

## **NETPRENEURSHIP AND SOCIO-ECONOMIC SECURITY OF YOUTH IN NIGERIA**

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### **ABSTRACT**

*The study examined e-information service and socio-economic security of youths in Rivers State, Nigeria. The study adopted Schumpeter's discovery and opportunity theory of entrepreneurship (equilibrium destruction theory). The explanatory survey research design was adopted. The target population of this study was three thousand and five hundred (3,500) registered entrepreneurs engaged in e-information services across the twenty-three (23) Local Government Area in Rivers State, Nigeria. The sample size comprised of three hundred and forty-six (346) respondents. This was obtainable using the Krejcie and Morgan Sample Size Determination of 1970. Spearman Rank Order Correlation Coefficient was used for bivariate analyses. The findings revealed that netpreneurship positively influence social security of youths in Rivers State; The study concluded Rivers State youths who are e-information services providers (big data analysis service, plagiarism test services & cybercafé services ), tends to promote socio-economic security in terms of social security (reduction in rape, kidnapping, restiveness & drug abuse), financial security (steady income generation, income multiplicity, ample saving culture & sufficient emergency fund balance) and job security (self employment, provision of job for others, youth engagement & reduction of youth street idling). The research therefore, recommended that government should encourage youths who are e-information service provider by supplying them with steady power supply.*

***Key Words: Netpreneurship, Socio-Economic Security, Pover Supply.***

### **INTRODUCTION**

One of the most fearsome challenges faced by youths of Rivers State, Nigeria currently appears to be socio-economic insecurity. Rivers State is presently ranked as one of the states with the highest youth unemployment level in Nigeria (National Bureau of Statistics, 2019). This implies that youths in Rivers State face the problem of job insecurity or unemployment. With over ten tertiary institutions within the state, Rivers youths continue to graduate into the labour market in search of white collar jobs that hardly exist. Worsen by the rise in social unrest (which has forced many of the companies and employers to leave the state), job opportunities for the teaming youth are getting slimmer and slimmer by the day. The abject shortage of job opportunities for the average youth in Rivers State has also resulted to another form of socio-economic insecurity known as financial insecurity (Aljazeera, 2020). Since most of the youths are unemployed, it is not out of place hold that most of them are poor. Thus, most of them face steady financial difficult which difficult for some of them to pursue their dreams. Out of economic difficulties and frustrations, most of them now take to political thuggery and other social crimes. With this economic reality, it is also not surprising that Rivers State is reported as one of the states with the highest

level of social crimes such as kidnapping, drug abuse, youth restiveness, rape, etc. (Ukoji & Okolie-Osemene, 2016; Wilson, 2018; Ogwe, 2019). These data suggests that the average youth of Rivers State could be battling with socio-economic insecurity. This scenario was even worsen by the Covid-19 Pandemic which has grinded economic activities and even forcing more people to lose their job and economic means of survival. The researcher has also observed that the level of awareness and engagement in entrepreneurship activities by citizens and residents of Rivers State, Nigeria is still very low. It appears that only a few persons have been able to take their business online; only a few persons seem to understand the potentials of the internet in generating economic wealth. The inability of many Nigerians to leverage on netpreneurship appears to be rubbing them of the opportunities the internet offers. As highlighted by Ogwe (2019), Martins (2020), and Jonathan (2020), researchers have studied several factors that could improve the socio-economic security of Nigerians: youth empowerment programmes (Nnadi, et al., 2012); entrepreneurship education and development (Okoli & Okoli, 2013; Akpochafo & Alika, 2018; Nchelem & Jacob, 2019); national entrepreneurship stage (Stoica, et al., 2019); internet marketing in Malaysia and Sri Lanka (Ewilly, et al., 2014; Gamage & Ahsan, 2014); technopreneurship and infopreneurship (Otamiri, et al., 2018; Otamiri & Odu, 2019; Otamiri & Ogwe, 2020; Ogwe, 2019). Other researchers examined the following: Impacts of Community Conflicts on Socio-economy in Rivers State, Nigeria (Arokoyu & Ocholor, 2016); implications of unemployment and insecurity on development in Nigeria (Adebayo, 2013; Adekola & Enyiche, 2017); causes and effects of rural poverty in Rivers State (Goddey, 2018). Generally, these studies revealed that factors such as entrepreneurship education, entrepreneurship development/skills acquisitions, and creation of employment opportunities enhance socio-economic conditions of people within and outside Nigeria. However, none of these studies was able to unravel the empirical relationship between netpreneurship (online entrepreneurship) and socio-economic security within the context of Rivers State, Nigeria. This implies that the relationship between netpreneurship and socio-economic security may not have received adequate research attention. This is the knowledge gap which this study seeks to fill. Here lies the essence of this study. This equally gives credence to this research effort.

