

Examining the Perceived Barriers that Deter University Graduates from Establishing Businesses in Zambia: A Case of Lusaka Province

Abby Nakalinda

Lecturer- School of Business, Economics and Management
University of Lusaka
P.O.Box 36711, Lusaka, Zambia

Rabecca Hatoongo

Lecturer/ Acting HOD- School of Business Economics and Management
University of Lusaka
P.O.Box 36711, Lusaka, Zambia

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Abstract: *This study aimed to investigate the perceived barriers influencing university graduates in Zambia when it comes to establishing their own businesses. Employing a combination of quantitative and qualitative approaches, the research adopted a descriptive research design and utilized purposive and convenience sampling techniques. A sample size of 250 respondents was selected, and both questionnaire surveys and interviews were employed for data collection. The results revealed that several barriers hindered university graduates from venturing into business and these barriers included lack of capital, limited governmental support, inadequate managerial skills, taxation challenges, lack of confidence, and deficient entrepreneurship skills. Suggestions from the study include simplifying taxation policies, enhancing the education curriculum to incorporate entrepreneurial skills, providing entrepreneurship training to graduates, and establishing supportive government policies and financing mechanisms. These measures are essential for addressing the challenges faced by university graduates and promoting entrepreneurship as a viable career path in Zambia.*

Keywords: Entrepreneurship, Education, Entrepreneurship barriers, University graduate

INTRODUCTION

Entrepreneurship is widely acknowledged as a catalyst for economic growth, with entrepreneurs being individuals who embark on business ventures with the potential for both profit and loss Business Brief, (2007). They assume the responsibility and risk of business operations, bringing together resources such as labor, capital, and production materials to realize their vision Mutasha (2007). The entrepreneurial path offers individuals the opportunity to pursue their dreams without the bureaucratic constraints often associated with established corporate entities.

A study done by Mukwena and Handema (2021) evaluated the risk tolerance of university students showed that majority of them are willing to take entrepreneurial business risk For those aspiring to achieve financial independence beyond the limitations of salaried employment, entrepreneurship emerges as a compelling option. The prospect of entering the dynamic and rewarding field of entrepreneurship, though exciting, also poses inherent uncertainties and challenges. An interesting example in Zambia maybe the many individuals who have established private schools after liberalisation of the Zambian economy in the early 1990s. These entrepreneurs saw that while the population of the country was growing at a fast rate, the government was not building new schools at a comparable pace. In addition, they saw that most Zambian parents and guardians were not comfortable with the quality of education provided by the government primary and secondary schools. These parents were therefore willing to pay a premium to obtain what they perceive to be quality education for their children.

Entrepreneurship often finds its roots in early exposure and inspiration, and parental influence plays a pivotal role in shaping an individual's inclination towards running their own business. For example, in Zambia, the likelihood of children from Indian business families establishing their enterprises is higher due to their regular exposure to their parents' business operations. Witnessing how their parents navigate interactions with customers, suppliers, employees, lenders, and other stakeholders provides them with valuable insights. Furthermore, observing that their parents, as business owners, tend to earn more than salaried employees can be a motivating factor.

However, there are prevalent myths and misinformation that contribute to the inclination of university graduates towards formal employment rather than entrepreneurship. One such myth is the belief that entrepreneurs possess lower levels of education compared to the general public. Contrary to this misconception, studies reveal a wide variation in education levels among entrepreneurs. Education is recognized as instrumental in shaping problem-solving abilities, open-mindedness, understanding of business principles, information processing, and overall performance.

Recognizing the appeal of entrepreneurship, many higher education institutions have introduced dedicated courses to nurture and encourage graduates to embark on their entrepreneurial journeys. Despite this, it is noteworthy that a significant number of university graduates still lean towards formal employment for various reasons, which will be explored further in this study.

This paper comprises five sections. The initial section provides a concise introduction, while the second section conducts a literature review to provide supportive and guiding insights for the current study. Following this, the third section elucidates the research methods employed, and the fourth section delves into the analysis and interpretation of the gathered data. The concluding section offers conclusions and recommendations, and the paper concludes with a list of references.

Objectives of the study

- To assess the entrepreneurial intention and knowledge levels of university graduates.
- To investigate the perceived barriers hindering university graduates from establishing their own businesses post-graduation.
- To identify and propose measures to address the barriers preventing university graduates from establishing their own businesses after completing their tertiary education.

