

# SELF EMPLOYMENT AND DEVELOPMENT OF YOUTHS AS A MEANS OF PRODUCTIVITY IN ACCOUNTANCY PROFESSION

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## **Abstract**

In Nigeria today, many unemployed accountants look up to government to provide employment. The government on its own has a limited capacity to provide full employment for the teeming and ever-increasing population. The government also has little or limited services to render to the citizens. To provide employment for the youths means that youths themselves must be channelled for self employment and productivity. This paper examines the role of youths, the government and the regulatory bodies to provide conducive environment for self employment by trained accountants. In carrying out this research, some organizations both private and public agencies that render diverse functions and services were sampled. The methodology for the research was oral interviews conducted with the sampled organizations. The results obtained were analysed through descriptive format. The research findings include the fact that no conducive environment for self employment as a result of poor infrastructural development coupled with political corruption, insecurity and that there was no serious commitment on the part of the trained accountants, to be self employed and be productive. Among the recommendations made are that, government should provide the needed infrastructural facilities, tackle the problems of corruption, insecurity of lives and property around the country and the trained accountants themselves to take some minimum risk for self employment.

Self employment, self productivity and entrepreneurship are synonymous in outlook. It is a way of looking at one thing from two perspectives. Entrepreneurship and self-employment lead to self-productivity. An entrepreneur is one who ventures into a new business which will earn him and the society benefits. By so doing, he is enriching himself and his actions can be termed self productivity. Self employment is a process of achieving a defined objective through a self conceived employment to achieve that objective.

In Nigeria today, everybody who is educated looks forward to government to provide employment. The government on its part has limited capacity and resources to provide full employment to all her teeming and ever-increasing population. As a result of this, the trained accountants have to develop the right frame of mind to be self-employed so as to be productive. This research therefore focuses majorly on how trained accountants in the accountancy profession can be self-employed and be productive after their education and the role the government has to play in providing a conducive atmosphere to the educated persons to be self-employed so as to be productive.

## **Statement of the Problem**

There is no doubt that there is high unemployment of our youths in this country today. The problem that this research will address is how do our youths in accountancy profession be self employed, factors that are militating against self-employment by youths and the role of government to ensure that the youths are self-employed and productive.

## **Objective of the Study**

The objective of this study is to find out ways, means and areas by which youths in accountancy profession can be self-employed so that they will not be depending or looking forward to government alone to provide employment for them after their training.

### **Research Questions**

For the purpose of this research, the following research questions were posed:

- i. What are the areas in which the trained accountancy youths can be self-employed?
- ii. What are the factors that militate against self-employment of youths?

### **Significance of the Study**

This research will be of benefit to the trained youths in accountancy profession and those youths undergoing training in accountancy so that they will be aware of where to look for self-employment rather than wait and depend on government to provide them employment. The government will also benefit by knowing the role she should play in making the youths to be self-employed and the factors that militate against self-employment of youths and provide solutions to them.

### **Review of Some Related Literature**

#### **Empowerment and Entrepreneurship**

According to Stoner, Freeman and Gilbert Jr (2007) empowerment is the act of providing authority, knowledge, resources to individuals so that they can achieve work objectives. Therefore, empowerment is self-employment. This conceived engagement involve entrepreneurship. According to Meredith, Nelson and Neck (1982), "Entrepreneurs are people who have the ability to see and evaluate business opportunities, to gather the necessary resources, to take advantage of them and to initiate appropriate action to ensure success". From this definition, entrepreneur involves taking risks by venturing into a business. Empowerment of oneself within the framework of employment through business opportunities to earn money or in concrete terms, to earn a living, is self-employment.

According to Geoffrey, Robert and Philip (1996), entrepreneurial is having the ability to find and evaluate opportunities, gather the necessary resources and implement actions to take advantage of these opportunities. Entrepreneurs take calculated risks and enjoy challenges that involve moderates risks. Self employment involves spending a great deal of time in planning the business activities. The entrepreneur's time has to be effectively used through better management to achieve the goal of self productivity.

According to Etannibi (2005) the public reform include "subjecting state functions to the interests of private entrepreneurs as the engine of growth". From this statement, it is clear that government attitude is shifting from state owned to private owned as a means of self employment and productivity. Generally, public reform by the government has to do with self-employment. Etannibi (2005) further stated that public reform embraces a key strategy of the social charter which is all inclusiveness to empowerment. This goes to say that self empowerment involves people's welfare, health, education, employment, poverty reduction, security and participation in economic growth. According to Ishola (2005) the market economy emphasized the role of the organized private sector to lead us to prosperity under the guidelines and incentives provided by the state. This is a statement of fact that for the growth of the economy, self empowerment through self employment of the youths and government intervention is necessary.

