production technique to capital intensive production technique. Those who are skilled will be retained while the unskilled labourers will be replaced with machines.
- (4) **The Visibly Active but underutilized:-** – In this category, workers are not unemployed or under employed but the work is openly shared by the employed resulting in an unpleasant feeling of under employment. There are two types of visibly active but underutilized unemployment viz:
  - (a) **Hidden unemployment** - This is where people are employed less than what their educational qualification would have given to them. They get less matching jobs just to get body and soul going.
  - (b) **The prematurely retired** - This is a situation where workers' retirement ages are reduced due to population explosion. People who ordinarily would have been actively employed are made to retire from work to create opportunity to younger ones to be employed.
- (5) **The impaired:-** These are persons whose health situation has excluded them from the work force. They may have been disadvantaged due to lack of adequate nutrients and proper medication at a time in their life.
- (6) **Voluntary Unemployment:-** This is unemployment which is deliberate, occurs when some people refuse to take up any paid employment or decide not to do any work. For instance, some husbands may order their wives not to do any type of work but to stay at home as full time housewives, Anyaele (2003).
- (7) **Frictional Unemployment:-** This arises when people leave their present job with the hope of getting a new and better one but fail to do so.

#### **UNEMPLOYMENT AND BUSINESS EDUCATION:**

It is generally observed that Business Education is the system of training that enables its trainees to acquire the necessary skills and knowledge that are relevant to life or living. As stated by Anyakoha and Oranu (1997), Business Education provides programmes which are designed to provide competent and skilled manpower at levels of socio-economic occupation including decision making. Business Education is an aspect of Technical and Vocational Education (VTE).

In Nigeria during the era of the colonial masters, the emphasis on education was placed on literary education. This was so because they needed people who would be employed as clerks and other categories of personnel who would take care of their commercial interests in the companies that they brought to Nigeria. In the course of time, some forms of formal vocational schools were established and these were controlled by the Royal Society of Arts (RSA) and the City and Guilds of London Institute through the conduct of examinations in commercial and technical subjects. According to Dike (2010), it was in 1992 that the West African Examinations Council (WAEC) started to conduct examinations in some technical and commercial subjects from RSA and City and Guilds London Institute. Oni (2006) asserted that later, the Federal government introduced Federal Craft Certificate as practical aspects of the trades examined.

### **GOALS OF BUSINESS EDUCATION ACCORDING TO THE NATIONAL POLICY ON EDUCATION:**

In the National Policy on Education, FRN, (2004) classified Business Education under VTE and it is defined as that aspect of the total educational programme that provides the knowledge, skills, understanding and attitudes needed to perform in the business world as a producer, or a consumer of goods and services that business offers. Throughout history, technology has been the dominant factor for initiating and accelerating human progress and development. (Ladi 1990). It could be based on this premise that Federal Republic of Nigeria (FRN) stipulated the goals of VTE for which Business Education finds as:

- (a) Provide trained manpower in the applied sciences, technology and business particularly at craft, advanced craft and technical levels;
- (b) Provide the technical knowledge and vocational skills necessary for agricultural, commercial and economic development;
- (c) Give training and impart the necessary skills to individual who shall be self-reliant economically.

In the National Policy on Education section 7, sub-section (43d) it was stated that the trainees after completing their technical and vocational programmes shall have three options:

- (i) Secure employment either at the end of the whole course or after completing one or more modules of employment skills;
- (ii) Set up their business and become self-employed and be able to employ others.
- (iii) Pursue further education in advance craft/technical programme and in tertiary institutions such as polytechnics, colleges of education (technical) and universities.

In section 7, sub-section 46, the National Policy on Education FRN (2004) states out the courses to be taught in the technical colleges including Business Trades. It should be noted that the success of our educational system depends on the educational policy implementation as most policy die at the stage of implementation. According to Abdulazeez (2004), the Nigeria educational policy, which shows government intention, appears good but the problem is that the actions do not always follow the indention to actualize the stated goals.

