

EXPLORING OPTION BEYOND JOB SEEKING

A Lecture delivered by Dr. Taiwo O. Afolabi, Group Executive Vice-Chairman/CEO, Sifax Group

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Protocols

Acknowledgment and Introduction

Let me start by expressing my deep appreciation to this great association for this wonderful honour granted me to be the Guest Lecturer at this annual event. It is well appreciated.

I was initially surprised when I received the invitation because of the disparity between my core area of operations – entrepreneurship and the discipline of the association – dentistry,

Further enquiries settled these initial misgivings. Two major reasons convinced me to accept this invitation.

One, education is one of the focus points of Sifax Group corporate social responsibility (CSR). This is stemmed from the belief that without quality education, no country can achieve any outstanding technological, social or economic breakthrough. The global space is becoming more competitive and we believe that for Nigeria to make its mark globally, education, right from primary to the tertiary level, without discounting technical education, must be accorded needed and special attention.

Two, I accepted this invitation because I am excited at the focus and outline of the lecture. I am particularly thrilled that University students whose discipline is not necessarily business-related are desirous of learning and preparing to explore that opportunity. I believe it will make a lot of sense if I share my experience and provide some useful tips that have helped me over the years.

I have modified the topic given to me to vividly capture the essence of the content I need to share with you. So, I will be speaking on **“Exploring Option Beyond Job Seeking”**

Youth Unemployment in Nigeria

It would be appropriate to start this lecture by speaking on youth unemployment in Nigeria. To describe youth unemployment in Nigeria as a scourge, or to use a familiar term, an epidemic, is not an exaggeration. Let me quickly share with you this statistics obtained from the National Bureau of Statistics (NBS), a Federal Governmental agency charged with the responsibility of national data gathering.

- **As of 2013, 20.3 million Nigerian youths were jobless**
- **1.8 million graduates enter the country's labour market annually**

Unfortunately, the total jobs opportunities in the country by both the public and private sectors annually stand at far less than one million. The accumulation of the difference in the number that enters the labour market annually and the available job opportunities has resulted in this worsening employment crisis.

Causes of high rate of youth unemployment

The above figures are staggering and portend great danger for the socio-economic fabric of the nation. This, as a matter of urgency, should be addressed. Let's look at some of the reasons for the high unemployment rate in the country.

1. **High Population Growth rate** --- With an annual growth rate of 3.5%, Nigeria ranks among the countries with the highest population worldwide. With the exception of India, China and United States, the country boasts of a huge population --- about 170 million, which is approximately, a quarter of the population of the continent of Africa, made up of 53 countries.
2. **Poor quality of education** --- Even for the few available job opportunities, employers still encounter a big problem filling the roles. Many graduates out of our universities and polytechnics are simply unemployable. This is traceable largely to poor quality of education, sub-standard teaching faculty, poor staff remuneration and obsolete curricular.

3. **Collapsing industries** --- Employment opportunities are shrinking by the day in the country because of collapsing industries. Many manufacturing industries in economic hubs like Lagos, Ibadan, Kaduna, Aba and Port Harcourt in the 1970s and 1980s have closed down. While a lot of them have relocated to neighbouring countries.
4. **Government Policies & Unfriendly economic environment** --- These 'siamese twins' are largely responsible for the collapse of major industries in Nigeria. Harsh and inconsistencies in government policies have created an unfriendly business environment. The inability of the government to tackle the problem of power and multiple taxes are some of the reasons negatively affecting the private sector, which is expected to lead the race for employment generation in the country.
5. **Corruption** --- This has become endemic in Nigeria, especially in the public sector. We are daily regaled with stories of senior public officials embezzling public funds with impunity. Any nation where corruption has taken firm root will lack the wherewithal to provide needed opportunities for employment since required funds would have been embezzled.

