

Massive Job Creation through Technology Incubation Programme

Patricia U. Chukwu and Michael C. Amony

National Board for Technology Incubation (NBTI), Federal Ministry of Science and Technology, Abuja.
Corresponding Author: Michael C. Amony

Date of Submission: 05-02-2023

Date of Acceptance: 20-02-2023

ABSTRACT: Unemployment is described as the state of unintended and un-designed condition of lack of economic work experienced by persons who are members of the labour force who perceived themselves and are perceived by others as capable of work. Each year in our country, millions of youths from various technical, vocational and academic institutions, at various levels are graduated. Most stay months and years without finding viable works to engage in. Some who were formerly engaged lost their jobs for one reason or other and reenter into the labour market to wonder and roam the streets, looking for jobs that are not there. Programs of past governments to alleviate unemployment have been abysmally unsuccessful because room has not been made for job creation. It is obvious that unemployment would continue to mount, unless and until requisite jobs are created steadily to occupy the labour force, generate more wealth, and the consequent better life. "Rather than give me fish, teach me how to fish" is an old truth which underscores the importance of job creation. That jobs cannot be created in the air, is also truth. An orderly, need driven, targeted scientific and technological based entrepreneurial initiative is imperative for the creation of jobs that would enhance the general life of the Nigerian masses, maintain a channel of continuously flowing wealth while fast tracking the industrialization of our dear country. The present practice of job empowerment in just any business leads to glut in the business and eventual failure of most of the empowered enterprises. This is a fact as the economics of any enterprises behaves in accordance with population demand and supply strength and characteristics. Job creation and the consequent wealth are made through the production processes of value addition. Technology is the basis of production whether in product manufacture or in service delivery. Industrialization takes place through the permeating effect of entrepreneurial technology based ventures and scarcely through the

fat and gorgeous industries programme and recommends strategies for massive job creation in Nigeria, through technology incubation.

Keywords: Unemployment, massive, job creation, technology, incubation.

I. INTRODUCTION

Nigeria is the most populous country in Africa and the eight in the world with a population of over 140 million people by 2006 census. With a nominal GDP of \$461.7 billion, the country is the largest economy in Africa. As impressive as the above figures may appear youth unemployment has been one of the major problems facing Nigeria. Although Nigeria now exceeds South Africa in economic size, it still has a long way to go if it wants to reach a similar level of economic development and sophistication. Nigeria's GDP per capita is still only around one-third the size of South Africa's and the World Bank estimates that more than 80% of Nigeria's population have to make do with less than USD 2 per day compared to about 30% in South Africa (Masetti, 2014). This is largely occasioned by unemployment. NLC (2012) assert that bodied employment growth and improvement in the GDP had not transformed into social wellbeing, adding that unemployment had aggravated the spate of insecurity among other social vices in the polity (Udin and Udin, 2013).

A high level of un- and underemployment is one of the critical socio-economic problems facing Nigeria. While the labour force grows, with an increasing proportion of youth, employment growth is inadequate to absorb labour market entrants. As a result, youth are especially affected by unemployment. Moreover, young people are more likely to be employed in jobs of low quality, underemployed, working long hours for low wages, engaged in dangerous work or receive only short term and/or informal employment arrangements. The inadequate employment situation of youth has a number of socio-economic, political and moral

consequences. This has resulted in poverty in Nigeria which is chronic and rising. The share of the total population living below the \$1 a day threshold of 46 per cent is higher today than in the 1980s and 1990s—this despite significant improvements in the growth of GDP in recent years (Aiyedogbon and Ohwofasa, 2012).

Unemployment is “a situation in which persons capable and willing to work are unable to find suitable paid employment”. The International Labour Organization (ILO) explains that unemployed workers are those who are currently not working but are willing and able to work for pay, currently available to work and have actively searched for work. Some schools of thought define unemployment as “the facts of a number of people not having a job; the number of people without a job; the state of not having a job”. Unemployment occurs when people who are able and willing to work are without jobs, or cannot find work that is effective and productive to do. It also occurs when people undertake jobs that are contrary or lower than their academic qualifications or areas of specialization. For instance, a first or second degree holder that enrolls as a recruit into any of the armed forces or paramilitary or a degree holder working as a clerk in an office is greatly underutilized and as such could be termed as unemployed even when such person is on a job (Asaju et al, 2014).

Unemployment is one of the fundamental developmental challenges facing Nigeria at the moment. Research have shown that unemployment was high in the 1980s, but the available reports from various local and international bodies, and the glaring evidence of joblessness in this decades are clear indications that there was no time in Nigeria’s chequered history where unemployment is as serious as now (Asaju et al, 2014). It is observable that unemployment rate in Nigeria has reached unacceptable dimension. Indeed, the labor market in Nigeria is dangerously close to saturation. Indeed, recent studies support the fact that Nigeria’s unemployment situation is unacceptable (Adawo et al, 2012).

