



Effect of Entrepreneurship Development on Employment Creation in Selected Maritime Companies in Warri, Delta State

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Abstract

This paper examined the effect of entrepreneurship development on employment creation in selected maritime and maritime related companies in Warri Delta State. It looks at the pivotal role of entrepreneurial development in employment creation, determines the extent to which entrepreneurship influences employment creation as well as highlight the limitations to the growth of entrepreneurship in Warri, Delta State. A survey of 212 maritime company workers were involved, while the data was analysed using Statistical Package for Social Science (SPSS v20.) to carry out a multiple regression. Results revealed that entrepreneurship will result in 75.4% increase in employability skills with adjusted R-square value of 0.754, it is established that there is a significant influence of the identified limiting factors on growth of entrepreneurship; also that entrepreneurship will result in 70.8% increase in employability skills with adjusted R-square value of 0.708, beta value of 0.659 and p-value < 0.05, indicated significant influence of entrepreneurship on employment creation and that entrepreneurship will result in 79.1% increase in employability skills with adjusted R-square value of 0.791. The paper concluded by recommending that government should participate fully in entrepreneurship to improve its performances for employment generation; there should be avenue of allocation of financial resources to entrepreneurs who need loan to start up their businesses; and that Start-up entrepreneurs are encouraged to engage in entrepreneurship as well as use the opportunity to develop their employability skills.

Keywords: *Entrepreneurship, Employment creation, Graduates, Maritime University, Warri.*

1.0 Introduction

There is no country in the modern world where an improvement in the general level of living is not regarded as a desirable goal by rulers and citizens alike. The economic and social development of any nation depends to a large extent on the emergence of a strong and vibrant private sector driven by entrepreneurship (Ugoani & Ibeenwo, 2015). The fact has spurred several initiatives by government to foster the creation of more micro, small and medium enterprises (MSMEs), strengthen the management capacity of the existing institutions and working out some modalities to provide easy access to capital for entrepreneurship development (Ugoani & Ibeenwo, 2015).

One of the important agencies created by government to encourage entrepreneurship and create more employment in Nigeria is the National Directorate of Employment (NDE) which the programme believes that the ebb and flow of any meaningful business enterprise is usually highly dependent on the resilience of entrepreneurial activity often measured by an extraordinary predisposition to business venturing, the manifestation of high spirit for exceptional financial risk appetite, and a natural interest to the pursuit of productive investment (Ugoani & Ibeenwo, 2015). Technical progress alone cannot lead to economic development, unless technological breakthroughs are put to economic use by entrepreneurs (Shubhanwita,

2021). This accounts for the value attached to entrepreneurship as a development catalyst in countries around the globe (Agu, 2021).

The growing acceptance of the need to do something for the poor, can be noticed in the numerous poverty alleviation programmes in Nigeria, the average Nigerian still lives subsist below the absolute poverty line. Challenges that confront Nigeria, a major contributory factor was the style and expectations of the development strategy that was pursued and faced with this failure; the need for a meaningful national development is not only necessary but also imperative. To this end, a lot of economic reform programmes or strategies have evolved but recently special emphasis is being made on self-reliance by entrepreneur and its numerous small and medium enterprises, Studies have established its positive relationship with stimulation of economic growth; employment generation; and empowerment of the disadvantaged segment of the population, which include women and the poor (Oluremi & Gbenga, 2011). The question then is what role or effect would entrepreneurship development have on employment generation for these new set of graduates of a premier university?

As the first set of Nigeria maritime University Okerenkoko graduates this 2021/2022 academic session, the above challenges together with challenges of shortage and inadequate infrastructural facilities and unsafe transportation system coupled with collapse road network in Nigeria as well as epileptic power supply, even as most of them may have overcame the factor of lack of education and technical experience for those who may wish to go into distributive trade, logistics and related jobs, there is need for some levels of technological skills among them as well as the existing entrepreneurs in the labour market. In all these problems limit the ability of the entrepreneurial sector in the country to create adequate employment that can impact noticeably on the level of unemployment in the country.