### **Hypothesis**

H<sub>01</sub>: Power supply does not significantly moderate the relationship between netpreneurship and socio-economic security of youths in Rivers State.

**Operational Conceptual Framework (Relationship between Netpreneurship and Socio-economic Security)**

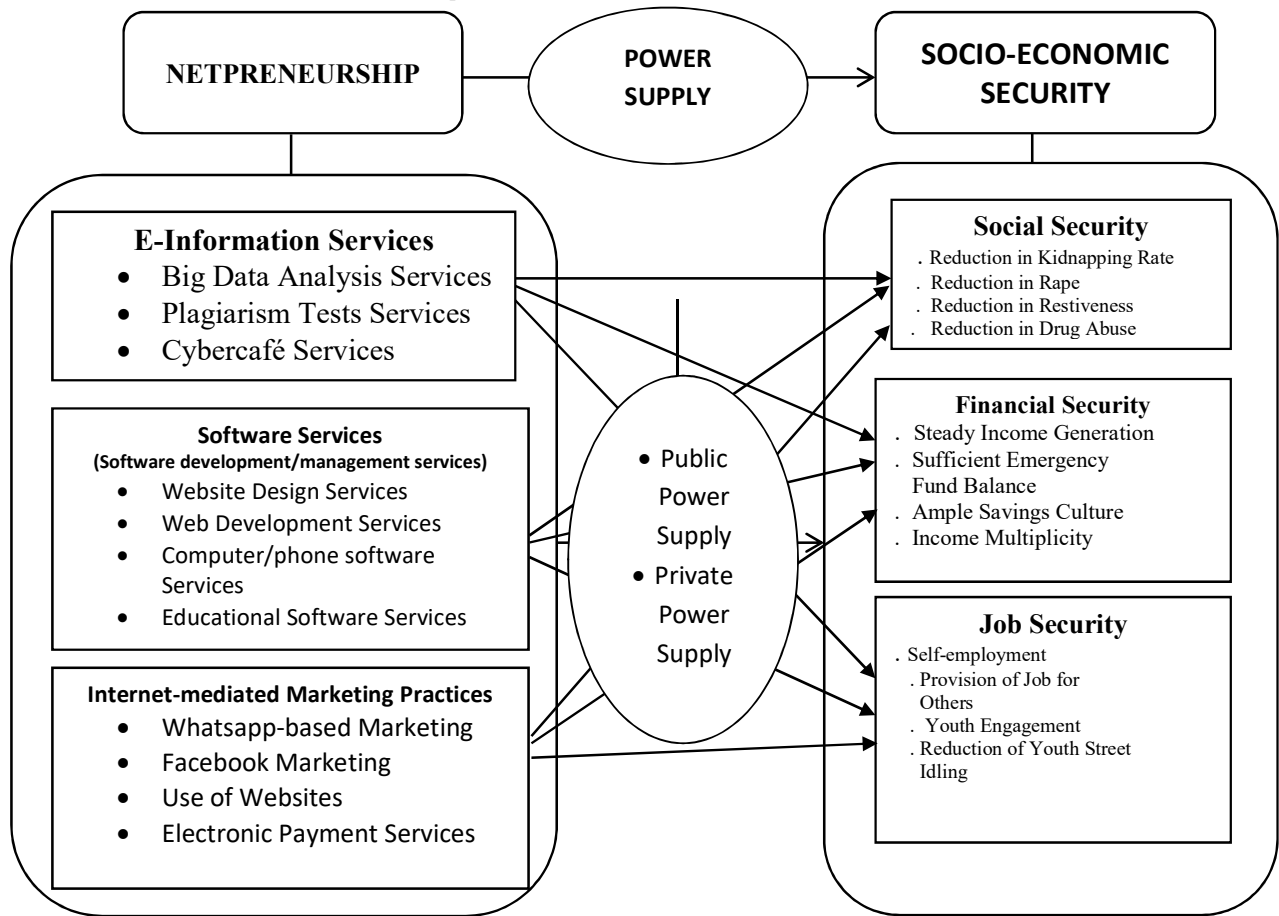


Fig. 2.1: Operational Conceptual Framework Showing Relationship between Netpreneurship and Socio-Economic Security in Rivers State.

Source: (Gwazah, 2011; Otamiri & Ogwe, 2020; Rouse, 2019; Onyemaechi, 2019; Murray, 2020).

**Concept of Netpreneurship**

The concept netpreneurship is a compound word of the terms “Internet” and Entrepreneurship” otherwise known as internet entrepreneurship simply means creating opportunities where business ventures can be raised in the internet. An Internet connection creates an international presence for even the smallest companies allowing communication, data exchanges, and support services to be transported electronically at a very low cost. The conventional limitations of time and distance are no longer applicable. New and unique ways of thinking are required if business managers and owners want to keep up with technology in this interactive age. This technological development has opened avenues for entrepreneurs and individuals to do business and earn money through internet thus transforming them into netpreneurs (Adams, 2017; European Commission, 2015). Davidson and Vaast (2010) defined netpreneurship as the practice of pursuing “new venture opportunities presented by new media and internet technologies. Hair, Wetsch, Hull,

Perotti, and Hung (2012) stated that inetpreneurship some or all of the entrepreneurial venture takes place leveraging on the internet instead of in more traditional formats. Any new internet venture that has identified and mastered the technology needs to undertake defined business activity and must grapple with market orientation as another central determinant of success in netpreneurship, with success defined in terms of creating a new enterprise that is facilitated by the internet (Rathee & Rajain, 2017).

From the illumination of definitions as regards the concept netpreneurship, it is trite to define netpreneurship as business activities that leverage on internet resources and connectivity in providing improved services for clients. It simply refers to online entrepreneurship. Netpreneurship is also the ability to run a business on the Internet. It requires just the connectivity. According to Jalan and Gupta (2019) a netpreneur, as long as he/she has a service which the market requires can set up a viable business with his "Intellectual Capital" as the main input and the "connectivity