

The Church and Entrepreneurship – Hope for the Youth in Nigeria

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Abstract

The informal sector is termed to be vibrant because it accounts for one-third of the Gross Domestic Product (GDP) and creates 90% of new jobs globally. In Nigeria, the situation is not different, yet the government has failed to effectively harness the potentials of entrepreneurs (those who work and own businesses in this sector) and link them to the real sector. This continues to undermine the potential for economic growth and relegate the youth who often seek refuge in this sector. The main thrust of this paper, therefore, is to challenge the Church as a model and vital social institution to use its gifts, resources and experiences to help young people become useful citizens. The recommendations that were made include: (a) that the church should facilitate the on-going reforms in the financial sector with the aim of reducing the obstacles in obtaining soft loans. The church should influence government policy to properly stream-line an efficient process of registering a business or enterprise with the Corporate Affairs Commission (CAC).

Introduction

Although the current economic reforms in Nigeria were supposed to open up the national economy to the global economy, the reality on ground rather is the down-sizing of the civil service and more need to cut down on government expenditure (Onoge, 2005). This meant that social institutions, amongst them, schools deteriorated even as the intake and turn-out from such schools continued to rise annually. Consequently, the Nigerian situation is such that the institutions of learning turn out a workforce that is not equipped with the right skills employers require (McGraith and King, 1995). In addition, there is a recorded massive rural-urban drift, especially amongst the youth, who feel that they can make it better, economically in the metropolitan areas of the country (Echebiri, 2005). In consequence, the unemployed simply have to fend for themselves and grapple with this new phenomenon to create jobs independently – self-employment as it is called and this has been the trend for over two decades. It is how the youth have fared in pursuit of economic power/empowerment (entrepreneurship) and what the church can do to support them that constitute the thrust of this paper.

According to Osamwonyi (2008), the informal sector has been described by the International Finance Corporation as a vibrant sector that accounts for one-third of Gross Domestic Product (GDP), creating 90% new jobs. In Nigeria, the Federal office of statistics shows that the sector is responsible for 70% of Nigerian economic activity and 60% of total employment. By implication, a majority of Nigerians work and own business in this sector. However, the inability of the government to effectively harness the potential of these entrepreneurs and link them to the real sector has continued to foster poverty and undermine the potentials of

economic growth that is inherent in this sector. Another important factor is that there are two types of entrepreneurs, namely: entrepreneurs of choice and those of necessity. The difference between the two is that entrepreneurs of choice are into business as a vocation and learn to seize opportunities in this field of endeavour. On the other hand, entrepreneurs of necessity are mostly those who are forced to survive in this sector because they do not have any other alternative. This group also comprises the dominant majority in the informal sectors who live and operate at the level of petty business/trading. Another significant difference is that the first group often comprise of business people who have received special training in one field or the other that place them in position to generate self-employment and to provide employment for other people. The second group is generally described as businessmen (and women) by necessity. Put in another way, skill acquisition is paramount because it is a recognized panacea for poverty alleviation as it fosters entrepreneurship and, in some cases, leads to the provision of micro-credit finance.

In another vein, Onwubiko (2010) observes that Nigeria has numerous business and investment potentials due to the abundant, vibrant and dynamic human resources it possesses. However, the impact of the current global financial crisis and its attendant mass unemployment and job losses has brought to the front burner the issue of entrepreneurship and economic recovery. Thus, as the number of unemployed graduates in Nigeria continues to increase, there is a growing need to promote youth entrepreneurship and self-employment avenues. This is because youth-run enterprises will have a direct bearing on employment if young entrepreneurs hire fellow youth, and thereby address some of the socio-psychological problems and anti-social delinquency that arise from joblessness.

In view of this fact, Ononogbu (2006) observes that government efforts alone cannot suffice to address all the problems in the society; hence, this paper solicits for the all-hands-on-deck approach. This approach entails that stakeholders in the society contribute towards tackling social problems in the public space. It also implies that if a comprehensive front is adopted to address social problems, there will be a higher degree of success. This paper therefore, builds on the strength of this premise to propose a systematic and vigorous social theology that is both Biblically authentic and culturally relevant because the church is a significant social institution.