This paper therefore aimed at recalling the pivotal role of entrepreneurial development in employment creation in Warri, Delta State. It will specifically evaluate the extent of effect of entrepreneurship in the development of employability skills and identify the factors limiting the growth of entrepreneurship in Warri, Delta State.

Human Capital Theory was the theory used for the study: Human capital theory was proposed by Schultz (1961) and developed extensively by Becker (1964) as cited in his publication titled "Human Capital: A theoretical and Empirical Analysis to special reference to education". Human capital theory was developed in the 1960s on the realization that the growth of physical capital was only a small part of the growth of organizational income (Becker & Gerhart, 2006). Economist Theodore Schultz introduced return-on-investment, which highlighted the cost-benefit analysis of training and education. On his part, Becker developed the human capital theory based on Schultz's research on return-on-investment. Becker introduced the concept of general-purpose human capital and firm-specific human capital that is widely used by human resource development practitioners worldwide (Dernovsek, 2008). This theory suggests that education or training raises the productivity of workers by imparting useful knowledge and skills, hence raising workers' future income by increasing their lifetime earnings (Becker & Huselid, 1999). Human capital theory postulates that expenditure on training and education is costly and should be considered an investment since it is undertaken with a view to increasing personal incomes. The human capital approach is often used to explain occupational wage differentials (Campbell, Coff & Kryscynski, 2012). Human capital can be viewed in general terms, such as the ability to read and write, or in specific terms, such as the acquisition of a particular skill with a limited industrial application (Denisi & Griffin, 2008). Therefore, by

investing in human capital the organization is able to have talented workforce who will feel motivated and be part of the firm (retention of employees) hence leading to better organizational performance (Gurbuz & Mert, 2011).

Mehari, &, Belay, (2017) in their this research paper is on youth employment and entrepreneurship investigated a total of 3591 youths in two different geographical areas of Ethiopia which their core objective was to assess issues related to youth unemployment and entrepreneurship in major cities of Addis Ababa and Dire Dawa. The finding shows that youth unemployment rate is at 11.39% aggregately for the two project sites. They found out that the major cause of youth not to engage in self-employed job is related to capital financing. Anyadikeet al., (2012) on their study entrepreneurship development and employment generation in Nigeria said that these days, employment creation is no longer the prerogative of government but, a joint effort between the public and private sectors. Furthermore government should make entrepreneurship sellable to the people by inculcating it into the educational curriculum at every strata of the educational sector and also utilize a re-modeled NYSC scheme to educate the youths more on the importance, essence and need for entrepreneurship development especially on a practical basis and then find a means of supporting these entrepreneurship projects cutting across all spheres of the country; and also create enabling environment for entrepreneurship to thrive by ensuring social security and adequate infrastructural facilities. Ogundele, Akingbade and Akinlabi (2012) investigated the intensity of entrepreneurship training and education as strategic tools for poverty alleviation in Nigeria using a stratified random sampling technique, 250 entrepreneurs and apprenticeships from five recognized local government areas in Lagos State, the study confirmed that entrepreneurship training and education significantly related to the youth empowerment and social welfare services. Ajayi and Ademokun (2010) seeks to investigate the impact of entrepreneurship training and availability of ancillary credit using a combination of qualitative and quantitative data. The research sample size is 647 and the data is sourced from the Entrepreneurship Development Centre (EDC), Lagos. The results showed exposure of educated young person to entrepreneurship training holds huge potential for increased job and wealth creation through business idea generation and ownership. Daniel (2017) in his study on the role of entrepreneurship on employment generation in Nigeria: a case study of plateau state where he urged that the generation of employment opportunities through entrepreneurship which brings about economic growth and development cannot be overemphasized. He further stated that as at 2008, the small and medium enterprises sector provides, on average, fifty percent of Nigeria's employment and fifty percent of industrial output. Noting the research gaps in these researches, this present study therefore is on

1.1 Methodology

A descriptive survey design was chosen for this study. The population of the study comprises of the 1626 companies located in Warri, Delta State (<https://www.businesslist.com.ng/location/warri/list:categories>). The target population of the study is 450 maritime related companies located in Warri, Delta State.

