

## Analysis Of The Influence Of The Skills Acquisition Programms Of The National Directorate Of Employment On Job Creation In Abia State.

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**Abstract:** The study assessed the the skill acquisition programs of the National Directorate of Employment (NDE) in generating employments by its beneficiaries in Abia state. The sample comprised of 108 beneficiaries, It also showed that the beneficiaries of the Agricultural Employment Programme (AEP) created the highest number of jobs by claiming 40.79% of jobs created. Furthermore, beneficiaries of the vocational skills development generated 14.92% of the jobs created among the 4 major skills acquisition programmes while beneficiaries from the Small Scale Enterprise Programme (SSE) generated 17% of jobs created. It further implies that the Agricultural Employment Programme (AEP) is better equipped with the necessary logistics and manpower to create jobs. In addition, results from the multiple regression analysis showed that specifically, age, NDE training, sex and business type, are significantly related to employment generation by the beneficiaries of the programme. [Ukoha, I.I, Osuji, M.N, Osuji, E.E. Ibeagwa. O.P. **Analysis Of The Influence Of The Skills Acquisition Programms Of The National Directorate Of Employment On Job Creation In Abia State.** *Rep Opinion* 2014;6(3):45-50]. (ISSN: 1553-9873). <http://www.sciencepub.net/report>. 7

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### Introduction:

Despite several attempts of government, donor agencies, Non-Governmental Organizations and other related bodies at generating employment, the unemployment problems is still much apparent in the country. Employment is one of the most important social and economic issues in every country. Nigeria is one of the oil exporting countries earning millions of Naira yearly from oil exports. Nigeria earned N59 trillion from oil exports between 1960 and 2009 (Arosanyin, 2011). Unemployment rate has been on the increase in Nigeria over the years. Recent statistics has it that the country recorded about 13.1 per cent in 2000; rose 19.7 percent in 2009 and 23.9 percent in 2011 (NBS, 2011). The deteriorating unemployment situation in Nigeria should be a source of worry, especially with the attendant social dislocation, exemplified by high crime rate and youth restiveness. Nigeria has, for more than two decades, been grappling with the twin problems of unemployment and poverty. The increase in the unemployment rate is largely attributed to a number of factors. Among these are the increased number of school graduates with no matching job opportunities, a freeze in employment in many public and private sector institutions, the crash in the capital market and continued job losses in the manufacturing and oil sectors (CBN, 2010). Another contributing factor to the unemployment situation is the limited employability of the workforce. This is due to the fact that graduates and young people don't have opportunities for training to the level of skill required for in the world of work. Training that is being provided is not tuned to current labor market needs

and there is very little institutionalized guidance or counseling to help young people into jobs. Apart from this, the training system and technical vocational institutions curriculum are obsolete and do not reflect current market realities while what is provided in terms of training is not underpinned by the necessary frameworks (certification, apprenticeship, etc).

The Nigerian unemployment situation is made worse with the lack of labour market information as there is little or no data; and where available, data are gathered by different government agencies with no coordination and coherence. Employment and human resource planning functions are also inadequately developed to equip the nation to face the challenges of the existing labour market. The above challenges underscore the need to reconcile the fundamental goals of economic growth, productive employment and poverty alleviation in Nigeria. For instance, in one year, more than 100 textile factories closed across the country. Apart from the textile firms, other manufacturing firms have either closed down or moved to neighbouring countries to set up plants. For example the Michellin tyre factory in Nigeria has relocated to Ghana among others. Reduction of joblessness is a major concern of every responsible government all over the globe. However, given free market economies, zero unemployment cannot be guaranteed. Friction in the labor market will always be there. (Adawo 2012) The need to avert the negative effects of unemployment has made the tackling of unemployment problems to feature very prominently in the development objectives the Nigerian government through the establishment of the National

Directorate of Employment. Though, for now, there is still a misconception on what the NDE stands for. Consequently, in its frantic efforts to seek a way out of the problem, the Federal Government constituted a committee known as the Chukwuma Committee on the 26th of March, 1986, to consider appropriate strategies for dealing with the mass unemployment problem in the country under the aegis of the Ministry of Employment Labour and Productivity. The report of the committee led to the institution of the National NDE in November 1986,

and charged with the following mandates:

1. To design and implement programmes to combat mass unemployment;
2. To articulate policies aimed at developing work programmes with labour intensive potentials;
3. To obtain and maintain a data bank on vacancies and employment opportunities in the country with other government agencies and;
4. To implement any other policy as may be laid down, from time to time, by the Directorate (NDE, 1997).

