

**“ACUTE SKILLS DEFICIENCY SYNDROME “AND EMPLOYMENT CREATION IN  
SUB-SAHARAN AFRICA: THE CASE OF CROSS RIVER STATE, NIGERIA**

**Uwem Essia**

Pan Africa Institute for Development – West Africa (PAID-WA)  
Buea, South West Region of Cameroon

**Peter N. Mba**

Department of Economics  
University of Calabar, Calabar, Cross River State, Nigeria

---

**ABSTRACT:** *Since 1999, successive Governments of Cross River State (CRS), Nigeria have successfully transformed the State to a preferred destination for business and leisure. But notwithstanding the impressive macroeconomic performance, youth inactivity has remained very high, and it is believed that Crossriverians suffer from acute skills deficiency syndrome (ASDS), which is not having the required skills to secure good jobs or start and run viable businesses. The paper notes that occupational structure in the new economy is increasingly bipolar, characterized by the juxtaposition of two main groups of workers: high skilled professionals on the one hand; and low skilled workers on the other hand. If more Crossriverians belong to the second group of employees, it is a possibility that they do suffer from ASDS. Using secondary data collected from CRS, the paper confirms among other things that 65.7 percent of employees of CRS origin were employed in low skill services areas, and fewer Crossriverians were employed in dynamic sectors/activities like manufacturing, mining, and electricity. The paper notes that dealing with ASDS in Nigeria and elsewhere calls for implementation of a comprehensive social reorientation programme that aims at inculcating the entrepreneurial mindset among youths particularly, and given the powerful impact the media, career counselling programmes should be streamed on the radio, television, and the Internet in a manner that will capture the attention and interest of young people.*

**KEYWORD:** Entrepreneurship, ASDS, educational institutions, technical and vocational skills, knowledge economy, employment, business startups

---

## **INTRODUCTION**

Cross River State is one of the thirty six federating (sub-national) states of Nigeria, located in the South-South geopolitical zone of the country and having international land and sea boundaries with the Southwestern Region of the Republic of Cameroon. Since 1999, successive Governments of the State have been committed to attracting foreign investors to fully harness its rich mineral and cultural potentials, through building a tourism economy and making the State a preferred destination for business and leisure. The administration of Donald Duke (1999 – 2007) envisaged that with more tourism visits, investment would be attracted to the State, leading to overall economic growth and development. By the end of his tenure in 2007, Donald Duke made

remarkable progress in realizing his tourism dream; Calabar, the State capital became a major conference capital and business hop, in addition to being reputed as the cleanest and safest destination in Nigeria. Foreign direct investment (FDI) to the State increased by 100 percent from \$750million in 2011 to \$1.5billion in 2012, and \$2.2billion by the end of 2013. Several kilometers of paved and well maintained township roads were built, alongside the Tinapa business resort and other hospitality hotspots. Calabar Carnival/Christmas Festival, an annual event that attracts tourists from within and outside the country to the State, was introduced and is continuing. The Ranch Resort at Obudu was renovated and a “cable car”, and the “Obudu Mountain Race”, was introduced as additional attraction. Governor Liyel Imoke (2007 – 2015) has made effort to sustain the gains made by his predecessor in tourism development and infrastructural modernization, and there has been substantial increase in the volume of new investments flowing into the State. By 2013, the State economy was among the fastest growing in terms of inflow of FDI and tourism visits, and Calabar is still incontestably the safest destination to do business in Nigeria.

Notwithstanding the impressive macroeconomic performance, the microeconomic fundamentals have remained generally weak. Among other deficiencies, about 70 percent of the people live on less than \$1.25 per day, youth unemployment has been as high as 35 percent, Youth inactivity has also been high, with more young people preferring leisure and rent seeking to skill-intensive activities. The situation in most rural areas of the State is worsened by weakening of the traditional kinship ties, commonly referred to as African Solidarity (AS). Many factors are responsible for this. Firstly, globalization has promoted individualism and preference for monetary gains over other sources of value and measure of satisfaction. Many persons find it difficult to rationalize and maintain traditional affiliations that do not generate financial benefits. Secondly, the scare of witches and wizards and association of poor and disadvantaged persons with witchcraft and, the belief that successful people can be bewitched (that is, impoverished, maimed or killed) by unsuspecting friends and relatives they try to assist has further distanced disadvantaged persons from well placed friends, relatives, and neighbors. Thirdly, the growing spate of criminal activities has made many rural and peri-urban areas that are poorly policed too risky and unsafe for rich people to reside in or visit regularly. This further alienates the poor from getting timely help, and makes things more difficult and uncertain particularly for the rural poor.