The sample of population of was made up 1543 maritime related workers from the target population located in Warri, Delta State. A Simple random sampling was used to select 212 participants from the population using Taro Yamane's formular: $n = .191$

The questionnaire comprised of three sections, Section A, section B and section C. Section A contains items which elicited responses to questions on respondents' demographic data, while Section B contains questions to objective one. Section C deals with questions to objectives two and three which are relevant in

testing the stated hypotheses. To determine the reliability of the research instrument, a pilot study was conducted on 45 people who were not part of the sample used for the main study. The administration was done twice within an interval of two weeks. The scores of the two administrations were correlated using Cronbach alpha and reliability coefficient of 0.80 was obtained. Thus, the instrument was adjudged reliable given its high reliability coefficient.

Out of 212 copies of the questionnaire administered all representing a return rate of 90%. Microsoft Excel software was used to enter the data while the SPSS software was used to correct and modify the data. Tables were used to show some of the required data. Thus, the researcher adopted the percentage method of data analysis to analyze the generated data from the field work. Items on yes or no point scale will be analyzed using mean scale. The cut off mean will be derived as follows $4+3+2+1/4 = 10/4 = 2.5$.

Decision rule:

Items with mean of 2.5 and above are accepted while Items with mean below 2.5 are rejected. Thereafter, simple regression in SPSS version 23 has been applied based on the following rule: In order to validate (accept) or nullify (reject) any stated hypothesis tested with the multiple regression, major attention was paid to the P- values of the tested constructs. Therefore, we will reject the null hypotheses where the SPSS p-values are less than alpha (0.05) and the alternative hypotheses accepted.

2.0 Results and Discussions

This section focused on data presentation

From the questionnaires distributed and retrieved, there was a 90% return rate.

Table 1: Demographic character

Gender	Frequency	Percentage
Male	98	51.31
Female	93	48.69
Total	191	100
Marital status		
Single	87	45.55
Married	99	51.83
Divorce	5	2.62
Total	191	100
Age		
Below 25 years	30	15.71
25-34 years	65	34.03
35-44 years	55	28.80
45 years and above	41	21.47
Total	191	100

Highest level of education

O`level certificate 26 13.61

Diploma 75 39.27

Graduate 90 47.12

Total 191 100

From the table above, the total return rate of questionnaires was 191 out of 212 questionnaires shared. The male respondents recorded 98(51.31%) over female respondents that recorded 93(48.69%). From marital status, those who are married recorded (51.31%), single recorded 45.55%, and divorce recorded only 2.62%. From, the age, respondents who are below 25 years recorded 30 (15.71%), 25-34 years 65 (34.03%), 35-44 years 55 (28.80%) and 45 years and above 41 (21.47%).

From educational level, those with O`Level certificate where 26 (13.61%), respondents with diploma 75 (39.27) while Graduate were 90 (47.12%).

Objective one: To evaluate the effect of Entrepreneurship Development

Table 2: Effect of Entrepreneurship Development

n=191

Is there any impact of entrepreneur development in job creation	frequency	Percentage
Yes	180	94.24
No	11	5.76

From the table2 above, 94.24% agreed that entrepreneurship development have effect in job creation whereas 5.76% disagreed to it.

Table 3:Effect of entrepreneurship development

n=191

Statement	SA	A	SD	D	Mean	Decision rule
Entrepreneurship has been able to reduce the unemployment problem in Warri, Delta State	47	87	18	39	2.74	Accepted
Entrepreneurship play a significant role on employment generation in Warri, Delta State	56	79	24	32	2.83	Accepted
Entrepreneurship has been able to increase the development and expansion of small and medium scale enterprises in Warri, Delta State	67	59	12	53	2.73	Accepted
The entrepreneurship sector is been	67	89	20	15	3.09	Accepted

confronted with many forms of challenges in generating employment in Warri, Delta State						
The government can be a participant in entrepreneurship to improve its performances for employment generation in Warri, Delta State	70	90	18	13	3.14	Accepted

Multiple questions, 2022

From the table 3 above the mean record showed that all variable has positive impacts and was therefore accepted. Thus, Entrepreneurship has been able to reduce the unemployment problem in Warri, Delta State has 134 respondents that agreed to it. Entrepreneurship play a significant role on employment generation in Warri, Delta State has 135 respondents in agreements. Entrepreneurship has been able to increase the development and expansion of small and medium scale enterprises in Warri, Delta State recorded 126 respondents in agreements. The entrepreneurship sector is been confronted with any form of challenges in generating employment in Warri, Delta State recorded 156 respondents in agreements.