It is therefore, sad to note that in spite of so many policies put in place by the government to enhance technical and vocational studies, especially among the youths so as to address the unemployment situation has not actually yielded any fruitful results. Aibieyi and Ibrahim (2007). It is lamentable to note that education and technical policy, which ought to be given priority, are not given adequate attention by government.

In line with these goals, Business Education is expected to inculcate values such as respect for the worth and dignity of the individuals, faith in man's ability to make rational decisions, share responsibility for the common good of society and respect for the dignity of labour. Aina (1990). Thus, Business Education touches all facets of the entire nation collectively and individually irrespective of fields of endeavours. According to Aina (1990), Business education holds a lot of promise for the future of this country as can be seen from the spate of privatization. Ultimately, it seeks to inject the principles and strategies of business management to these establishments for greater efficiency and profitable results of government, parastatals and establishments. However, the foundation upon which Business education can base its contributions in these regards is quite shaky and requires concerted efforts for solutions.

### **STATE OF UNEMPLOYMENT IN NIGERIA:**

Unemployment rate has become disturbing and very high in Africa. In contemporary Nigeria, it is not uncommon to see graduates of all disciplines roaming about the streets. Business education graduates, who are expected to be equipped with skills that will enable them to be self-employed, seem not free from lack of job.

Education is the totality of life experience that man acquires and which enables him to cope with and derive satisfaction from living in the world (Ohiwerei (2003). It enables an individual to achieve social competence and optimum individual development and survival. Business education is a subset of the general education which is concerned largely with development of person's head, heart and hands for his self fulfillment and optimum service to humanity.

It could be seen from this write-up that unemployment in Nigeria has assumed a disturbing and frustrating situation. Is Nigeria doomed or is there any brighter future for Nigerian graduates in terms of employment? Federal Ministry of Education survey, 2007 puts statistics of labour market as follows:

“53% of graduates in Nigeria are unemployed,  
 30% are under-employed  
 14% are employed, and a meager  
 3% are self-employed or running business while about  
 69% of the graduates give  
 ‘there is no job’ as their major reasons for being unemployed.

Every year, more than 100,000 graduates are added to the employment market.

#### **CAUSES OF UNEMPLOYMENT:**

The following are implicated as the main causes of unemployment

##### ❖ **Pre Employment Preparation:**

Most business education graduates today are unable to fit in the available jobs in the labour market because of lack of proper training in the school. Graduates are complaining of lack of jobs; while organizations are complaining of lack of qualified applicants. The graduates being produced by most universities are either half baked or trained for the past. Many graduates are produced but not many organizations want to hire them. It is seriously observed that university graduates are not able to defend the certificate they possess.

##### ❖ **Shortage of Qualified Business Education Lecturers in Universities:**

Business Education being relatively new area compared to other areas lack adequate manpower to teach. Only few universities at present offer this course at masters and Ph D level. The few teachers do not have access to teaching materials such as Textbooks and other educational teaching aids needed for effective teaching and learning. Sokunbi (2006) stated that former present Obasanjo observed that some banking institutions now go abroad to recruit personnel while graduates from our tertiary institutions are not employed. Agbonifo (1985) noted that the qualified graduates produced by educational institutions is determined by the environment and constraints posed by the large society in which it operates, available facilities, its curricular, the quality and motivation of its academic and non academic staff.

According to Fafunwa (1992), due to critical nature of their work, highly skilled teaching personnel are required to sustain every educational system. This explains why professional teachers are regarded as the most important element in the school system. This is because it is generally believed that no educational system can rise above the quality of its teachers. Osunde and Omoruyi (2004). Kiboss (2002) argues that most Business Education teachers are theoretically based instead of practically based.

##### ❖ **The Use of Complex and Fast Machines:**

The improvement and development in science and technology have rendered many workers and graduates redundant or jobless. With the popularization of the machines fewer workers are needed to perform certain tasks in many organizations. This rendered many jobless, roaming the streets in search of employment.