Of serious concern to policy makers in Cross River State is ensuring that more indigenous people (Crossriverians) benefit from the improved macroeconomic performance, by securing good jobs and owning viable businesses; outcomes that are only possible if they have the required skills. However, it is argued elsewhere that many Crossriverians suffer from an acute skills’ deficiency syndrome (ASDS). This paper sets out to evaluate the existence and severity of the ASDS among Crossriverians using statistics gathered from the Cross River State Planning Commission (SPC). The study also gives recommendations for dealing with ASDS in Cross River State, Nigeria, and elsewhere. Having the appropriate skills enhances a population’s capacity to absorb development and participate actively in the economy. This applies to Cross River State, Nigeria, as it does to other sub-national and nation states, particularly in the sub-Saharan African (SSA) region where many citizens have remained poor despite the huge volume of investment being attracted. It can indeed be argued that for many LDCs today, FDI inflow and the opportunities created by it fall on the indigenous people in much the same way as rain water hits a banana leaf, and falls off; leaving it virtually dry immediately after the rain stops.

## LITERATURE REVIEW

Today's knowledge economy rates employable skills higher than any form of material resources. Competency, not academic qualification, is now the basis for competitive advantage. Competency can be described as the complex combination of skills that support 'knowing', 'thinking', and 'acting' effectively and efficiently. For the individual, building competency requires a scientific mindset that continually seeks for and uses information, and commitment to 'across the board' learning. In the digitalized world, ability to navigate the Internet is thus a critical skill infrastructure. It follows also that educational/training systems would need to mainstream action-learning, and promote connectedness to industry. This is so because the new science system has narrowed the gap between academic and proprietary knowledge, and today's workplaces prefer workers who can produce, innovate, and market at the same time. The preferred worker is also expected to have multiple skills for efficiently carrying out different activities simultaneously, which necessarily calls for strong collaboration of training institutions with potential employers in the design and implementation of training programmes, to ensure that the "best fit" employees are trained. Today, the most 'competent' employee need not be the highly certificated or most experienced. Thanks to the Internet and advances in reverse engineering, production/activity processes are now easily standardized and codified in simplified modules and manuals that make 'knowing', and 'doing' highly simplified once the individual is able and ready to search for the relevant information and take advantage of opportunities (OECD, 1996).

Increasingly, in the new economy, employability and capacity for business startups is enhanced by horizontal learning, sound work ethic, and much less by the conventional, vertical, pedagogical, schooling. This is so because 'doing' is increasingly oversimplified and made to appear as manual labour such that lowly qualified, but skilled, workers with the appropriate work ethic and commonsense are now able to fit into jobs hitherto reserved for highly educated (qualified) persons in the past. This has led to growing qualification inflation, whereby job seekers with higher education degrees are priced out in the job market by lowly qualified, but competent, persons. Indeed, an increasing number of higher education degree holders now need additional competency training to secure jobs (Brown et al., 2008). Equally important is the fact that the emerging occupational structure in the new economy is increasingly bipolar; characterized by the juxtaposition of two main groups of workers; high earning professionals - engineers and technicians - on the one hand, and low skilled, low paid direct manufacturing jobs and support services. The first set of jobs has better prospects for career progression, while the second is rationalized progressively, with lower job progression prospects (Mitra and Bhaskar, 1995; Woods, 2006).

World Bank (2000) notes however that the education system in Nigeria is far from being ready for challenges of the new economy, given the high rate of failure in science subjects. Such factors as unqualified teachers, lack of resources for science teaching, poor funding, and under-preparedness of students are adduced to explain the failure of science education in Nigeria. Mathew (2013) notes also that fewer Nigerian youths elect to study science subjects/courses and vocations. Equally, vocational/technical education has suffered serious setback in Nigeria due to low public perception and unclear role accorded it. Raising public awareness on the importance of mainstreaming skills

acquisition in formal education, and creating programmes for the training of out-of-school youths, will make the Nigerian population more ready for the new knowledge economy. However, educating the population for employability and business startups can be quite expensive, and a society will need to decide how best to finance quality education. At one end, it can be argued that since education yields enormous direct gains to the beneficiaries and their families, households should pay. At the other end, public sponsorship is justified by the fact that an educated population is necessary for overall development. Finding an acceptable middle point between the two policy directions would be ideal.