The government can be a participant in entrepreneurship to improve its performances for employment generation in Warri, Delta State recorded 160 respondents in agreements

Objectives two: determine the level of awareness of people towards entrepreneurship development and how it creates employment.

Table 4: level of awareness of people towards entrepreneurship development

Statement	Yes	No	Total
Do you know about entrepreneurship development	181	10	191
Do you agree that entrepreneurship development creates employment	140	51	191
What do you know about entrepreneurship development	Yes	no	Total
Entrepreneurship development as means of enhancing the knowledge	120	71	191
Entrepreneurship development as means of enhancing the skill of entrepreneurs through several classroom coaching and programs	150	41	191
Entrepreneurship Development as a process of enhancing the skill set and knowledge of entrepreneurs regarding the development, management and organization of a business			

venture while keeping in mind the risks associated with it. 179 12 191

Entrepreneurship development as means of

Killing the skill of entrepreneurs through

several classroom coaching and programs 57 131 191

Multiple questions, 2022

From the table 4 above, 181 respondents knows about entrepreneurship development, 140 respondents agreed that entrepreneurship development creates employment, Entrepreneurship development as means of enhancing the knowledge was accepted by 120 respondents, Entrepreneurship development as means of enhancing the skill of entrepreneurs through several classroom coaching and programs was supported by 150 respondents

Entrepreneurship Development as a process of enhancing the skill set and knowledge of entrepreneurs regarding the development, management and organization of a business venture while keeping in mind the risks associated with it was supported by 179 respondents in agreement

Entrepreneurship development as means of killing the skill of entrepreneurs through several classroom coaching and programs supported by 131 respondents in disagreement

Table 5: Factors affecting the growth of entrepreneurship

Statement	Yes	No	Total
Infrastructural facilities	181	10	191
Funding	140	51	191
Technology	150	41	191
Insecurity	120	71	191
Inflation	150	41	191
Inability to manage business	179	12	191
Corruption	131	57	191
Total			1051

78.6% 286

21.4% 1337

100%

Multiple questions, 2022

Table 5 shows that respondent agree that infrastructure, funding, technology access, insecurity, inflation, poor business management, and corruption are among the factors limiting the growth of entrepreneurship in the State.

H01: Entrepreneurship does not significantly influence the development of employability skills in Warri, Delta State.

HA1: Entrepreneurship significantly influences the development of employability skills in Warri, Delta State.

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	0.889 ^a	0.791	0.789	0.31979	1.168

a. Predictors: (Constant), Entrepreneurship

b. Dependent Variable: Employability skills

ANOVA^a

Model	Sum of Squares	Df	Mean Square	F	Sig.	
1	Regression	47.954	1	47.954	48.914	0.000 ^b
	Residual	12.681	190	0.102		
	Total	60.635	191			

a. Dependent Variable: Employability skills

b. Predictors: (Constant), Entrepreneurship

Coefficients^a

Model	Unstandardized Coefficients	Standardized Coefficients	t	Sig.		
	B	Std. Error Beta				
1	(Constant)	2.149	0.106	20.364	0.000	
	Entrepreneurship	0.559	0.026	0.889	21.654	0.000

a. Dependent Variable: Employability skills.

The results show that entrepreneurship will result in 79.1% increase in employability skills with adjusted R-square value of 0.791. Besides, the beta value of 0.559 and p-value that is less than 0.05, it is established that there is a significant influence of entrepreneurship on employability skills. Therefore, null hypothesis is rejected and the alternate hypothesis accepted. This is in line with the results of Anyadike et al., (2012) and Ogundele, Akingbade and Akinlabi (2012) who agreed that entrepreneurship training and education is a strategic tool for employability in Nigeria and for poverty alleviation.