Dangers of High Unemployment Rate

High unemployment rate comes with dire social and economic consequences. We will mention just a few of them:

1. **Crime** --- Regardless of the economic or employment status of man, there are some basic human needs that must be met. Food, clothing, shelter, etc. When a man is not economically empowered, he would seek for available alternatives to satisfy these needs. In most cases, young people resort to crimes. There is a nexus between high unemployment rate and high crime rate.
2. **Prostrate economy** ---- One of the victims of high unemployment rate is the country's economy. When young people, who are expected to form the nucleus of the country's workforce, are denied the opportunity of using their energy productively, the economy will be gravely affected. The production level from the manufacturing sector would be affected with attendant low national economic output.

3. **Poverty** --- When the economy is prostrate, it naturally follows that there would be pervasive poverty in the land. Unemployed young people would find it difficult, if not impossible, to fulfill their dreams.
4. **Illegal cross-border migration** ---In the last one week, the international news media have been awash with stories of young Africans, in their thousands, trying illegally to cross to Europe through the Mediterranean Sea. Many of them passed through series of unbearable conditions including hunger, crushing thirst, extreme cold in the desert and sinking ship. Hundreds of them have died in the last one week. A good number of them are young Nigerians with dreams but find the space in the country too choking for them to fulfill those dreams.

The Way OutEntrepreneurship

Experience of recent years has shown clearly that we can't rely solely on the government if we are serious as a nation to tackle the hydra-headed challenge of youth unemployment.

A multi-pronged strategy, which must include stakeholders like the policy makers, private sector and financiers, among others, must be adopted to address this challenge.

As pressure is mounted on the government to show credible leadership by delivering on their mandate, which should include more job creation, conducive environments and friendly policies, it is high time that we began to change the orientation of our youth population.

The current mentality of compulsory job seeking after graduation is no longer helpful, relevant and sustainable. Another approach is needed and necessary. This brings me to the main focus of this lecture ---- entrepreneurship.

Entrepreneurship

Entrepreneurship is the development of a business from the ground up. That is, coming up with an idea and turning it into a profitable business.

This is one of the cogent and practicable solutions to the problem of youth unemployment in Nigeria. There must be a conscious effort to encourage and develop this initiative. This is the future of the country. The youths need to

wake up to this reality and jump on the ship now or else, they might regret not doing so many years down the line.

Let us discuss some key elements of entrepreneurship. I will focus basically on two areas --- Business idea and the personality of the entrepreneur.

At the heart of every entrepreneurship endeavour is the **BUSINESS IDEA**. This idea is to a business what a foundation is to a house. The foundation must be solid or else, the house would come crashing down one day.

Five Crucial Ingredients of the Perfect Business Idea

You are an entrepreneur with a burning passion to change the world. You know that you have the mindset and the tools necessary to be successful... You can “feel it”.

Just one problem – you need a business idea. And it needs to be a good one.

How do you pick the perfect business idea?

Many times it seems like the best business ideas come from a random flash of genius. You’re enjoying a nice, hot shower, singing your favorite Katy Perry song Pink Floyd solo and...BAM!

A brilliant business idea comes out of nowhere and forcefully latches itself onto your brain.

Isn’t that how Zuckerberg came up with Facebook?

Seriously though, how are you supposed to separate the good business ideas from the bad? Especially if this is your first startup or if you’re working alone, it’s easy to get caught up in the never-ending mental argument over the viability of your business idea. Ask yourself these questions:

*Will it make money?

*Will people respond to it?

*How likely is it to flop?

*Will it ever make a difference?

These are all questions that your nagging subconscious will force you to answer if left unchecked.

Here is a simple list of ingredients that every good business idea should have. These will allow you to objectively evaluate your business idea instead of relying on pure guess-work.

Ingredient 1 – Responsive Audience

The first and most important ingredient is a responsive audience.

In other words, your business idea should cater to a group of people that you can actually change. Your target audience should be one that will take action towards a specific goal. Who will your business idea impact? Does your audience have a real motivation to respond to your idea? Why or why not?