Contextualization of Terms

Terms will continue to prove slippery in the social sciences because of the tendency to address issues from the particular perspective and field of study of the scholar or scholars in question. Yet, for the purpose of clarity of

thought and ideas in this paper, the terms needing to be contextualized are: church, entrepreneurship, globalize and youth.

Church: As used in this paper, the church is a community of believers in the Lord, Jesus Christ. It represents a microcosm of the larger society to which it is called to mirror the love of God as demonstrated in the vicarious sacrifice of Jesus. The church is also called to serve humanity through the love of God that it has received and shares with other members of the society.

Entrepreneurship: According to the *Wikipedia Encyclopedia* (2010), entrepreneurship is the act of being an entrepreneur. It is a French word meaning one who undertakes innovations, finance and business acumen in an effort to transform innovations into economic goods. In other words, entrepreneurship carries with it the idea of probably setting up a new (innovative) business idea, financing it or sourcing for funds as well as meeting an economic need in the society. Thus, in this paper, the word is used to encompass the identification of socio-economic needs within a society, raising of funds and selling of the idea to meet both the needs of the society and the employment need of the entrepreneur and his team.

Globalize: The idea of anything being global implies that it is worldwide and beyond any sectarian group. In the context of this paper, it calls to mind the fact that the world we now live and operate in is an international and interrelated community. In other words, we cannot continue to ignore issues that concern the Nigerian youth and relegate them to the background when the world is now a globalized unit and their contemporaries are making great strides in the global community.

Youth: The term 'youth' continues to be problematic to define because of its relative importance and policy implication. For instance, the United Nations uses the 15-24 years age bracket, while the Commonwealth uses 15-29 years age category. Chigunta (2002) however, opines that the sociological denotation of youth represents the interface between childhood and adulthood. In this paper, the term includes all those who are within the 20 to 30 years age bracket who have the potentials to stimulate economic growth, social progress and overall national development.

The Church and Nigeria's Vibrant and Vagrant Youth:

There is no doubt that young people play a significant role in economic activities in developing countries. In the Nigerian context, a lot still needs to be put in place to achieve the desired and required growth because the strength of any nation cannot be isolated from its hope for the future. The Nigerian youth is therefore expected to rise to the challenge of catalyzing Nigeria's innovative and dynamic participation in the global

village. In the past, the energy of the youth was dissipated on vices, while they generally put up an indifferent attitude towards the issues of national development (Egbuna, 2001). However, time has come for the youth to turn around and ‘take the bull by the horns’ so that they can contribute towards the liberation of the nation from the shackles of poverty, obscurity and shame through entrepreneurial skills.

With a population of over 140 million people, Nigeria is the most populated black African nation in the world. Estimates show that the youth constitutes over a half of the total population (Giwa, 2008). Despite this pool of active human resources, much has not been achieved by way of channeling this useful resource to contributing to the expected overall economic development. The unemployment rate is still very high because the average Nigerian youth go after white-collar jobs, which are hardly available. This trend needs to be given attention to, and reversed because poverty, disease, lack of social infrastructure and lack of hope is the everyday reality for these millions of Nigerians. And youth, even those who have reached the highest academic echelon, are hopeless, helpless, jobless and at times homeless. Young men and women across Nigeria have been bequeathed with a sense of social, political and economic insecurity.

This is therefore, an outstanding area in which the church inserts itself as a formidable social actor with an enormous responsibility in charting a new course for Nigeria. Kalu (2004) and Ononogbu (2008) have pointed out the relevance of the church in the context of bringing about social change in the society. With particular reference to the youth, Okwueze (1998) observes that the first form of wisdom literature consists of practical advice to young people on how they may obtain a successful and good life. Hence, the church has a basis for working with young people and impacting them positively. This includes the challenge to build a Nigeria where poverty and despair for the majority of our population are overcome with the resources we have because the entrepreneur as a person is a gift of God’s grace in the society. He/she uses God’s resources (ideas and wealth) to produce utility and satisfy human want. The creation of utility necessitates profit to accumulate capital and to make a business productive enough to provide jobs. Thus, the entrepreneur engages in the vocation of creating utility with God’s resources using the ethical insights of the Christian faith and church to be a more faithful disciple as an entrepreneur. In view of this, there is a compelling need to develop this model of problem-solving and critical analysis of the contemporary reality facing the youth because we cannot remain complacent in the face of the reality of a typical Nigerian youth who is faced with the challenge of how to feed, clothe and have adequate

accommodation. In the land of plenty, in the land blessed with enormous human and material resources, the youth should not be faced with the challenge of sourcing clean water, health care, education and non-existent employment opportunity.