The philosophy of NDE is self enterprise, which emphasizes self-employment and self-reliance in preference to wage employment. This philosophy is pursued through policy planning and well articulated programmes of The Agricultural Employment Programme (AEP), Vocational Skills Development Programme (VSD), Special Public Work Programme (SPW) and Small Scale Enterprise (SSE) Programme. These programmes are set up across the Nigeria in an effort to alleviate unemployment crises. According to the reports of the National Directorate of Employment, the educational system turns out an average of 3million school leavers and graduates annually whereas the labour market could barely absorb 10% of this output (NDE Annual Report, 2005). Massive unemployment in Abia state has made the desperate youths resort to all sorts of crimes ranging from militancy, kidnapping, robbery, drug trafficking etc. at the same time the study area has so much fertile land, and human assets and an NDE office. The nature of this problem has necessitated this study with the view of addressing the role of the National Directorate of

Employment in alleviating unemployment in Abia state. The study seeks to; examine the socioeconomic characteristics of recipients of NDE employment services; ascertain factors influencing employment generation under the NDE skill acquisition programme in Abia state, and analyse the various skill acquisition programmes in Abia state.

### Materials And Methods

This study was carried out in Abia state which is situated in Southeast Nigeria, mainly because of the increasingly high level of unemployment notwithstanding abundance of fertile agricultural land, manpower, financial institutions, Federal agricultural establishments located in the state and because of its prominent agricultural activities being the primary occupation of the inhabitants of the state. Abia state which is one of the five states of southeastern Nigeria is divided into three agricultural Zones.

#### b) Sampling Technique

The respondents were mainly the households of the recipients of NDE services in the study area. A total of 120 questionnaire were administered to NDE household beneficiaries from a sampling frame of 180 beneficiaries provided by the NDE by means of a simple random sampling technique of out of which 108 beneficiaries responded and returned valid responses. Both primary and secondary sources of information were used. The major instrument used for primary data collection was the questionnaire. The questionnaire were structured in the form as to meet the solutions to the stated objectives of the study. The secondary data were collected through review of related literature such as text books, Journals, Bulletins, Seminar and Conference papers among others.

#### c) Analytical Techniques

Various analytical techniques were used for this study. Simple descriptive statistical tools such as mean, frequency distribution, percentages and the ordinary least square multiple regression

techniques. The regression model is stated explicitly ;

$$E = f(X_1, X_2, X_3, X_4, X_5, X_6, e_i)$$

Where

E = Employment Generation (no of persons)

X<sub>1</sub> = Age (years)

X<sub>2</sub> = working experience (years)

X<sub>3</sub> = NDE training (D: AEP=1 OTHERWISE =0)

X<sub>4</sub> = sex (D:m=1, f=0)

X<sub>5</sub> = Credit received by beneficiaries (N)

X<sub>6</sub> = Business type (Agric 1, OTHERWISE 0)