Ingredient 2 – Idea must solve a problem

Your audience or target market would only be willing to pay for your product or service if it solves a problem in their lives. Your idea must address a particular nagging problem in the society. Facebook, for instance, addressed the problem of social networking. At Sifax Group, we have companies helping our target market to solve problems of logistics, aviation ground handling, clearing and forwarding, among others.

Ingredient 3 – Unique Selling Point

If you know anything at all about marketing or copywriting, then you've already heard of this ingredient.

A unique selling point, or USP, is something that makes you different from every other competitor in the market. Your USP is what your audience can't or won't get from anyone but you and your business.

Being unique is important, but don't be different for the sake of being different. What separates you from your competition must be something

that is noticeably beneficial to your audience. Being different just to be different will make you look like an amateur.

Ingredient 4 – Realistic Business Plan with Clearly Defined Goals.

This ingredient pretty much explains itself. The important thing here is that you must create a realistic business plan before you start. And it's extremely important that you establish clear goals beforehand in order to quantify your progress.

I'm not saying you should write out a full-fledged business plan like most are taught in school – in fact I'd recommend against it. But you need to at least have an idea of how your business is going to run and how you are going to grow it.

However, recognize in advance that your business plan and goals may evolve as your business idea plays itself out. Plan to adapt.

Don't underestimate the importance of this ingredient.

Ingredient 5 – Personal Excitement

The last crucial ingredient for your business idea is completely subjective.

It's important that your business idea gets your heart pumping.

But, understand this – I'm not telling you only to pursue something if you're passionate about it, at least not in the way that most people take that advice.

Your business idea should excite you. It should be something that you can see throwing yourself into 100%. If you're not passionate about your idea, if you don't see how you can change something, then you should probably go back to the drawing board.

Timing

With your business idea including all five of these ingredients, then it's time to throw them in the pot and see what you can cook up. Chances are you'll create something that a lot of people genuinely love, and that's what this whole entrepreneurship is really all about.

Don't procrastinate. Start something NOW. Even as an undergraduate, nothing stops you from putting your vision and idea into action. Even if it's on a small scale, do something now. Start small. Every great idea starts small.

What this does is that you would have acquired a great deal of experience running a business even as an undergraduate.

The Entrepreneur

The entrepreneur is at the centre of his business. He remains one of the key factors of success for such venture. As the driver of the vision, a whole lot rests on his shoulders and he must possess certain qualities, without which, success, can either be limited or non-existent. I will use my example as a case study as I delve into the life of an entrepreneur, who is live wire of the business.

First, a little about myself.

Barrister (Dr.) Taiwo Afolabi's as a case study

From a tender age, the seed of entrepreneur was sown in me. I was privileged to be raised by a mother, Alhaja Ayisat Afolabi, who was a first-class trader. I learnt a lot from her because I was also part of her business. I helped her to hawk some of her wares. With the experience I garnered under her tutelage, I made up mind early that I would become a businessman. I appreciate the financial freedom that comes with entrepreneurship.

I remember how my mother had a lot of people training under her and after they were done with their training, she set them up in her own little way. She affected a lot of lives. This was one of the motivating factors for going into business. I wanted to enjoy a degree of financial freedom and comfort so I could also positively affect the lives of others, through employment and socially-impacting activities.

Many people don't even know that at a point in my life I was a newspaper vendor. From my secondary school days right here in Ibadan (I attended Baptist Grammar School, Eleyele, Ibadan), then as a young boy, I would go with my some of friends to some vendors, who gave us some newspapers to sell and when we returned in the evening, they would give us some money (commission)

After my secondary school education, the entrepreneurship zeal was further fired up when I had the opportunity of working with an uncle, Otunba Olatunde Olowu, MD/CEO, Nigerian Express Agencies Limited. I actually wanted to be an accountant because I was quite good in calculations while I was in secondary school. However, I developed interest in the maritime sector when I began working for my uncle who owned a freight forwarding company.