Modeling Grace: The Church and Youth Entrepreneurship:

The Bible encourages Christians to work hard and not to be slothful in their businesses. Thus, there is the need to be diligent and conscientious in one's chosen field of endeavour (Prov. 10: 4; 22: 29; Rom. 12: 11; I Thess. 4: 11). On this note, the ministry of the church is vital in modeling a holistic pattern of entrepreneurial skills acquisition because the socio-economic challenges facing the Nigerian youth and indeed Nigeria as a nation are growing. This presupposes the need to mobilize and develop a unified voice to question the idea of business as usual and challenge the status quo. Hence, as the church educates and equips young people to forage into entrepreneurship, some of the advantages include that the enterprises will also create linkages between young entrepreneurs and other economic actors. In addition, youth entrepreneurship promotes innovation and resilience as it encourages young people to find new solutions, ideas and ways of doing things through experience-based learning. Another factor is that youth entrepreneurs tend to be responsive to new economic opportunities and trends because it is increasingly accepted that they can present alternatives to the organization of work, the transfer of technology, and a new perspective to the market economy.

In view of this, the Church is committed to model grace by sharing its vital gifts and experiences with the youth in order to weave them into a tapestry of utility in the society. More so, the church brings the gift of good management and administration coupled with efficiency of operation, space utilization, relationship, money and effective decision-making. These are salient virtues that are learned and practised to support the work of the Kingdom of God as expressed first in the local church and in the many causes of Christ in the world. They are, therefore, rich gifts that the church communicates to the society as the body of Christ and a faithful witness in the world.

Thus, to achieve this target, there are some obstacles that the church will have to contend with. These include the issue of: (a) **Motivation** because most youth are not motivated to start and manage businesses because of the supposed harsh environment that affect business growth in Nigeria. (b) **Lack of finances** – even when there is some motivation; young people are often frustrated by the lack of funds or inability to access start-up capital or seed grants. (c) **Basic management skills** – most youth do not

have the basic skills to manage small businesses. There are a good number of young Nigerian graduates who desire to own and manage their businesses but in some cases the choice of business is usually different from their area of academic specialization. Hence, since the skills for being a successful entrepreneur differ, they need to learn more techniques of managing a business in order to achieve set goals. (d) **Infrastructure** – the infrastructure that directly or indirectly affect business success are not adequately provided for in Nigeria. Some of such amenities include electricity supply, good roads, portable water and effective transportation. (e) **Information** – vital information about the availability of raw materials require technology. This include effective business management, access to capital and other capacity building initiatives. (f) **Mentoring/Coaching** – recent studies have revealed the importance of having someone more experienced than one, to look up to, in whatever endeavour one is involved in. The outcome of mentoring and coaching programs has been tremendous because it provides the protégée with the opportunity to share one's problems and challenges with a more experienced person who can guide and offer necessary assistance when needed. (g) **Government Policies** – for a budding enterprise to blossom it needs the required conducive business environment to grow. Government is expected to create this type of environment by consciously formulating and implementing policies that will make it possible and this cannot be over-emphasized.