## Results And Discussion

**Socioeconomic characteristics of NDE beneficiaries.**

VARIABLES	FREQUENCY	PERCENTAGE
<b>GENDER</b>		
Male	75	70.00
Female	33	30.00
<b>AGE</b>		
25-39	19	17.59
40-54	<b>57</b>	<b>52.78</b>
55-69	23	21.30
70 and above	9	8.33
<b>Mean</b>	<b>46.56</b>	
<b>Education</b>		
0	4	3.70
1-6	28	25.93
7-12	59	54.63
13 and above	17	15.74
<b>Mean</b>	<b>7.12</b>	
<b>House hold size</b>		
1-3	25	23.15
4-6	59	54.63
7-9	14	12.96
≥ 10	10	9.26
<b>Mean</b>	<b>5</b>	
<b>WORKING</b>		
1-5	20	18.52
6-11	52	48.15
12-17	18	16.67
18-23	3	2.77
<b>24 and above</b>	<b>15</b>	<b>13.89</b>
<b>MEAN</b>	<b>9.30</b>	
<b>Training</b>		
VSD	18	16.67
SPW	40	37.04
AEP	20	18.51
SSE	30	27.73

### Source: field survey 2011

The result of the study (Table 1) showed that 70.00 percent of the respondents were males while 30.00 percent of the respondents were females. This is an indication that males benefit more from NDE services while women often experience discrimination because of the customary and religious practices that adversely affect them. According to the ILO report (2011), Nigerian women usually face stronger barriers to labour market entry and have more difficulty finding employment, remain underrepresented in the formal sector but play an active and vital role in the country's important informal economy. In addition, 52.78 percent of the respondents were between 40-54 years of age

while 8.33 percent of them were above 70 years of age. The mean age of the respondents and mean years of working experience were found to be 46.56 and 9.30 years respectively. According to Benjamin and Wilson (2005), the definition of an "older worker" is a person who is above 50 years of age. He suggested that performance does not necessarily decline with age because most jobs do not require employees to work at full capacity; strategies, skills and experience can be utilised to compensate for functional declines. This is an implication that knowledge and experience have been found to compensate for age-related declines in a wide range of fields and it is suggested that practice and skills and professional expertise, developed over

many years of practice and experience, can compensate for potential negative impact of declines in performance by old age. The mean house hold size of 5 persons implies that beneficiaries had a substantial advantage that could serve as cheap source of labour which may lead to increase in employee figures, adoption of innovations and the overall level of farm productivity. This can translate into higher level of incomes to the beneficiaries. In addition, 54.63 percent of the respondents had secondary education. In addition the mean number of years spent in school was 7.12 years while 3.07 percent of the respondents had no formal education. However, 37.04 percent and 16.67 percent of the respondents acquired SPW training and VSD trainings respectively while 18.51 percent and 27.73 percent acquired AEP and SSE trainings

respectively. This is an implication that vocational trainings offered by the NDE can be found to compensate for low level of education attained by the respondents. The formal educational profile and training experiences of the respondents adequately exposed them to the to working ethics. This has implications on their involvement in agricultural development activities such as the loan scheme since they can access information electronically, association meetings and workshops. In addition respondents' level of literacy can have positive effects on adoption of agricultural technologies

**Analysis of the different skills acquisition programmes of the NDE vis-à-vis job creation among its beneficiaries in Abia state.**

**Table: 2 Analysis of the different skill acquisition programmes of the NDE in Abia state.**

Programme	No of beneficiaries	Initial Annual average income	Current Average annual income	No of jobs created	% of jobs created
Vocational Skills Development Programme (VSD)	18	120,345.00	306,111.11	30	14.92
The Special Public Works Programme (SPW)	40	113,378.00	196,300,000	54	26.89
The Agricultural Employment Programme (AEP)	30	197,653.00	331,056.63	82	40.79
Small Scale Enterprise Programme (SSE)	20	142,000.00	531,961.000	35	17

source: field survey 2011

The Agricultural Employment Programme (AEP) of the NDE created a total of 82 jobs from its beneficiaries claiming the highest number of jobs created by any other skill acquisition programme making 40.79% of jobs created. Furthermore, 18 beneficiaries of the vocational skills development generated 30 jobs and making 14.92% of the jobs created among the 4 major skills acquisition programmes while 20 beneficiaries from the Small Scale Enterprise Programme (SSE) generated 35 jobs making 17% of jobs created. It further implies that the Agricultural Employment Programme (AEP) is better equipped with the necessary logistics and manpower to create jobs. The SSE programme beneficiaries generated the highest average annual income of N531, 961.00 per beneficiaries (N44,330.08k monthly) which suggest that it is the most profitable skills acquisition programme while the special public works programme

generated an average annual income of N196, 350.00 this implies that most of their resources were channelled to fund the necessary inputs and, paying rents needed after training by beneficiaries, thereby spending so much in buying tools and materials, paying rents thereby reducing annual income.