There is a growing recognition among government and international bi-and multi-lateral organizations that as jobs become scarce, youth entrepreneurship becomes an important strategy for integrating youth into labour markets thereby addressing unemployment challenges (ILO, 2009). Adejumola et al (2009) contended that unemployment has been identified as one of the major causes of social vices, including armed robbery, destitution, prostitution, political thuggery, kidnapping and many more. Entrepreneurship skill therefore is another source of diversification of jobs and the success of these businesses reduces crimes and insurgences. UNESCO (2012) however recognized that some employment skills cannot be acquired through schooling curriculum but via a combination of personality and individual factors; personal circumstances such as social, household or family circumstances and external factors including labour market conditions and societal support. Ruhl (2011) collaborated this by exploring the relationship between skills mismatch and school curriculum which many fail to acquire that are demanded by the labour market. Skills mismatch are exacerbated both by rapidly changing skills needs and by the reluctance or inability to update university courses. Approach to tackling the problem can be a combination of formal education with work based training. It can either be sequential, where training follows the completion of school, or it can be taken concurrently. Thus employability is a product of multiple factors and includes institutions other than the university (Sanusi, 2012).

Chiguta (2001) observes that entrepreneurship has been receiving increasing recognition as a source of job creation, empowerment for the unemployed and economic dynamism in a rapidly globalizing world. While Oladele et al (2011) shows how high rate of unemployment has been associated with low level of entrepreneurial development in any country, just as the Man Power Group undertakes a periodic surveys of businesses across the globe to identify recruitment trends and challenges faced by employers. Results revealed that a significant number of employers are having difficulties finding employees with the skills that they need. Globally, in 2011, the five hardest-to-fill positions were technicians, sales representatives, skilled trade workers, engineers and labourers (ManpowerGroup, 2014). These suggest improved entrepreneurial development for creation of new venture to augment old businesses.

### **Evidence of ASDS in Cross River State, Nigeria**

As used here ASDS refers to the situation where the working population lack the appropriate or matching skills required by employers for business startups. For this paper, the existence and severity of ASDS was analyzed based on the following statistical facts:

1. Low number of qualified professionals in high-tech, skill intensive professions.
2. Low number of gainfully employed persons in dynamic sectors/activities like manufacturing, mining, electricity, gas & oil, water, etc.

3. Low number of employed persons in the senior level cadre levels of privately owned enterprises.
4. Low number of privately owned enterprises of Cross River State origin.
5. Low number of commercial artisans and technical workers of Cross River State origin.

The above information was extracted from a previous baseline survey carried out by the authors for the Cross River State Planning Commission, which involved the interview of 500 enterprise owners/operators in Cross River and Akwa Ibom States. The respondents were selected from Calabar, Ugep, Ikom, Ogoja, and Obudu in Cross River State, and Uyo in Akwa Ibom State. The respondents from Uyo were included because Akwa Ibom State was carved out of Cross River State in 1987 and many enterprises' owners in Cross River State have branches in Akwa Ibom State, and vice versa. The key statistical facts considered relevant for this paper were summarized and analyzed in the following sub-sections.

### Qualified Experts in High-tech and Skill Intensive Professions

Figure 1 shows distribution of the working population in the state by qualified experts in high-tech and skill intensive professions. It indicates that 9.9 percent of the working population were qualified surveyors, architects, engineers, and ICT technologists, 1.3 percent practiced law, 4.7 percent medicine, pharmacy, and nursing/midwifery; while the larger 65.7 percent worked as support service providers – account clerks, teachers, petty traders, domestic servants, etc. Clearly, Cross River State had fewer high earning professionals and more low skilled, low paid workers, thus indicating substantial skill deficiencies.

