

Perceptions on Youth Employability and Entrepreneurship in Zambia: A Case of Kwame

Nkrumah University

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Abstract

The main purpose of this study was to establish the perception of students pertaining employability and entrepreneurship. This research took a qualitative approach. The population for the study involved a total number of thirty students from Kwame Nkrumah University who provided complete information regarding the study. A phenomenological research study design was used. Data was analysed using thematic analysis. An interview guide and a focus group discussion were used to collect data. The main findings were that the perception regarding entrepreneurship is generally positive though, entrepreneurship on the other hand is perceived as risky and requires significant capital investment which may deter some youths from pursuing it. Further, the study revealed that, youths lack access to education and training and generally limited job opportunities because the formal job market in Zambia cannot cater for all the youths. Based on these findings, this study recommends that, the stakeholders should make the business environment more favorable for business growth, and also devise a flexible education system that will be inclusive in terms of accessibility and will enforce the skill for employability and productivity among the youths.

Key Words: *Employability; Youth, Productivity, Entrepreneurship*

1.0 INTRODUCTION

Although Zambia is a middle-income country, its economy shares a rural-urban divide familiar in many countries across Africa. Given the importance of agriculture in the country's

economy, open unemployment is largely an urban youth problem in Zambia. Nearly one in four urban-youth job seekers are unemployed, with rates actually higher among those with education (International Development Research Centre, n.d). Unemployment is the state of being jobless by an individual due to constraints and injustices within the society (Harper, 2009).

The definition of a youth varies from country to country or from organization to organization. The United Nations define a youth as a young male or female aged between 15 and 24 years, while the Commonwealth Youth Programme defines a youth as a male or female aged between 15 and 29. According to the 2015 National Youth Policy of Zambia, a youth is defined as a male or female person aged between 18 and 35 years. This definition is also in line with the African Youth Charter (Magasu et al. 2022).

According to trading economics, youth unemployment is at a staggering 11.60% and general unemployment is at 7.79% in Zambia (Davies, 2018). The youth unemployment

rate has not seen any significant changes, for it remained around 11.03% (Statista, 2022). It is important to note that the country's social and economic indicators show that poverty levels remain high (UNDP, 2001). There is little doubt that these poverty levels are linked to the failure of the economy to create sufficient numbers of jobs that are productive and sustainable. It is saddening that a majority of the people in the country are seeking out a precarious living in the informal sector. This indicates that most people are in the informal sector while a much smaller proportion, are in the formal sector.

UNESCO (2004:12) explains that, "it is important to identify that the informal sector operates outside the regulated employment sector, consequently, the challenge of legally empowering the working poor, largely translates into the challenge of developing strategies for empowering the informal sector in the economy". They further explained that most of the workers in the informal sector earn well below what they term the Basic Needs Basket abbreviated as BNB. This increases income poverty, and includes practically the whole of Zambia's informal sector.

It is important to note that within the formal sector, the casualisation of labour is receiving much attention from Government and has been the subject of consultation among the tri-partite social partners that is Government, Labour Unions and Employers who make up the Tripartite Consultative Labour Council. United Nations (2005:32) argued that, "Government, in its efforts, to provide a safety net for vulnerable employees introduced regulations which provided for redundancy and retirement benefits under the Minimum Wages and Conditions of Employment Act". This has led to an increase in the number of casual workers who are working on contracts and not on permanent basis. This has affected the sustainability of jobs by most people especially youths leaving them jobless after the end of a contract. Nonetheless, the vast number of unemployed or underemployed Zambians is what makes exploitation of labour so widespread.

It is important to note that an employed Zambian in the formal sector, whether casualized or not, considers himself or herself in a more fortunate position than his counterpart in the informal sector or worse still a fellow unemployed youth who is below casualisation. This indicates the unfortunate situation of youth unemployment in Zambia and that it is a global challenge.

The Youths in Zambia lack proper guidance for their lives due to tender age and enables them to engage into social vices that includes teenage prostitution. In some cases, the youths engage in such a negative activity due to disintegration of the extended families and development of nucleus families. This is mainly due to the fact that most of them lack life skills; training and experience to enable them engage in income generating activities on self-employment basis and get a paid job. This has led to most of them to be socially, economic and even politically alienated from national development (NYP, 1994). Since most youths in Zambia are unemployed, it was paramount to investigate and establish the perceptions of the

youth students on employment and I. entrepreneurship in Zambia.

2.0 METHODOLOGY.

This research took a qualitative approach. The population for the study involved a total number of thirty students from Kwame Nkrumah University who provided complete information regarding the study. A phenomenological research study design was used. Data was analysed using thematic analysis. An interview guide and a focus group discussion were used to collect data. Purposive sampling techniques were employed to identify the participants. Data from interviews and FGDs was transcribed having read text files and listened to the tape recorders thoroughly for a general understanding. Common themes were then identified and clustered to get relevant information for this study.

3.0 FINDINGS

3.1 Perceptions of students pertaining entrepreneurship and employability

The first objective of the study sought to establish the perceptions of the students regards entrepreneurship and employability and in the following themes emerged; Viable career, Risky and requires a lot of capital investment.

.1.1 It's a Viable career

The study revealed that entrepreneurship is a very viable career. One of the participants P1 had this to say;

Most Students and youths view entrepreneurship as a viable career option that can provide financial independence and job satisfaction.