Unemployment has reached a very alarming proportion in Nigeria, with a greater number of the unemployment being primary and secondary school learners and university graduates. This situation has recently been compounded by the increasing unemployment of professionals such as bankers, engineers and doctors. The toll is within the productive segment of the Nigeria population (Durosinni, 2012).

Unemployment according to ILO, is among the biggest threats to social stability in many countries (including Nigeria), putting the

global rate at 12.6%. When compared with her counterparts in the continent, Nigeria’s unemployment crisis is more serious. For instance, South Africa’s unemployment rate is currently standing at 25.2%, and in Ghana is about 14% in 2010, while Nigeria is around 37%. Recent statistics by the World Bank has put the unemployment rate in Nigeria at 22 percent, while the youth unemployment rate is 38 percent. The report shows that the bracket age of 15-35 years olds account for close to 60 percent of the Nigeria’s population and 30 percent of the work force. The report also indicates that approximately 4 million people entered into the labour market every year (Asaju et al, 2014).

Unemployment has effects both on the individual unemployed and on the society/economy as a whole. The unemployed is perpetually unhappy with him in a world of material consideration. Social effects of unemployment include personal hardship, depression, decay of acquired but unused skills, involvement in crime (mostly among youth) as well as dispute among married people, delayed marriages among singles and sometimes broken homes. Joblessness of a husband can lead to infidelity of the wife. Unemployment increases governments’ expenditure or transfer payments where welfare programs are implemented in favor of the unemployed. It brings poverty and inequality. Unemployment represents “waste” of resources expended on training the unemployed when exchange value of education is considered in absolute sense. The economic cost of unemployment includes reduction in GDP. It involves loss of output and income. Increasing crime rate in Nigeria does not distance itself from unemployment (Adawo et al, 2012).

II. STATEMENT OF THE PROBLEMS

Unemployment has been identified as one of the major causes of social vices, including armed robbery, destitution, prostitution, political thuggery, kidnapping and many more. It is estimated that about 4.5 million Nigerians enter the labour market every year without any hope of getting employment for life sustenance. The precarious situation has left the youths in a vicious cycle of poverty that daily erodes their self-confidence and bright future. Unemployment has become a major problem bedeviling the lives of Nigerian youths causing frustration, dejection and dependency on family members and friends, who also have their own problems to contend with. The high rate of unemployment among the youths in Nigeria has contributed to the high rate of poverty

and insecurity in the country. Unemployment is worldwide economic problem, causing poverty and lack. In recent times, there have been notable adverse social, economic and political developments in Nigeria, a consequence of youth unemployment and underemployment, particularly exemplified by increasing militancy, violent crimes, kidnapping, restiveness and political instability (Ajufo, 2013).

Studies by Udin and Udin (2013), reports that unemployment resulted in increase in activities of insurgence and many other crimes going on in the north-west and north east of Nigeria which resulted in closure of schools. It reports that in Jos, people are divided along ethnic lines due to unemployment and poverty. It further states that unemployment causes decline of quality of life. Decline in quality of life depends largely on family income, insecurity, tension and conflict. Access to shelter, education and health care, nutrition are drastically reduced which ultimately lead to reduction in life span. Agitations by militants in the South South and Igbo youths under guise of MOSOB in the South East respectively are all aggravated by unemployment.

The cost of unemployment had impacted the economy negatively that crime had almost turned to culture. This can be attested to by the cost implications of unemployment on the loss of life and property, vandalizing of the nation's infrastructure such as oil pipelines, PHCN equipment, bombing, kidnapping, international negative image of the nation. Crime is an offence against the value system of a society. The cost implications of crime vary among the various segments of the population and touch almost everyone by some degrees and in general, but as economic growth and development of countries increase, it would be expected that crime rate reduces. The various cost of crime to victims and society include loss of income, property and loss in community productivity (Oluwagbuyi and Ogungbenle, 2013).

Investigations carried out by Yarima (2014) explain that it is logical to conclude that majority of the teaming unemployed youths are among the semi and unskilled workers with no higher qualifications. It is also clear that unemployment brings about high rate of crimes in the society which leads to the insecurity of the nation. Furthermore, unemployment negatively affected the social values of the society leading to social problems in the society. Drug abuse and crime are the major consequences identified in this study and there is no conflicting view among the

respondents on the rates of drug abuse among the unemployed youths (Yarima, 2014).

It is clear that curbing unemployment shall variously reduce social agitations caused by youth restiveness, cripple the aggravation of insurgence, militancy drug abuse, pipelines vandalism, kidnapping and stealing; as well as improve the quality of life of all and sundry. The change mantra of the present administration is a prayer invoking the contriving, creation and innovating of revolutionary contraptions that would fast-track job and wealth availability to quickly foster marked improvement on the quality of lives of Nigerians and minimize crime in all sectors. This work proffers an assured methodology for realization of stated objectives using Technology Incubation Programme (TIP) as a tool.