#### **Qualities of Self Empowerment and Self Employment**

According to Geoffrey, Robert and Philip (1996) they listed among others the following characteristics and traits as a working profile of an entrepreneur:

<b>Characteristics</b>	<b>Traits</b>
a. Self-confidence	Confidence, independence, individually, optimism.
b. Task-result oriented	Need to achieve, profile-oriented, persistence, perseverance, determination, hard-work, drive, energy, initiative.
c. Risk-taker	Risk-taking ability, likes challenges.
d. Originally	Innovative, creative, flexible (openness of mind) resourceful, versatile, knowledgeable.
e. Future-oriented	Foresight, perceptive.

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The above characteristics and traits are required to be partly or wholly present in a person who wants self empowerment and self employment.

#### **Philosophy of Self Empowerment**

According to Geoffrey, Robert and Philip (1996) an entrepreneurial philosophy include:

- i. Willingness to accept responsibility.
- ii. Pursue goals related to your skills and abilities.
- iii. Acceptable results rather than perfect results.
- iv. Having too little commitments and responsibilities.

All these philosophical points can be attributed to self empowerment and productivity. A person or youth who wants to empower himself and be productive must have willingness to accept responsibility because success will largely depend on the willingness to accept responsibility for your own work. The power to achieve what one wants in life come from ones actions and not actions of others. Failure must be accepted as a learning process and experience.

An important avenue of self employment and productivity is for one to provide something (goods and services) of value to others that will enhance the standard of living or the growth of other businesses.

#### **Areas of Self Employment Opportunities**

Akinyemi (1988) identified the following areas where small scale investment opportunities are bound:

- i. **Agricultural and Agro-allied Industry:**
  - a. Processing of cattle and poultry feeds.
  - b. Palm oil mills and rice milling plant.
  - c. Maintenance of biscuits, chocolates.
- ii. **Paper Products:**
  - a. Book publishing.
  - b. Manufacturing of exercise books and registers.
- iii. **Chemical and Allied Groups:**
  - a. Production of paints and candles.
  - b. Manufacturing of all classes of soap.
- iv. **Service Enterprises include;** Distributionship, wholesale, consultancy, hospital/clinic, hotel services, educational assistance, financing.

All these areas are where any person in the accountancy profession can identify, engage in and render his professional expertise to the benefit of himself and the society.

#### **Basic Requisite for Entrepreneurship**

According to Akpotohwo (2005) feasibility study provides information about various proposals. Here, the feasibility study will try to define the project or services to be rendered and where to render it. Ability to identify these will enable one to convince those concerned to avail themselves of the services and the results that will come out of it.

#### **Research Methodology**

##### **Research Design**

The method of carrying out this research is through oral interviews held with some selected private and public organizations who render different types of services in Delta State. A total of 15 organizations made up of six private organizations and nine public organizations were sampled. These organizations include those in the business of agro-allied industries, chemical, soap, paper, etc (private) and ministries, boards, agencies of government, etc. (public). Two staffs of each organization of the rank of Directors, Financial Controllers and Directors of Establishments were interviewed.

In carrying out this interview the researcher used 30 working days with his practical experience to determine the types of questions to ask in each organization. The interview was guided by the fact that there were areas of services rendered by these organizations (private and public) that needed the inputs of the trained accountant that will make them more effective and efficient but failed to engage the services of the accountants. In addition, the interviewees afford the researcher to knowing whether there is adequate compliance to various returns e.g. tax returns required by the business organizations to make. If the interview revealed that there is no adequate returns, this could create unemployment for the trained accountant.

In all, there was high degree of understanding between the researcher and the interviewees, because it afforded them the opportunity to knowing areas where a trained accountant is useful and where self employment could be created for the trained accountant. The questions were administered orally face to face and the responses were recorded through notes. Based on their responses, the areas where services and functions that a trained accountant can render and some problems militating against self employment and productivity were revealed.

### **Method of Data Analyses**

The data gathered were analysed by qualitative descriptive method by verbally summarising the information generated from the interviews.

### **Presentation and Analysis of Data**

The data collected through oral interviews and notes are analysed as follows.

### **Types of Services to Render for Self Employment and Productivity**

The analyses of data showed that the following services can be rendered to the small scale business organizations by the trained person in the accountancy profession so that he can be self employed and productive:

#### **i. Agricultural and Agro-allied Industry.**

The youths in accountancy profession can identify and carry out the following services without necessarily being involved in setting up the business. He would approach the farmers and educate them on the need to:

- a. Have modern cost built up procedures.
- b. Stock control which include: stock damage at any point, normal and abnormal loss, know quantity of input and expected output in units.