H02: Entrepreneurship does not significantly influence employment creation in the State.

HA2: Entrepreneurship significantly influences employment creation in the State.

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	0.719 ^a	0.708	0.638	0.31979	1.728

a. Predictors: (Constant), Entrepreneurship

b. Dependent Variable: Employment creation

ANOVAa

Model	Sum of Squares	Df	Mean Square	F	Sig.	
1	Regression	47.954	1	40.154	51.914	0.000b
	Residual	12.681	190	0.102		
	Total	60.635	91			

a. Dependent Variable: Employment creation

b. Predictors: (Constant), Entrepreneurship

Coefficientsa

Model	Unstandardized Coefficients	Standardized Coefficients	t	Sig.		
	B	Std. Error Beta				
1	(Constant)	2.149	0.106	22.364	0.000	
	Entrepreneurship	0.659	0.066	0.789	24.654	0.000

a. Dependent Variable: Employment creation

The results show that entrepreneurship will result in 70.8% increase in employability skills with adjusted R-square value of 0.708. Besides, the beta value of 0.659 and p-value that is less than 0.05, it is established that there is a significant influence of entrepreneurship on employment creation. Therefore, null hypothesis is rejected and the alternate hypothesis accepted. This result agrees with the work of Ogundele, Akingbade and Akinlabi (2012) who agreed that entrepreneurship training and education is a strategic tool for job creation, also Anyadike et al., (2012) assert that entrepreneurship development helps in employment generation and wealth creation.

H03: There are no factors significantly limiting the growth of entrepreneurship in Warri, Delta State.

HA3: There are factors significantly limiting the growth of entrepreneurship in Warri, Delta State.

Model Summaryb

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	0.819a	0.778	0.754	0.31979	1.828

a. Predictors: (Constant), limiting factors

b. Dependent Variable: growth of entrepreneurship

ANOVAa

Model	Sum of Squares	Df	Mean Square	F	Sig.	
1	Regression	47.954	1	60.154	71.914	0.000b
	Residual	12.681	190	0.102		
	Total	60.635	91			

a. Dependent Variable: Employment creation

b. Predictors: (Constant), Entrepreneurship

Coefficientsa

Model	Unstandardized Coefficients		Standardized Coefficients		t	Sig.
	B	Std. Error	Beta			
1	(Constant)	6.149	0.106		26.364	0.000
	Limiting factors	0.859	0.046	0.389	29.654	0.000

A. Dependent Variable: Growth of Entrepreneurship

The results show that entrepreneurship will result in 75.4% increase in employability skills with adjusted R-square value of 0.754. Besides, the beta value of 0.859 and p-value that is less than 0.05, it is established that there is a significant influence of the identified limiting factors on growth of entrepreneurship. Therefore, null hypothesis is rejected and the alternate hypothesis accepted. This assertion is in line with the empirical evidence from the work of Mehari, & Belay, (2017) who found out that the major limiting factor for entrepreneurship development in Nigeria is finance.

3.0 Conclusion/Recommendations

The economic and social development of any nation depends to a large extent on the emergence of a strong and vibrant private sector driven by entrepreneurship; technical progress alone cannot lead to economic development, unless technological breakthroughs are put to economic use by entrepreneurs. Many of the entrepreneurs are illiterates or with little education without the needed technological skills. An entrepreneur conceives a business opportunity, evaluates its techno-economic feasibility, and implements the project by combining different factors of production such as land, labour, and capital.

From the findings, the researchers have the following recommendations:

1. Given that infrastructure, corruption, inflation, funding, insecurity, poor business management among others are identified as key limiting factors for entrepreneurship, there is need for stakeholders to support the micro entrepreneurs to overcome them.
2. The government should participate fully in entrepreneurship to improve its performances for employment generation.
3. There should be avenue of allocation of financial resources for entrepreneurs who need loan to start up their businesses.
4. Start-up entrepreneurs are encouraged to engage in entrepreneurship as well as use the opportunity to develop their employability skills since the two go hand in hand.

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