III. TECHNOLOGY BUSINESS INCUBATION

Technology business incubation is the gradual development of a technologically based business, especially through thought and planning. The aim of the Technology Incubation Programme is to accelerate the industrial development of Nigeria through the creation of new businesses, jobs, wealth with a corresponding reduction in poverty. The Technology Incubation Programme (TIP) in Nigeria is an integrated support programme provided by governments, academic institutions and private sector either individually or in partnership with the intention of creating and nurturing of budding value-added and technology-based enterprises. It is designed to speed up the commercialization of technologies by effectively linking talents, technology, capital and know-how in order to accelerated development of new enterprises (Jibrin et al, 2013). The goal of TIP is to assist small scale budding entrepreneurs to overcome the initial hurdles of carrying viable R&D results as well as innovative efforts into profitable enterprises (FMST, 2005). And the mandates are:

1. Provide a platform for speedy commercialization of technologies by effectively linking talents, technology, capital and knowledge.
2. Create, nurture and develop value-added technology-based enterprises.
3. Promote the establishment of and management of viable science and technology parks, technology incubators and technology-based enterprises.
4. Enhance linkage of tenant/technology know-how and capital in order to develop techno-

entrepreneurship culture based on continuous value addition.

5. Promote and facilitate the application of indigenous technologies and knowledge.
6. Set standards for and regulate the establishment and management of Science and Technology parks and Incubators

Figure 1 depicts the general incubation process. Pre-incubation period lasts for about six months, during which period the entrepreneur is required to meet stipulated conditions for entry. The prospective incubatee after meeting the entry criteria is admitted and during incubation (which lasts for about three years), is supported with training, business advice, funds and technology knowledge. On graduating from the TIC, the entrepreneur is still eligible to access some advice as “After Care Services” (referred to as Post incubation in the TIP scheme) till he becomes financially viable and freestanding. Business incubation practice, all over the world is structured in the pattern shown in Figure 1 above, but the objectives may differ from country to country. For instance the Jewish State of Israel in 1991 launched Nationwide Technology Incubation programme to utilize the S&T potentials of immigrants from the Soviet Union. The programme is a tremendous success. When the United States recognized the existence of critical mass of scientists, technical infrastructure, ethnically diverse and world-class universities in the system they launched the “Silicon Valley Incubator” which generated 7,000 electronics and software companies, 300,000 top scientists (1/3 born abroad) with many new firms and new millionaires made almost every month. (Adelewo et al, 2012). It is evident that Nigeria can very easily harness technology incubation mechanism and strategy to revolutionize the industrialization of the country, thereby massively creating jobs and wealth to drastically reduce unemployment and poverty.

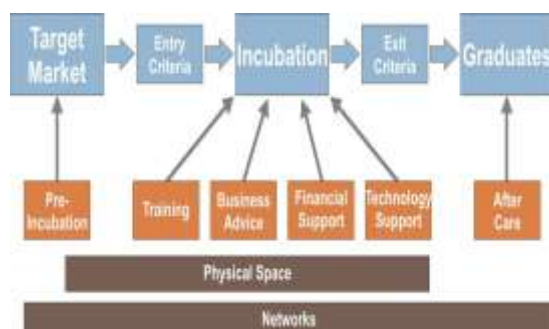


Figure 1: A typical business incubation process
(Source: InfoDev., 2010)

The Federal Government has been encouraging entrepreneurship development through a number of institutional mechanisms which have been set-up to encourage entrepreneurship among the citizens. The National Board for Technology Incubation (NBTI) established under the Federal Ministry of Science and Technology in 2005 is one of the institutional mechanisms established by the Government to speed up the commercialization of technologies by effectively linking talents, technology, capital and know-how in order to accelerate the development of new innovation-based enterprises (Jibrin et al, 2013). Presently NBTI boasts of thirty (30) Technology Incubation Centres (TICs) and six (6) extensions. Paucity of funds occasioned by poor awareness as to the potentials of TIP to fast-track job and wealth creation has hitherto hindered capacity utilization of the programme. The change initiative of the present administration must be heralded and the opportunity it presents be effectively utilized to maximize TIP to foster job creation to arrest youth restiveness, insurgency, militancy and kidnapping amongst others.