infrastructure" as the only physical input. Internet is perhaps the greatest revolution in science and technology that our generation can imagine. It has brought in many benefits to the society, cultural, economical and political. The netpreneur is a premium member in the community and provides service to the community including employment. Those netpreneurs who can afford their own computer and an Internet connection can be called the Self Employed Netpreneurs (SENs). Those netpreneurs who have more resources and engage "Employees" either for physical world services such as marketing, order fulfillment, etc but carry on the main business activities on the Virtual Environment, are the Small and Home Office (SOHO) establishments (Kassim & Muaji, 2016). Any Computer network of less than 5 Computers can be defined as a SOHO Computer network. More the netpreneurs in the society, the better it is for the community.

### **Concept of Socio-economic Security**

The concept of socio-economic security has been defined in different ways by authors who had diverse perspectives. Thus, there is no universally acceptable definition of the concept. Nevertheless, we shall critical look into some authors' definition of socio-economic security to draw a silver lining as regards its implication in this study, so as to crave definition as conceptualized by the researcher. Socio-economic security is formed by means of combining two subcategories "economic security" and "social security". Prabhu (2012) refers socio-economic security as constituting measures that enhance social capabilities, ensure economic security and enable the vulnerable sections of the population to survive. He emphasizes that programmes for enhancing education, health and nutrition levels of the population, provision of statutory social security measures to workers in the organized sector, provision of measures to enhance the income levels of the poor through asset and employment programmes and social assistance programmes, constitute the elements of socio-economic security. The International Labour Organization (ILO) definition of socio-economic security comprises seven main components, viz., labour market security, employment security, job security, work security, skill reproduction security, income security, and representation security. Whereas labour market security recognises the importance of appropriate macro policies in ensuring that high levels of employment prevail in the economy, employment and job security emphasize the regulatory framework to ensure protection against arbitrary dismissal and ensuring growth in the chosen career for employees respectively. Work security relates to the familiar provisions to ensure safety of