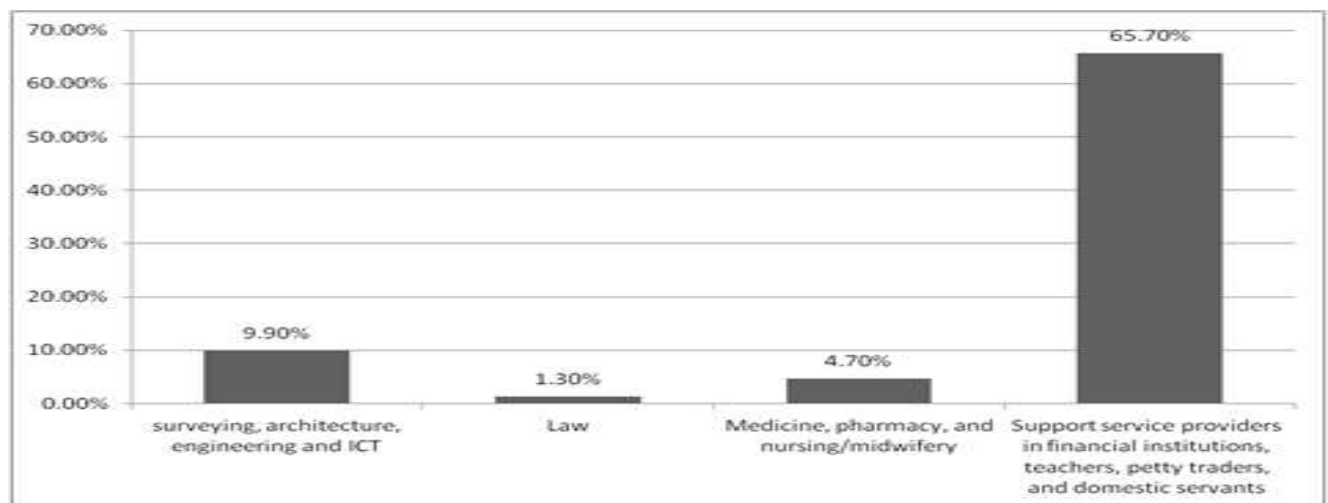


Figure 1: Cross River State; Qualified Experts in High-tech and Skill Intensive Professions

Source: Cross River State Socioeconomic Survey, SPC, 2012

### Distribution of Employees of Private Enterprises by Industry/Activities

Distribution of employees of private enterprises by industry/activities is summarized in Figure 2. Employees in agriculture and housing was 38.8 percent, mining and quarrying 0.2 percent, manufacturing 1.32 percent, electricity and water 0.7 percent, construction 2.7 percent, wholesale

& retail trade 9.3 percent, transport, storage and communication 0.9 percent, and public administration and defense 2.4 percent. Clearly, Crossriverians worked in dynamic sectors/activities like manufacturing, mining, and electricity, and gas and oil. The larger percentage was employed in the low skill-intensive and poorly paying activities in agriculture, housing, forestry and livestock, and petty trading. This shows that fewer Crossriverians were employed in the more competitive high-tech skill demanding sectors, which supports the ASDS thesis.