**Determinants of influencing employment generation under the NDE skill acquisition programme in Abia state**

Table 3 shows shows the results of the multiple regression of the detremnants of the employment generation by NDE beneficiaries. Out of the four functional forms tried, the Cobb- Douglas function form gave the best fit because it has the highest number of t-values that are statistically significant at 5% level (age, training, sex and business type.) and a high R<sup>2</sup> and F-values of 79.2% and 53.85% respectively. This shows that co-efficient of multiple determinations is

highest in Cobb-Douglas as 79.2% variation in the dependent variable; (Y) can be explained by included explanatory variables indicated above. About 20.8 percent variation of employment generation level cannot be accounted for by the included variable. The F-value shows that the proportion of the variation in the dependent variable as explained by the independent variables is significant at 5% level. Specifically, age, NDE training, sex and business area are positively related to job creation by the beneficiaries of the programme. It is expected that more jobs will be created by older beneficiaries. This partly disagrees with the work done by Benjamin and Wilson (2005) who suggested that performance does not necessarily decline with age because most jobs do not require employees to work at full capacity; strategies, skills and experience can be utilised to compensate for

functional declines. In a similar manner, the NDE training received the beneficiaries is significantly related to the level of employment generated at 1 percent level of significance. The finding agreed with LeGault (1997) who reported that Training also helps to increase job knowledge and skills, and expands the intellect on the overall personality of the employee. More so the study also revealed that sex is significantly related to employment which shows that more males tend to be gainfully employed and stand a greater chance of generating employment than female due to factors such as strength, education and training. The business areas, patronized by the beneficiaries are also significantly related to employment generation which implies that beneficiaries who went into agricbusiness tend to generate more employment than beneficiaries who went into other forms of business.

**Table 3: Results of the Multiple Regression analysis of the determinants of employment generation by NDE beneficiaries**

Models/variables	Linear function	Semi-log function	Cobb-Douglas function	Exponential function
Constant	267.108	221.372	148.061	137.416
Age (X <sub>1</sub> )	14.398 (13.210)	1.921 (1.684)	0.071** (0.020)	-0.009** (0.003)
Experience (X <sub>2</sub> )	17.914 (15.988)	1.714** (0.461)	0.067 (0.059)	0.005** (0.001)
Training (X <sub>3</sub> )	10.146** (2.691)	2.819 (2.117)	0.093** (0.032)	0.008*** (0.003)
Sex (X <sub>4</sub> )	13.091** (3.402)	3.609 (2.982)	0.084** (0.021)	-0.004 (0.003)
Credit (X <sub>5</sub> )	14.782 (13.109)	2.160 (1.962)	0.067 (0.061)	0.005 (0.005)
Business type. (X <sub>6</sub> )	11.104 (10.912)	2.117 (1.997)	0.077** (0.022)	0.008 (0.006)
R <sup>2</sup>	0.483	0.384	0.792	0.594
f-value	13.258**	8.8502**	53.850**	20.207**

Field Survey : 2011

\*\*\*, \*\* and \* Significant at the 1%, 5% and 10% levels respectively Figures in parenthesis are standard error. Source: Field data 2012

### Conclusion

The NDE skill acquisition programme as an institution is effective in helping its beneficiaries generate Employment but will generate more employment if it is properly funded so that the beneficiaries can purchase the necessary inputs needed

to start up their own business and employ more hands. They should also ensure that inputs and funds should be evenly distributed irrespective of Age, Marital status, Educational qualification, Training received and Gender among others.

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