A large number of graduates of Business Education cannot get well paid jobs or are faced with unemployment due to some of the following reasons:

##### ❖ **Lack of Relevant Skills Needed in Modern Office:**

According to Ohiwerei and Umoeshisset (2006), recruitment is the process of finding the right people for the right job function. Business education graduates have the following job opportunities awaiting them: teaching, lecturing, secretary, account, supervisor, travel officer, director (self-employed) military officer, sales representatives etc. Despite all these job opportunities available to business education graduates we still see many not gainfully employed due to defective training. Some of the graduates have not seen the modern office equipment talk more of touching or using them. When they go for interview they are not able to manipulate and consequently fail simple aptitude test.

##### ❖ **Government Policies and Bureaucracy on Employment**

At times government put hard condition or embargo on employment due to political or selfish reasons thereby preventing graduates including Business Education from getting into government

jobs. At other times people who are not qualified for a particular job are given at the expense of the qualified one because of “who know man”.

It is observed that Nigerian policy makers have not give technical and vocational education, skill acquisition and general human capital development the attention they deserve. Due to the insincerity of Nigerian Education policy makers, the image of technical and vocational education has been perceived as a programme for academically unintelligent students. In his words, Fafunwa, (1991), stated that the educational system in Nigeria at first accorded VTE a very low priority. Dike (2010) also corroborated this, asserting that this has apparently contributed to the general neglect of technical education in Nigeria. Similarly, Ladi (1990) opined that the attitude of many Nigerians towards VTE is negative and self defeating.

**The effects of unemployment on Business Education graduates:-** Several consequences have been identified with the issue of unemployment which could also be applicable to Business Education graduates. According to Anyaele (2003), unemployment consequences include escalation of crime rate, waste of manpower, threat to peace, increase in dependant rate, reduction in investment, and migration. Also, in their words, Aibieyi and Ibrahim (2007), stated that today’s youth unemployment has actually reached an alarming proportion and it is described as a social plague. They further stated that this has contributed to so many crimes associated with youths which include poverty, stealing, advanced fee fraud (419), untimely death, violence and juvenile delinquency. Others are cultism, prostitution, armed robbery, hired assassin, kidnapping drug addiction and host of others. The effects of unemployment among business education can also slow down Development in the society. This is because those who are supposed to work and earn income for living are still depending on the old people.

It is therefore, feared that in some years to come, these problems of unemployment will become unbearable, except plans are made to avert it now.

#### **CONCLUSION:**

Several graduates of business education have been produced by different tertiary institutions on a yearly basis. Great job prospect awaits them in both public and private sectors. Unfortunately, many cannot assess these jobs rather they are groaning in unemployment.

However, for the fact that technology remains the dominant factor for accelerating human progress and development, business education graduates will continue to be needed by employers of labour. Since business education graduates can be self-employed and also be employer of labour, they would continue to have future prospects in the labour market.

#### **SUGGESTIONS FOR POLICY MAKING:**

The following are suggested for policy making:

- Teaching and learning in business education should reflect present day information and communication technology. This will make them stronger to perform better and relevant wherever they find themselves.
- Government should provide funds and relevant inputs for the smooth management of business education programmes.
- Graduates of business education should be encouraged not to wait for white collar jobs for too long but rather try out self-employment.
- Graduates of business education should be given entrepreneurship orientation programme for self reliance. Therefore, centres for entrepreneurial skills development should be established in Nigeria tertiary institutions.
- Business education curriculum should be reviewed to meet the modern challenges in the world of work.
- Government should be sincere in its policies rather than make lip service promises of empowering business education graduates.
- Private sectors should be encouraged to contribute to the financing of business education as they are one of the end users of graduates produced by universities.

- Massive job creation should be encouraged so that graduates of business education like others would be given the opportunity to work and apply their skills appropriately.

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