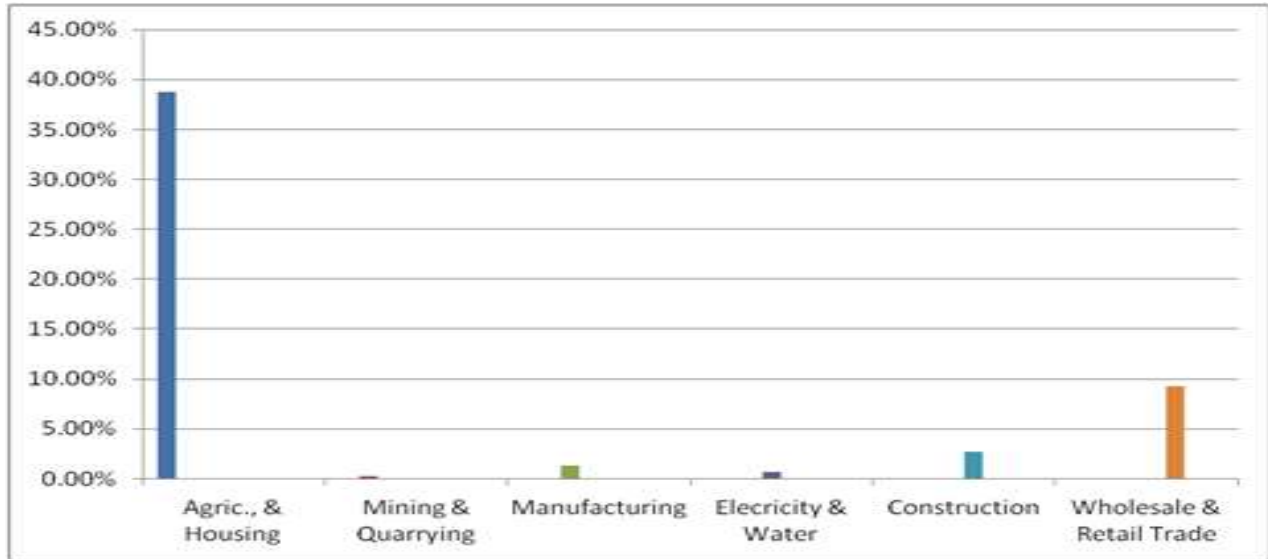


Figure 2: Distribution of Private Enterprises Employees by Industry/Activities  
Source: CRS Socioeconomic Survey, State Planning Commission, 2012

### Distribution of Employees of Private Enterprises by State of Origin/Cadre

Figure 3 (a, b) shows that employees of private enterprises in the two focal states were distributed according to three different cadres, namely:

- Lower cadre, composed of clerks, messengers, cleaners, unqualified technicians and security workers, and other primary level services providers.
- Mid-level cadre, made up of skilled workers and operational supervisors, such as, account clerks, forklift and other machine operators, factory supervisors, trained technicians, and line managers. These categories of staff are often responsible to implementing decisions of management.
- Senior level cadre, these include major unit heads, experts, senior managers, and other highly skilled workers who take active part in management decisions.

Put together, Figure 3a & b indicate that employees of Cross River State origin was 6.9 percent, Akwa Ibom State 64.6 percent, South East States (Enugu, Anambra, Imo, Abia, and Ebonyi) 13.7 percent, and others (other Nigerians and foreigners) 14.8 percent. The percentage of Crossriverians in the senior level cadre was 2.6 percent, compared to 68.3 percent from Akwa Ibom, and 10.9 percent from the South East States. Employees of Cross River State origin in private enterprises located in Cross River and Akwa Ibom States were fewer than those from other States, and also

lowly skilled, unstable and poorly paid. This further supports the view that Crossriverians suffer from ASDS.