Since entrepreneurship is mostly encouraged in schools and in most cases included in the university curriculum, most students have had a mindset shift that entrepreneurship can actually create employment. Another participant P2 added;

“Entrepreneurship is actually one space that is mostly embraced by the youths have grasped the concept of entrepreneurship and are able to realise that they can actually create employment themselves. Today Kwame Nkrumah University has a big number of students who have engaged in entrepreneurship and trading in different things within and outside campus, meaning they have come to a realisation that entrepreneurship is an emerging trend that is able to create jobs as it were”.

.1.2 It's Risky.

The study also established that entrepreneurship is risky. This poses a threat to the idea of engaging in any kind of entrepreneurship, they think that any capital invested in any kind of

entrepreneurship may not be materialized.

One of the participant P 3 added;

“This makes the students to lack confidence in entrepreneurship due to that, the packaging of entrepreneurship has not really looked at risk management and patience for growth in entrepreneurship”
(interview with year 4 student.)

Another participant who was interviewed had this to say;

“Entrepreneurship is risky because in most cases, one would put in so much money into a particular business but the business will not bring any kind of profit probably because of business rivalry, new entrants, substitute goods, bargain power of the customers and suppliers among many others.

“(interview with year 2.)

“Due to the various business dynamics and economic state of our country, entrepreneurship is hard and risky. It is so risky to invest the little money one has in any kind of business because business growth is not short term but long term, and so we the youths are not taught the true dynamics of business, hence we are not patient” (interview with a third-year student)

III.

.1.3 High capital investment

The study also established that high capital investment is yet a vice which can hinder youths from engaging in any kind of entrepreneurship. The belief that, they need a lot of capital to start up any kind of entrepreneurship is a barricade to the space of employment. P5 had this to say;

“Any business requires a very big capital investment if it has to grow and bring about good profits as is the purpose for entrepreneurship. As youths, the problem is mostly funding that we fail to access because apparently, any kind of funding requires collateral which is very difficult for a youth to provide. It is very important to understand that without any high capital investment, entrepreneurship is a failed project”.

Employability and entrepreneurship appear to be trending among the youths but the issues of startup capital are some this that has made most of the youths to keep away from any kind of economic activity and it this belief has really influenced a lot of them not to even try with a small amount. Other participants had to say;

“There are a lot of challenges in starting, hence the need for high capital investment. However, the problem is with government which has made it very up a business especially with little capital difficult to access funding and support. If

funds were readily available and with no tough conditions, employment for the youths could not have been a problem”.

One participant added

“The markets have already existing entrepreneurs who have invested heavily and their businesses are flourishing, so to get in such a market with little funding will make one loss out everything. This has actually contributed to unemployment for a lot of youths for they cannot survive with the giants in the market place”. (Interview with a first-year student)

Another participant added

“Capital does hinder a lot of youths from starting up any kind of entrepreneurship and it seriously deters youths to create jobs for themselves. I have been doing a chicken business for the past five months but I stopped because I did not have enough capital to invest in the business, hence lack of enough capital possess a threat to any business’s survival on the market. So, I really want to start doing the same business, if only the government can look into the plight of us the youths, regards funding without very hard conditions”. (Interview with a third-year student)

4.0 DISCUSSION

The study established that entrepreneurship was a viable career and that they were ready to start their own business. This finding was similar to the Global Entrepreneurship Monitor (GEM) survey (2012) where 84% of the youth felt that they had the necessary capabilities to start a business, while 79% claimed that there were good opportunities to start a business. By implication, Zambia’s high rates of perceived opportunities and capabilities among young people suggest that the country has a large pool of potential young entrepreneurs. In such a context, people are likely to act on the opportunities they see, especially when they believe they are capable of starting a business. This further supports the view that youth in Zambia have positive impressions about entrepreneurship as a good career choice.

Given that it is difficult to obtain formal employment in Zambia, entrepreneurship ventures in the form of self-employment become a critical tool in the pursuit of social mobility among youth. However, findings also established that entrepreneurial intentions are high and few young Zambians fear business failure. According to Institute of Statistical, Social and Economic Research (ISSER) (2010), youth entrepreneurship provides an opportunity for young people to be

creative, to learn to manage risks, and, importantly, to develop businesses that can employ themselves and others in a world of increasingly high unemployment.

It was also revealed that youths lacked the necessary capital to start a business. This finding is close to the findings of Chigunta and Mwanza (2016) who found out that funding is one of the challenges that obstruct the proper implementation of programs meant to promote youth run businesses. This finding is also similar to a study by Mabasa (2017) that revealed that in South Africa, the National Youth Development Agency faces challenges of lack of adequate funding from the national treasury which results in lack of financial capacity for the institution to make a meaningful impact on youth run enterprises. Further, Thembah and Josiah (2015) argue that the Citizen Entrepreneurial Development Agency of Botswana faces challenges such as inadequate resources and the failure to repay loans by the citizens which results in the inability of the institution to achieve some of its stated objectives and to sustain itself from loan revenues without government support.

5.0 RECOMMENDATIONS

The study had the following recommendations:

1. the stakeholders should make the business environment more favorable for business growth.
2. devise a flexible education system that will be inclusive in terms of accessibility and will enforce the skill for employability and productivity among the youths.

6.0 CONCLUSION

The findings in this study show that the youth have a very high perception of the presence of good opportunities for starting businesses. The overwhelming majority are also likely to believe that they have the capabilities necessary to start a business. Societal impressions about the attractiveness of entrepreneurship in the country remain strong, with the majority of young Zambians seeing entrepreneurship as a good career choice. Therefore, there is need to support youths with capital to start their own business.

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