He can render the following services such as; keeping cost ledgers, reconciliation of accounts and stock, reconciliation of units produced, sales and stock on a monthly basis and setting internal control procedures and ensure regular visit for on-the-spot verification.

#### **ii. Paper Products**

The trained youths in accountancy profession can be engaged in book publishing especially in the publishing houses, by serving as proof readers in books relating to accountancy profession. He can take to supervising the publishing of related accounting journals.

#### **iii. Chemical and Allied Products Groups**

The services to be provided by the trained youths in accountancy in this industry include:

- a. Accumulating material and labour cost.
- b. Identify idle time and advice the proprietor.
- c. Maintenance of stock ledgers.
- d. Reconciliation of production, sales and stock of finished goods.
- e. Identify normal and abnormal loss.
- f. Advising the proprietor on pricing policy of the firm.

iv. **Service Enterprises**

The youths in accountancy profession can be self-employed through:

- a. Distributorship and wholesale services through: Supply of poultry feeds to farmers, supply of paints and cements to builders, supply of foods items and supply of small agricultural implements since these items could be done through leasing or on hire purchase agreement.
- b. Consultancy services which involve maintaining the accounts and preparation of monthly, quarterly and annual accounts for small scale businesses that cannot employ full time accounting officers.
- c. Render accountancy services to private hospitals and clinics that have no full time accounting officers. The youths in the accountancy profession can put forward proposals to the medical director on the need to have standard financial records for the health services by:
  - i. Keeping and utilization of stock of drugs.
  - ii. Monthly, quarterly and yearly running cost.
  - iii. Keeping appropriate accounting books and records that can show the financial position of the hospital/clinic at any given time.
  - iv. Identify the fixed assets and help to plan replacement.
  - v. Help to plan the billing process of patients.

All these and many other services could be rendered on a full time or part-time basis.

v. **Hotel Services**

There are many hotel proprietors in this country today who feel that the business is just collecting lodgments, billing and accounting for expenses in running the hotel. With these approaches, the finances of the business may not be properly accounted for. The need to have knowledgeable person in the finance to give an accurate up-to-date financial position of the business is required. The following services can be provided by a trained accountant.

- a. Keeping of bank lodgements cash book.
- b. Reconciling of daily cash lodgements with available rooms.
- c. Reconciling bar stock with general stock of drinks and supplies.
- d. Reconciling kitchen/restaurant profitability.
- e. Establishing proper internal controls and monitoring them for compliance.
- f. Carry out some functions in the area of internal audit.

vi. **Educational Assistance**

The youths could empower and be self-employed by organizing private classes for pupils and students in the post-primary and tertiary institutions who are deficient in certain accountancy courses on a regular basis. It was discovered that there are graduates in accountancy profession who go from one institution to another (colleges of education and polytechnics) to organize private classes for the students.

vii. **Financing**

This is an important area of self employment by youths in the accountancy profession. Here, the youths are expected to use their knowledge of leasing and hire purchase principles to finance employees of both private and public organizations. These could be done by:

- a. Soft loans financing (otherwise called “on the spot financing”) for workers in reputable organizations. The youths could establish an out-reach finance organization through which loans are given to employees of the known organizations. Security and repayment could be guaranteed by the organization. Here, the parent organization ensure that the salary of the employee is paid to designated bank accounts of the financier or the instalmental payment deducted from the employee salary by the organization and remitted to the financier.
- b. Equipment supply could be undertaken and deliver to needed employees and payments are made on installmental basis with little finance charge (interest). The employer provides the guarantee for the employee.

viii. **Consultancy Services**

There are many areas of business management in an organization in which the youths in the accountancy profession can act as consultants.

According to Hornby (2000) consultancy is a company that gives expert advice on a particular subject to other companies, people or organizations. The youths in the accountancy profession could engage themselves in the following areas of consultancy.

- a. **Tax Advisers:** These services could be carried out for medium scale business organizations with a view to achieving tax avoidance and not tax evasion.
- b. Provide Internal Audit services on a part-time basis through checking the financial transactions and stock positions on a monthly or quarterly basis by installing an effective internal control mechanism.
- c. **Preparing Feasibility Studies:** This is an important service for the would-be investors. The youths in accountancy profession can render consultancy services by preparing and overseeing the implementation of the feasibility studies he has produced for the business take-off.