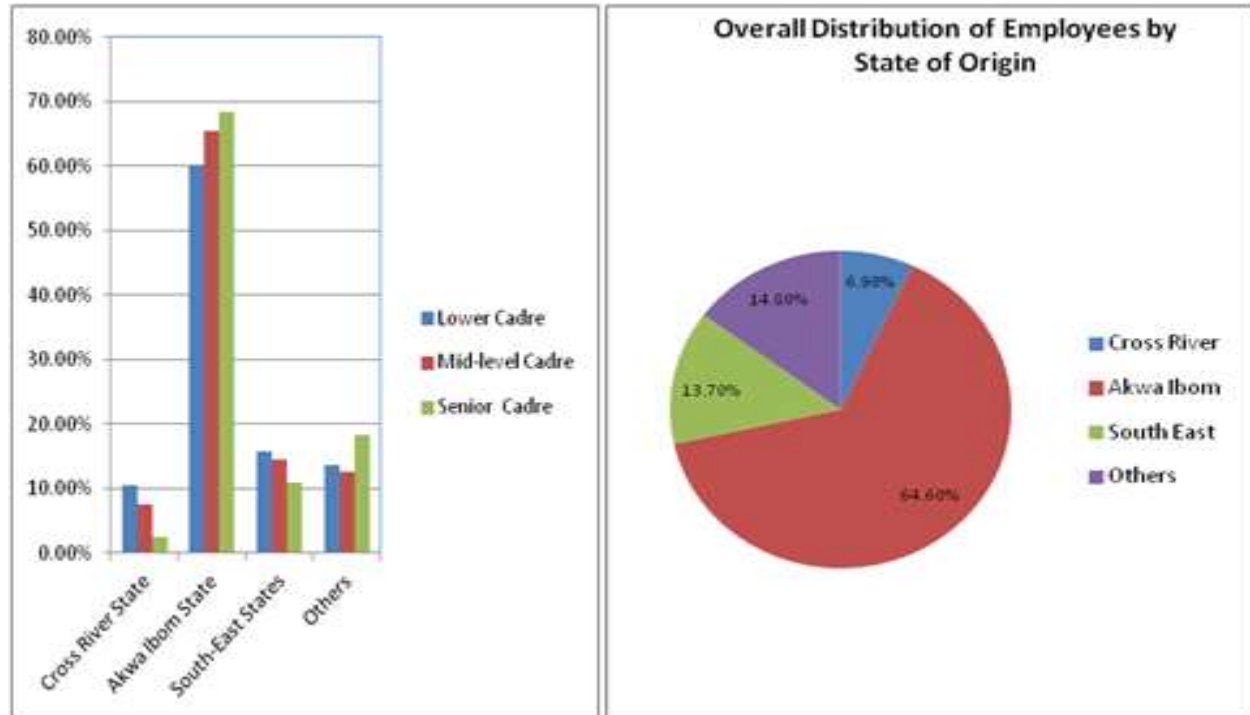


Figure 3: Distribution of Employees of Private Enterprises by State of Origin/Cadre

Source: Analysis of Required Skills and Enterprises' Employment Preferences for the CRS Institute of Technology and Management, 2013.

### Distribution of Enterprises by Owners' State of Origin/Sizes

Figure 4 (a, b & c) shows distribution of enterprises by size and owners' State of Origin. 65.1 percent, 20.2 percent, 12.9 percent, and 1.8 percent were micro, small, medium, and large enterprises respectively. Crossriverians had 16.15 percent, 8.12 percent, 3.26 percent, and 0.56 percent of micro, small, medium, and large enterprises respectively. The equivalent percentages for enterprises owned by Akwa Ibom State indigenes were 33.50 percent, 20.55 percent, 13.38 percent, and 9.76 percent respectively. South East States had 35.10 percent, 40.33 percent, 35.54 percent, and 21.45 percent of micro, small, medium, and large enterprises respectively. Others (comprising enterprises owned by other Nigerians and foreigners) had the larger percentage of medium enterprises (46.82 percent) and large enterprises (68.23 percent). Again, Crossriverians owned fewer enterprises than people from Akwa Ibom and the South East States, which reinforces the acute skills deficiency.

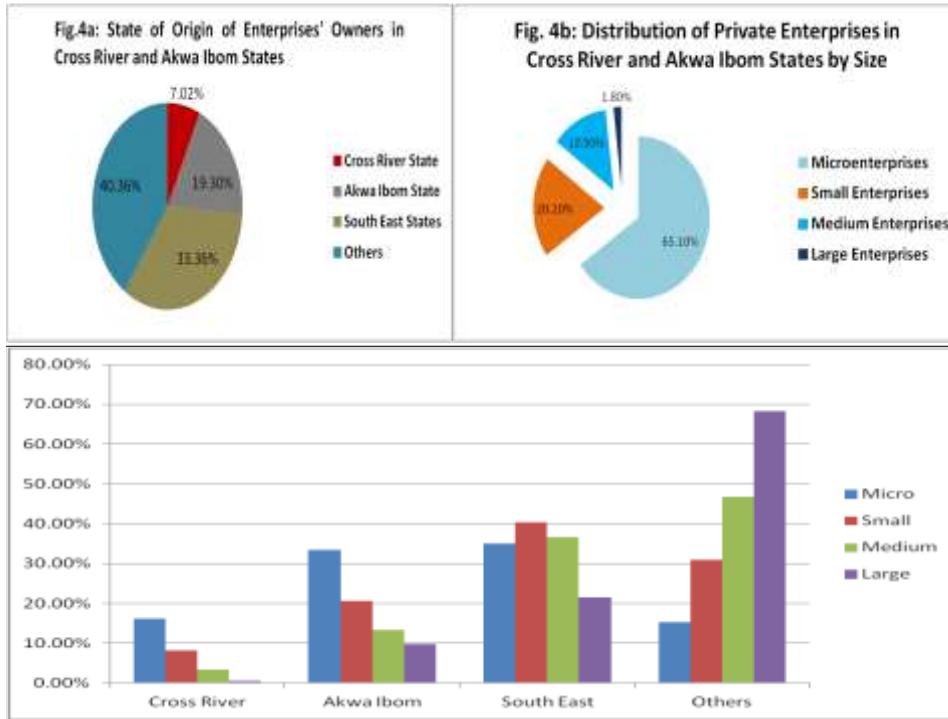


Figure 4: Distribution of Enterprises by Owners' State of Origin/Sizes  
Source: Analysis of Required Skills and Enterprises' Employment Preferences for the CRS ITM, 2013.