IV. RECOMMENDATION

It is recommended that the Federal Ministry of Labour and Productivity shall in collaboration with the Federal Ministry of Science, Technology and Innovation; set up a scheme to be known and called ‘**Innovative Graduate Entrepreneurship Scheme (IGES)**’ anchored on the mechanisms of technology incubation as a recipe for harnessing innovations from our universities and other higher institutions and concurrently creating massive and continuous employment opportunities and technology based businesses. The scheme shall be operated by the National Board for Technology Incubation (NBTI). Figure 2 depicts the operative stakeholders in the scheme with an outcome of millions of innovative graduates owning millions of technology based business. The expected deliverables from the scheme are multiple with varied multiplier effects, but the conspicuous impact are in the areas of:

- a. Enhanced infrastructural provision at incubation Centres of NBTI.
- b. Technology parks establishment in the six geopolitical zones of the country.
- c. A comprehensive database of innovators from institutions of learning would be developed.
- d. Wealth creation and job creation of more than one million in the first year and multiples of millions in the years after; as the scheme shall admit five hundred innovative graduates of our higher institutions each year alongside their

- attendants and workers , and graduate into standard independent businesses after three years of incubation.
- e. Economic growth and industrialization of the country.
 - f. General economic growth and betterment of the lives of our people



Figure 2: Massive Employment generation procedure

V. CONCLUSION

The consequences of growing unemployment rates are such damning that no economy can afford to despise. Such implications are glaring in the economy of Nigeria where many negative developments are traceable to the non-availability of jobs for the teeming population of energetic youths. The need to aptly address this ugly development becomes paramount. It is opined that the maximal utilization of existing strategic framework and infrastructure embodied in the National Board for Technology Incubation (NBTI), can be deployed for massive generation of jobs and the attendant wealth proceeds emanating from the large innovative projects from our universities. The Federal Ministry of Labour is enabled by the change initiative of the present administration to take the bull by the horn and hit the ground running.

REFERENCE

- [1]. Aiyedogbon J. O. and Ohwofasa B. O. (2012). Poverty and youth Unemployment in Nigeria, 1987-2011 International Journal of Business and Social Science Vol. 3 No. 20; p. 269.
- [2]. Adawo M. A., Essien E. B. and Ekpo N. U. (2012). Is Nigeria's Unemployment Problem Unsolvable? Current Research Journal of Social Sciences 4(6); ISSN: 2041-3246; 389-393.
- [3]. Ajufo B. I. (2013). Challenges of Youth Unemployment in Nigeria: Effective Career Guidance as a Panacea. African Research Review; Vol. 7 (1), Serial No. 28, January, 2013:307-321; ISSN 1994-9057 (Print) ISSN 2070--0083 (Online); p. 308.
- [4]. Asaju K., Arome S. and Silas Felix Anyio S. F (2014). The rising rate of unemployment in Nigeria: the socio-economic and political implications. Global Business and Economics Research Journal; ISSN: 2302-4593; Vol. 3 (2): 12 – 32
- [5]. Durosinmi T. O. (2012). The Impact of Unemployment on Economic Growth in Nigeria. A thesis publication of the Faculty of Management and Social Science Caritas University, Amorji-Nike, Enugu State; p.
- [6]. FMST (2005), Policy functions structure and operational guidelines of Technology Incubation Programme in Nigeria. Federal Ministry of Science and Technology (FMST), Abuja
- [7]. InfoDev (2010). Global Good Practice in Incubation Policy Development and Implementation. A publication of the International Bank for Reconstruction and Development/The World Bank; pp. 11.
- [8]. Jibrin M, Makoyo M. and Amony (2013). Technology Incubation Programme for Development of Sustainable Entrepreneurial Skills in Nigeria. International Journal of Engineering Research & Technology (IJERT); Vol. 2 Issue 12, pp. 126-127.
- [9]. Jibrin M. U (2013). TIC Bridging Research, Industry Gap. Vanguard Newspaper Thursday April 4 2013, p. 36.
- [10]. NLC (2012). Unemploymentcrisis between data andreality Guardian July 12 2012 retrieved fromhttp/www.ngr.guardiannews.com
- [11]. Oliver Masetti (2014). Nigeria: The No. 1 African economy. A publication of Deutsche Bank Research; p. 4.
- [12]. Oluwagbuyi O. L. and Ogungbenle S. (2013). Cost Implications of Unemployment on the Nigerian Economy. Developing Country Studies www.iiste.org ISSN 2224-607X (Paper) ISSN 2225-0565 (Online) Vol.3, No.14; p. 33.
- [13]. Uddin P. S. O. and Uddin, O. O. (2013). Causes, Effects and Solutions to Youth

- Unemployment Problems in Nigeria
Journal of Emerging Trends in Economics and Management Sciences (JETEMS) 4(4): ISSN: 2141-7024397-402; pp. 399-400.
- [14]. Yarima Y. A. (2014). Socio-Economic Effects of Unemployment among the Youth in Nigeria. Journal of Contemporary Issues in Business Research; ISSN 2305-8277 (Online), 2014, Vol. 3, No. 5; p. 246.