workers and protection of workers against occupational hazards. Skill reproduction security lays stress on the opportunities for acquiring skills through apprenticeships and on-the-job training. Finally, income security refers to protective labour legislation to ensure minimum wages, wage indexation, provision of social security benefits and the like whereas representation security pertains to the extent to which mechanisms for collective bargaining are present and are functioning effectively (International Labour Office (ILO). 2014a; 2009b.). Agents that provide such security are spread over the government, firms, households and the community. Hence, it is apparent in the definitions above that the provision of minimum levels of income constitutes not only a necessity for survival but also an essential pre-requisite for the acquisition of education, health and nutrition that lead to enhancing of social capabilities as well. This study is concern to the households and the community.

In the light of the above, the researcher defines socio-economic security as a situation where members of a society enjoy relative peace and safety and are sure of continuous access to economic livelihood. It is important to note that socio-economic security recognizes the importance of relative tranquility and overall emancipation from social and economic slavery such as financial slavery, job slavery and social slavery among individuals in the society. Babalola (2014) stressed that socio-economic security is a measure of people's ability to cope with insecurity. Elements of these insecurities in the society among others could be kidnapping, rape, restiveness, drug abuse, income, emergency financial needs, poverty, job, youth disengagement or non-engagement and idleness. Socio-economic security promotes happiness, and is beneficial for growth and social stability. This is a central finding of a new ILO report, which attempts for the first time to measure social and economic security of individuals and countries around the world (ILO, 2014). People in countries that provide their citizens with a high level of economic security have a higher level of happiness on average, measured by surveys on level of life-satisfaction and inequality in happiness within countries. The most important determinant of national happiness is not income level, there is a positive association but rising income seems to have little effect as wealthy countries grow wealthier. The most important factor is the extent of income security, measured in terms of income protection and a low degree of income inequality. By contrast, happiness does not appear to be related to the level of skill (Reynolds, Bygrave, Autio, Cox & Hay, 2013; Kassim & Muaji, 2016; ILO, 2014a). According to Gordon, van der Maesen and Walker (2012), the quest for socio-economic security has been one of the greatest struggles of humanity across the whole course of human history. It is arguably the basis for much sociological and economic theory and also for many religious beliefs. Socio-economic security guarantees the primary security of daily life and the enhancement of life's chances. Socioeconomic security both ameliorates risk and enhances life chances by protecting people from poverty and social and material deprivation. Socio-economic security depends not only on having enough income to live decently (social security) but also on having access to necessary services (utilities, transport, education, health, housing etc.) and the fulfillment of economic, social and cultural rights (e.g. a safe work environment). Adequate socio-economic security is a prerequisite for inclusion and citizenship and is a much broader concept than social security which is often defined in narrow terms relating to social insurance and a basic income guarantee (Gordon et al, 2012).

### **Schumpeter's discovery and opportunity theory of entrepreneurship (equilibrium destruction theory)**

The study was anchored on Discovery and Opportunity Theory propounded by Joseph Alois Schumpeter in 1999.

Schumpeter's Discovery and Opportunity Theory posits that the entrepreneur is an innovator rather than an imitator who leverages on creative thinking to come up with new ways of production and service delivery (Bula, 2012; Liberto, 2019).