**Government Intervention for Sustainable Self Employment and Productivity**

The various government institutions in the country need to provide the needed enabling environment for the youths to be self employed and productive. This, the government could do by ensuring that there is:

- a. Peace and security to lives and property in the country.
- b. Adequate and regular check by the regulatory agencies to ensure compliance to rules and regulations guiding the various corporate business organizations. The regulatory bodies that ensure compliance with rules and regulations include:
  - i. Securities and Exchange Commission.
  - ii. Corporate Affairs Commission.
  - iii. Federal Board of Inland Revenue Services.
  - iv. Pension Commission (for the new Pension Reform Act 2004 for compliance).

When all these regulatory bodies perform their work in line with the law and regulations on returns, tax payment compliance, acceptable records keeping, etc, it will provide avenues for self employment and productivity for the youths in the accountancy profession.

**Problems of Self Empowerment**

The data analysed revealed the following factors as part of the problems associated with self empowerment and productivity of the youths.

- i. **Political Corruption:** These are forms of corrupt practices among elected and appointed political office-holders where certain offices created by regulations are not filled with the required personnel's. These offices include: Aids, Special Assistants, Personal Assistants, Advisers, etc. The politicians collect the allocations and pocket them. In some cases, constituency allowances for the maintenance of constituency offices are received and no constituency office is functioning.
- ii. **Non-Performing Contracts:** Many contracts that are awarded to political contractors are paid for without execution. Some of these contracts would have provided employment opportunities for self employment and productivity of the youths in the process of execution.
- iii. **Unnecessary Mergers and Acquisitions of Corporate Business Organizations:** In mergers and acquisitions, especially in recent times, the consolidation of the banking sector though have some derived benefits to the general public in one hand, it has on the other hand reduced employment for those that are engaged in this sector.

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- iv. **Insufficient and Poor Infrastructural Facilities:** For youths to be self employed and productive, they need to acquire necessary skills and knowledge to render the needed services. The educational facilities and skill acquisition centres are inadequate. Where they are available, necessary equipment, tools and manpower are not readily sufficient. Every year, a greater number of youths sit for the JAMB examination and less than 10% are admitted into Nigerian Universities as a result of inadequate infrastructural facilities.
- v. **Ineptitude of Regulatory Bodies:** Many of the regulatory bodies are not alive to their responsibilities. The capital market operators and business organizations fail to comply with the required regulations fully and these deprive the youths the needed services to make them self-productive.
- vi. **Failure to Combine Horizontal and Vertical Integration in Government Services:** The government is only creating one sided employment opportunities without creating another avenue that will absorb the services of these employment creation. Establishing more tertiary institutions requires creating jobs or job opportunities to absorb the products.
- vii. **Difficulties in Raising Initial Capital:** Those who are interested in self productivity through self employment could not raise the needed initial capital requirement. This has led to frustration among the youths.
- viii. Many people are risk averse and so do not venture into self employment as self employment involve risk taking. Those who are risk averse explained that, it is better to have peace than venture into trouble. In this regard, self employment and productivity cannot come by chance.

#### **Findings**

- From the analysis of data gathered, the following findings were revealed:
- i. There is no conducive environment to adequately sustain self employment and productivity as many parts of the country are prone to insecurity problems such as robbery, communal clashes and sectarian violence, etc.
  - ii. There is fragrant display of corruption among the political class. This has denied the youths of self productivity through legitimate existing vacancies created by law.
  - iii. There is insufficient and poor infrastructural facilities for the teeming youths to acquire the necessary skills and knowledge required for self employment and productivity.
  - iv. There is ineptitude among the various regulatory bodies to carry out their duties as it is laid down by law.
  - v. There is failure on the part of the government to create an enabling environment to sustain self employment and productivity.
  - vi. There is the problem of raising the initial capital to start the self employment and productivity processes.
  - vii. It was discovered that many people do not want to take minimum risk. A risk averse person cannot be self employed and productive.
  - viii. The study also revealed that, there was no serious commitment on the part of the youths to be self employed and productive.

#### **Conclusion**

It is very clear from the research that the government has not done enough to get the youths self employed and productive and that the youths themselves are not prepared to be self employed and productive as they cannot take the minimum risk required to be self employed and productive.

### **Recommendations**

From the findings, the following recommendations are made.

1. Government should provide a steady security for lives and property around the country to guarantee peaceful business environment.
2. Government should take the issue of corruption among the political class seriously by instituting checks and balances that will ensure that rules and policies laid down are practically implemented and complied with.
3. The various regulatory agencies should ensure that there is full compliance to regulations by business organizations and deal decisively with the offenders of the law with necessary sanctions.
4. Youths should take moderate risk rather than avoiding risk totally. Self employment and productivity involves taking risk.
5. Government should intensify the provision of adequate infrastructural facilities for acquiring knowledge and skills by the youths.
6. It is also recommended that government should embrace Public Private Partnership (PPP) in the Downstream Petroleum Industry in Nigeria.

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