**Distribution of Tradesmen/Technical and Vocational Workers**

Figure 5 shows distribution of private tradesmen and technical workers. Generally there were fewer Crossriverians working as motor mechanics, block masons, fitters/welders, heavy machine operators, carpenters, and aluminum fitters. This is significant because the demand for tradesmen/technical and vocational workers will continue to grow in a fast growing service economy, given the increasing volume of construction and maintenance activities taking place. The currently situation is that several construction contracts and technical services are awarded to non-indigenous firms and individuals due to acute skills' deficiency within the State.

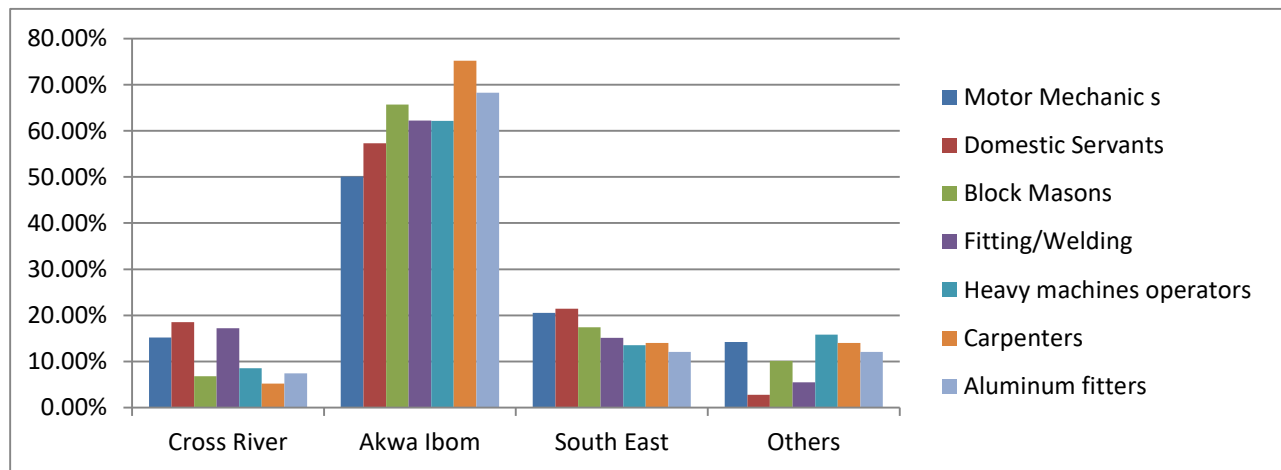




Figure 5: Distribution of Tradesmen/Technical Workers by State of Origin

Source: Analysis of Required Skills and Enterprises' Employment Preferences for the CRS ITM, 2013.

Figure 6 shows distribution of traditional craftsmanship and vocational skills by State of origin. It indicates that fewer Crossriverians engage in palm wine tapping, wood carving, and raffia produce making. These cultural activities are of critical importance to ensuring the realization of an indigenous tourism sector, with many of the wares sold to tourists are locally produced, thereby generating more income for the local people.

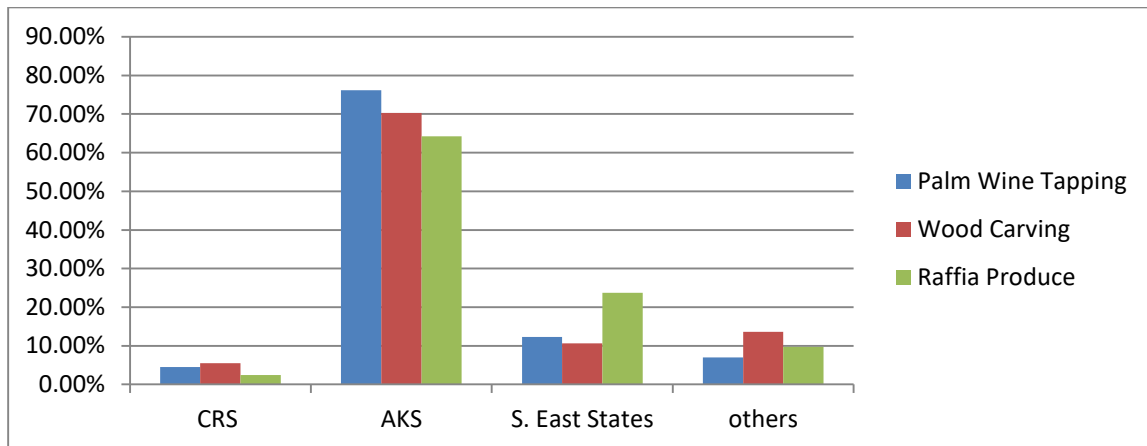


Figure 6: Distribution of traditional craftsmen and vocational workers

Source: Analysis of Required Skills and Enterprises' Employment Preferences for the CRS ITM, 2013.