The basic assumptions of the Discovery and Opportunity Theory are as follows:

- i. An entrepreneur as an innovator is an economic and social leader who does not care much about economic profits and but his singular joy is being an innovator and being a server to his society (Schumpeter in Bula, 2012).
- ii) The entrepreneur moves the economy out of the static equilibrium. The entrepreneur moves the economic system out of the static equilibrium by creating new products or production methods thereby rendering others obsolete. This is the process of "creative destruction"(creating uncertainty) which Schumpeter saw as the driving force behind economic development (Schumpeter in Bula, 2012).
- iii) "The entrepreneur is not (necessarily) the one who invents new combinations but the one who identifies how these new combinations can be applied in production. This line of reasoning implies that a business owner is considered an entrepreneur only if he is carrying out new combinations." (Schumpeter in Bula, 2012).

The justification for the adoption of this theory as the theoretical foundation of this study lies in the fact that theory is related to the independent variable "Netpreneurship" (which is the innovative practice of leveraging on the entrepreneurship opportunities offered by the internet.

Schumpeter's theory of entrepreneurship is relevant to explaining and predicting the relationship between netpreneurship and socio-economic security. The theory identifies and describes the netpreneurship as an innovative person who is capable of creating value by servicing people's through internet technologically facilitated services (virtual and real), not just primarily to make profit rather for the joy of solving peoples' problem in a given system and time. Schumpeter's netpreneurship is an individual who is able to provide solutions and meet the needs of people in a internet driven society. Thus, innovative individuals in Rivers State can advance in profession, business by creatively embarking on netpreneurially driven businesses such as e-information services, software services and internet-mediated marketing practices. Recently, over 100 countries were locked down due to the ravaging pandemic called corona virus (COVID 19). Businesses which had no online presence were left behind, especially those that were essential to the man's existence such as food vendors, drugs, telecommunication businesses, etc. continued in business, thus accrued socio-economic security (social security, financial security and job security) amidst the lockdown. The generation of innovation no longer depends on individual personalities but involves the cooperation of many different actors. This requires cognitive capabilities that increase the diffusion and thus the understanding of innovation leading to netpreneurship. The Schumpeter's innovation and netpreneur concept is universal and still evolving in principles of Neo-Schumpeterian economics.

### **METHODOLOGY**

The explanatory survey research design was adopted for this study. The population of the study consisted of consisted of Three Thousand and Five Hundred (3,500) registered

entrepreneurs engaged in e-information services across the twenty-three (23) Local Government Area in Rivers State, Nigeria. The sample size of the study was three hundred and forty-six (346) respondents. This was obtainable using the Krejcie and Morgan Sample Size Determination of 1970. Thus, bivariate analysis was done using Spearman Rank Order Correlation Coefficient through SPSS.

## Results

### Multivariate Analysis

#### Power Supply, Netpreneurship and Socio-Economic Security

Ho<sub>1</sub>: Power supply does not significantly moderate the relationship between netpreneurship and socio-economic security of youths in Rivers State.

**Table 1: Correlations of Power Supply, Netpreneurship and Socio-Economic Security**

Control Variable		Netpreneurship	Socio-Economic Security	Power Supply
Netpreneurship	Correlation	1.000	<b>0.685</b>	<b>0.619**</b>
	Significance (2-tailed)	.	.000	.000
	Df	0	320	320
Socio-Economic Security	Correlation	<b>0.685**</b>	1.000	0.373
	Significance (2-tailed)	.000	.	.000
	Df	320	0	320
Power Supply	Correlation	<b>0.619**</b>	0.373	1.000
	Significance (2-tailed)	.000	.000	.
	Df	320	320	0
Netpreneurship	Correlation	1.000	0.619	
	Significance (2-tailed)	.	.000	
	Df	0	320	
Socio-Economic Security	Correlation	<b>0.619**</b>	1.000	
	Significance (2-tailed)	.000	.	
	Df	320	0	

a. \*\* Correlation is significant at the 0.01 level (2-tailed).

**Sources: SPSS Output.**

Table 4.22 above reveals r value of 0.685 at a significant level of 0.00 signifying a correlation between netpreneurship and socio-economic security; this shows a positive relationship which is significant. The partial relationship controlling for power supply, is a strong positive association given the r-value 0.619 which is quantifiably huge. Furthermore, the significance value of 0.00 which is less than the alpha level of 0.05 implies that the relationship between netpreneurship and Socio-economic security is moderated by the influence of power supply. This implies that the extent to which netpreneurship positively influences socio-economic Security in Rivers State, Nigeria is moderated by power supply as a societal reality.