I rose quickly in the company to become the Clearing Manager. Having made up my mind that I wanted to build my business around the maritime sector, I decided to go abroad for further studies. I studied Shipping Management and later returned to become the Head of Operation of the company.

I then launched out on my own in 1988 by setting up Sifax Nigeria Limited. It started as a freight forwarding firm until we get to where we are today. It is now a group of companies with interest in various sectors and presence in many continents of the world. We currently have investments in Maritime, Aviation, Haulage & Logistics, Oil & Gas, Hospitality, among others.

Many are familiar with the success story of Sifax Group today but just a few know the history, the challenges, the frustrations, the outright rejections and downright opposition that we have encountered in the process of building Sifax into a successful brand.

In order not to bore you, please permit me at this juncture to share some of the key factors that have helped me in the course of my entrepreneurship endeavour.

Attributes of a successful entrepreneur

1. Vision

Like I mentioned earlier, I was very clear about what I wanted to do ---- business. The area where I wanted to play was also very clear to me – maritime. Vision helps an entrepreneur to maintain focus and avoid distraction. At this level, as an undergraduate, who will soon leave this university, I believe by now, it should be settled in your heart what vision you want to pursue and how you want to do it. Are you going into paid employment for few years and then launch out, alone or with somebody else? Or, right after graduation, you are setting up your dental business or other business ventures? By now, that should have been settled. Key Lesson here: You need a vision to be successful as an entrepreneur.

2. Persistence

First, let me state here that persistence is one of the most important traits for a successful entrepreneur. The reason that we need this trait is because all entrepreneurs fail, and persistence is what lets us get back up.

Ask anyone with cold calling experience... You mark your progress by how many “nos” you get, not by how many “yes”. Being an entrepreneur often requires a similar mindset.

We have set up many businesses that didn’t fly. An example was a printing press that we invested millions of naira but at the end of the day we didn’t make the targeted profit. When we fail, we dust up ourselves and go on to the next big task.

Don't be deflated by rejection, discouragement or failure.

3. Self-Confidence

This is the implicit belief you have in your ability, drive and competence in the face of mounting hurdles. If nobody else does, you must believe in yourself. I thank God for this quality. It didn't matter how people under rated me at the beginning, I was forging ahead because I understand perfectly my God-given ability and I wasn't going to allow anybody's negative opinion weigh me down. I forged on. Believe in yourself that you can turn that dreams of yours into reality, to the extent that the world will marvel.

4. Creative

You must have the capacity to pre-empt challenges and devise workable solutions to address such. Aside, this creativity must also be extended to the way you conduct your business. Do things differently. I thrive in this realm a lot. In most cases, before an idea or business opportunity becomes visible to competitor, we would have moved in to take advantage.

5. Hard work

This factor can't be over-emphasized. I picked this trait from both my late mother and uncle, Otunba Olowu, a workaholic man who will resume early and work late into the night in order to ensure that no task that should be done was left till the following day. There is no way an entrepreneur who is desirous of success can escape being hard working. At times, a lot of people wonder how I successfully manage all the companies in the group and combine this with other equally tasking and time-consuming activities I engaged in. Hard work is the key.

Conclusion

The current reality of high youth unemployment rate in Nigeria presents a great opportunity for all of you, young people, particularly,

some of you here with the high quality of education that the great University of Ibadan offers.

This national challenge can only break us if we resign ourselves to fate. But if we see it as greatness wrapped in overall of problems, we would have done ourselves a lot of good.

Kindly note that in most cases, great opportunity comes in form of a challenge or problem. Therefore, you must train your eyes to spot challenges and problems around and train your mind and hands to exploit them.

All around you are problems that you can turn into a money-making machine without going through the indignity of roaming the streets in the name of searching for the non-existent jobs.

I see in this hall today, future CEOs of great manufacturing companies, telecommunication companies, big hospitals and blue-chip companies. Don't limit yourself. Don't disappoint the country because we are all waiting to celebrate your success.

Once again, I want to thank you all for this great honour done me. I will never forget this gesture.

Thank you and remain blessed.