As the church works hard to support the youth through these and other challenges, some of the virtues and support that should be inculcated and given to these young entrepreneurs include (a) **Vision** – it guides the potential entrepreneur and makes him aspire towards greatness. Having a vision is like having a road map – a morale booster. It also provides an avenue for honest self-assessment. Nigerian youth should have both personal and national visions that can guide them on their way to the top. (b) **Finance** – there is no doubt that capital is one of the crucial factors that affects business. The church should network with both the government and the organized private sector (OPS) to make funds available to budding and existing entrepreneurs. Accessing support from the OPS as a form of Corporate Social Responsibility (CSR) will go a long way in helping young people achieve more, rather than being idle. However, in the absence of these forms of support, the youth can explore alternative sources of funds like loans from friends and family amongst others. If a business idea is well-communicated and people can explicitly see the value derivable from it, it is likely that those sources would assist. (c) **Failure** – failing in a particular venture or endeavour does not infer that the person is an all-round failure.

Failure is part of growth and young people should see it from the positive angle. It is not a crime to fail in an endeavour but many people fail to learn vital lessons from their past mistakes. (d) **Growing slowly and steadily** – some young people are so eager to make millions in the first few years of venturing into business that they lose focus, before reaping the dividends from their labour. This should not be so. In most cases, the few years of starting a business need to be used to create the right systems and consolidating on whatever one has been able to achieve. It is imperative to know that success is gradual and young people should be willing and equipped to give it all it takes to reach the apex. (e) **Getting requisite business management skills** – there is more to handling or managing a business than just personal interest or suggestions from people. Thus, any viable business management techniques should be adaptable in the real business world and young people who want to start businesses should be aware of what a business plan is and its importance to success. (f) **Partnership** – studies have shown that most entrepreneurs in Nigeria (including youth) feel more comfortable working alone as sole-proprietors. This may not be helpful in all cases because people can pull resources together to form a network or alliance that can achieve more, than if they were operating as single entities or entrepreneurs.

More importantly, as a social advocate, the church should impress it on the government of the day to adopt a holistic approach to solving social problems. This is because young entrepreneurs can be fully utilized to cause a turn-around in the economy. Hence, since it is the main responsibility of government to provide social infrastructures, the unavailability or inadequacy of these basic needs will hamper any effort to achieve the desired result.

Recommendations

In order to achieve the targets that have been set out in this paper, the following recommendations are suggested:

Since the access to finance is key to the success of any entrepreneurial venture, the church should prod the on-going reforms in the banking sector. This includes the recapitalization of commercial banks and the formation of micro-credit finance banks that are run by individuals and private organizations to replace community banks that were not functional. This should be done with the aim of reducing the bottlenecks involved in obtaining soft loans for young entrepreneurs who do not generally have the required collateral to be credit worthy to banks who only want to make profits from their investments.

Another important area where the church can influence government policy so that it can be properly streamlined for efficiency in the process of registering a business or enterprise with the Corporate Affairs Commission (CAC) in Nigeria. Currently, the processes involved appear simple but for many it is expensive in the sense that CAC offices are not located at the grassroots (i.e. Local Government Headquarters) where many of these young business entrepreneurs live and operate. For them, going to the state capitals where the CAC offices are located are expensive and time consuming. The church can assist the youth in getting through this simple but apparently frightening process. Hence, many young people run businesses without registering them officially. If the church steps in to support them through this process, then many more people can delve into the arena of business.

Currently, the electric power system in Nigeria is nothing to write home about and this is a very crucial factor for young entrepreneurs who are often unable to procure and maintain generating sets from the onset of their business life. Thus, it is recommended that the church should also try to influence government policy in this area. This will ensure that the environment will be conducive for young people to nurture and pursue their business ideas.

Conclusion:

In conclusion, we discover that government's policies and projects have not really empowered the youth and given them substantial means and opportunities to participate constructively in the economy. Although we did not specifically deal with the reasons behind this development, it is apparent that government's economic reforms did not open up the national economy to the global economy and many of the policies and programmes did not have any direct bearing on the situation of the youth in Nigeria. More so, over the years, most of the national social structures recorded some level of growth but collapsed at the long run while the youth population has continued to grow. Thus, unless something is done to enable young people become fully integrated into the mainstream of the society, they will continue to be a social burden on the nation.

On the strength of these observations and given the conditions under which the average youth struggles to find his feet economically, we pointed out that one viable option towards empowering the youth is for the church to step into the terrain and proffer valid support and skills acquisition/entrepreneurship training and packages to young people.

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