### **Power Supply, Netpreneurship and Socio-Economic Security**

The test of hypotheses on moderating variable of power supply revealed that there is a significant strong relationship between netpreneurship (e-information services, software services & internet-mediated marketing practices) and socio-economic security in terms of social security, financial security and job security of youths in Rivers State. This implies that power supply influence level of how netpreneurship promotes socio-economic security in Rivers State. Netpreneurs who are very vast in the practices/adoption of e-information services, software services and internet-mediated marketing practices will greatly achieve socio-economic services such as social security, financial security and job security within Rivers State. The hypothesized moderating role of power supply in the relationship between netpreneurship and socio-economic security is predicated on the fact that netpreneurial businesses cannot function and as well succeed without ample supply of power for business operations. This is because the nature of the business is tied to the internet. The internet functions at all time through the data, power supply and technological devices such as laptops, mobile android phones and other devices. When power supply used by netpreneurs is inadequate, socio-economic security is shortchanged. Managing the ups and downs of electricity generation isn't easy, but keeping a steady power supply is a sure way to boost netpreneurial businesses.

Supporting the above assertion, the findings of Sivathaasan and Velnampy (2013), revealed that **Undersupply** happens when suppliers (NEPA or individual's generators and power supply machines and devices) don't generate enough electricity to meet internet facilitated business activities such as e-information services, software services and internet-mediated marketing practices. The probability of the socio-economic (social security, financial security and job security) of individuals who are into netpreneurial businesses could be downed. Shortage in power supply causes problems like blackouts and brownouts in the netpreneurial business which negatively affects socio-economic security. For netpreneurship to flourish, there must be adequate and constant power supply for such businesses to thrive in their respective areas. In other words, **oversupply** happens can cause waste and damages to technological devices especially when the strength of its voltage beyond its functionality, which leads to blackout.

### **CONCLUSIONS**

Based on the results of the analysis, the study concluded that netpreneurship influences socio-economic security of youths in Rivers State. Rivers State youths who are netpreneurs in terms of e-information services (big data analysis service, plagiarism test services and cybercafé services), software services (website design services, web development services, computer/phone software services & educational software services) and internet-mediated marketing practices (whatsapp-base marketing, facebook marketing, use of websites & electronic payment services) tends in promoting socio-economic security in terms of social security (reduction in rape, kidnapping, restiveness & drug abuse), financial security (steady income generation, income multiplicity, ample saving culture & sufficient emergency fund balance) and job security (self employment, provision of job for others, youth engagement & reduction of youth street idling). Local Government Areas who fail to encourage youths who are netpreneurs by steady power supply, granting loans and offering scholarship, might face the risk of increasing socio-economic insecurity.

## **RECOMMENDATIONS**

Based on the findings, the following recommendations were made:

1. The government of Rivers State and the federal government of Nigeria should create a following environment for electronic information services such as big data analysis services, plagiarism tests services, and cybercafe services. This will help to meaningfully engage the youths and young adults, thereby enhancing reduction in rape, restiveness, kidnapping, and drug abuse, amongst others.
2. Government, non-governmental organizations and well-meaning individuals should sensitize the masses about the untapped entrepreneurship opportunities in the internet.
3. The youths and young adults in Rivers State and the entire Nigerian nation should delve into lucrative netpreneurship businesses such as website design services, website development services, computer/phone software services, etc. as these will help build their financial security, as well as job security.
4. Whatsapp-based marketing, Facebook marketing, and electronic payment services should be utilized by youths in order to keep them meaningfully busy, ensuring social security, financial security, and job security.
5. Governments across states and the entire nation of Nigeria should organize free intensive netpreneurship trainings for youths and young adults, so as to drive their focus towards creating lasting netpreneurial businesses for themselves that are capable of ensuring job security, social security, and as well as social security.
6. Government should provide lasting power supply that will help individuals who are into one form of netpreneurship business or the other, to help save cost for them, thereby enhancing their daily financial realization.

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