### Policy recommendation

Dealing with ASDS in Cross River State, Nigeria and elsewhere in the SSA region call for intensification of all aspects of action learning to ensure that more people have the required technical/vocational skills, and able to apply knowledge. Formal and non-formal educational programmes in the State should be restructured to ensure that more Crossriverians become venturesome, and able to think creatively and handle uncertainties. It is also needful to prepare and implement a comprehensive social reorientation programme that aim at inculcating the entrepreneurial mindset in Crossriverians. The reorientation programme should particularly target youths in-and-out of educational/training institutions.

Career guidance and counselling should be mainstreamed into formal and non-formal education/training systems and other spheres of social and political life to ensure that young people in-and-out of the school system have adequate information at their disposal to chart suitable career paths for themselves. Given the powerful impact the media has on young people, career counselling programmes should be streamed on the radio, television, and the Internet in a manner that will capture the attention and interest of young people. Moreover, databases of job opportunities should be developed, updated regularly, and rendered accessible to the people. Teachers and instructors need also to be oriented on how to transfer employable skills through classroom and non-classroom activities. Education should aim primarily at guiding the student to self discovery, developing the aptitude for starting and operating businesses productively, and preparing the students for post graduation employment. This calls for continuing training and

retraining of teachers/instructors. It follows also that teaching techniques should be restructured to include process-oriented approaches, more workplace interactions, internship, fieldwork, and learning by doing. Equally, the learning arena should be redefined to incorporate not only practical content but also a vortex of complementary technical, emotional, and social skills (Kirby, 2004; Essia, 2012).

## REFERENCES

- Brown, P., Lauder, H. & Ashton, D. (2008) Education, globalisation and the knowledge economy: A Commentary by the Teaching and Learning Research Programme.
- Chiguta, F. (2001). Youth livelihoods and Enterprise Activities in Zambia. Report to IDRC Canada.
- Essia, U. (2012) Entrepreneurial Culturing of Formal Education Programmes in Nigeria *Journal of Sustainable Societies* 1(2), 52-62 <http://wscholars.com/index.php/jss/article/view/115>.
- Government of Cross River State (2012) Socioeconomic Survey. A Publication of the State Planning Commission.
- Government of Cross River State, (2013). Analysis of Required Skills and Enterprises' Employment Preferences for the Institute of Technology and Management, Ugep.
- International Labour Organisation (2009), "Youth entrepreneurship", Geneva.
- Manpower Group (2014), "Youth Unemployment Challenge and Solutions" What Business Can Do.
- Matthew, I. (2013) Repositioning Science and Technology Education for Sustainable Development in the 21st century: Nigeria's Case. *Journal of Sustainable Development in Africa*, 15, (2):134-172.
- Mitra, A. & Das, B. (1995) Labor Market adjustment in high-Tech Industries: A critical review. *Journal of Applied Business Research*, 11, (1).
- OECD (1996). The Knowledge-Based Economy (96)102.
- Oladele, P. O., Akeke, N.I. & Oladunjoye, O. (2011). Entrepreneurship Development: A Panacea for Unemployment Reduction in Nigeria. *Journal of Emerging Trends in Economics and Management Sciences*, 2, (4):251-256.
- Ruhl, O. (2011). "Nigeria's Youth: Turning Challenges to Opportunity" World Bank Country Director for Nigeria, Africa Region.
- Sanusi, L.S (2012). Employment Skills, Values, Opportunities and Challenges of University Graduating Students. Special Lecture Series Delivered at the University of Calabar, November.
- UNESCO (2012), Graduate Employability in Asia.
- Woods, Christine R. (2006) Asking the Entrepreneur: An Enquiry into Entrepreneurial Behaviour *Personal Construct Theory & Practice*, 3,1-11 2006 <http://www.pcp-net.org/journal/pctp06/woods06.pdf>
- World Bank (2000) Nigeria Education Sector Analysis: An Analytical Synthesis of Performance and Main Issues.