LITERATURE REVIEW

Entrepreneurship is recognized as a vital catalyst for economic growth in both developed and developing countries, as evidenced by various studies Acs et al. (2013) Ortega-Argilés et al., (2009) Naude (2013) Carree and Thurik (2010). The concept of entrepreneurial intention pertains to an individual's inclination and foresight to initiate and develop a new business venture. Research suggests that embarking on a new business venture is influenced by various personal attributes, including parental background, educational attainment, risk-taking ability, and the capacity to identify business opportunities. Additionally, cultural, legal, economic, and environmental factors play significant roles in shaping entrepreneurial intentions Thompson (2009) and Bird (1988).

Several studies have delved into the intricate factors influencing entrepreneurial intention. For instance, Franke & Luthje (2004) explored the impact of education and planned behavior on students' entrepreneurial intentions, while Ali et al. (2010) investigated external factors affecting entrepreneurial intentions. Researchers such as Shapero and Sokol (1982), Yosuf et al. (2007), Shaver and Scott (1991), and Gartner (1988) have examined personality dimensions, while Carr & Sequeira (2007) and Aldrich & Cliff (2003) focused on family backgrounds.

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Moreover, economic conditions, cultural milieu, social dynamics, and environmental and technological factors have been identified by Turker and Selcuk (2009) as influential elements shaping a person's entrepreneurial intentions. Turnbull et al. (2001) highlighted factors such as risk-taking opportunities, freedom, financial gain, job security, and control as determinants of students' intentions to become entrepreneurs.

Institutional barriers, encompassing lack of government support, insufficient funds, infrastructure challenges, inadequate training, and issues related to contract and property laws, as well as corruption, have been recognized as negatively impacting entrepreneurial intentions Kiggundu (2002), Chu et al (2007) Ivy (1997) and Benzing et al. (2009). Literature further emphasizes the role of government policies, physical infrastructure, legal requirements, cultural and social norms, entrepreneurial social image, support for start-ups, and access to social networks in shaping entrepreneurial intentions Salimath and Cullen, (2010) Thornton et al (2011) Liñán and Fayolle (2015). Biehl et al. (2014) highlighted the influence of macroeconomic factors and the lack of job opportunities on entrepreneurial intentions. A study conducted in France indicated that the external entrepreneurial environment and entrepreneurial education significantly impact people's attitudes toward new business creation Klapper and Leger-Jarniou (2006).

The concept of entrepreneurship

Entrepreneurship encompasses the identification, assessment, and exploitation of opportunities to introduce novel products, services, market structures, processes, and materials through organizational efforts that were previously non-existent Vankataramann (1997). Within this framework, an entrepreneur is defined as an individual who embarks on a business endeavor with the prospect of both profit and loss Business Brief (2007).

The essence of entrepreneurship lies in developing innovative ideas, undertaking risks, and effectively managing business operations. In the current dynamic and fiercely competitive global landscape, it is imperative for countries, such as Zambia, to cultivate a robust entrepreneurial foundation that can contribute to wealth creation and overall economic development. A thriving entrepreneurial culture holds the potential to significantly impact a nation's economic and social progress, fostering balanced economic growth Fundanga (2010).

The term entrepreneurship has become a ubiquitous economic concept, receiving support from political leaders, advocacy from non-governmental organizations, and reinforcement through the expanding infrastructure of tertiary education and venture capital. Consequently, entrepreneurs are emerging from diverse backgrounds, showcasing a wide array of behaviors. Some entrepreneurs may exhibit quiet, introverted, and analytical traits, while others may display bold, extroverted, and emotionally charged characteristics. Despite these differences, certain qualities are commonly shared among entrepreneurs.

This research will predominantly focus on university graduates, aiming to emphasize strategies for motivating them to embark on entrepreneurial ventures rather than waiting for traditional employment opportunities. Entrepreneurs manifest in various types, intricately connected with existing physical, social, cultural, economic, and political systems. Broadly, the characteristics of entrepreneurs are described in terms of:

- Social- personal features like sex, education, age, marital status, caste or ethnicity, etc.
- Psychological/individual characteristic, including courage, confidence, patience modesty and risk taking ability.
- Business characteristic, comprising business types, initial financial investment, size and types of employees etc. Tuladhar (1996)

Researchers have invested a great deal of time and effort over the last few decades trying to paint a clear picture of the “entrepreneurial personality”. Although these studies have identified several characteristics entrepreneurs tend to exhibit, none of them has isolated a set of traits required for success.

Benefits of being an entrepreneur

Embarking on the journey of creating new products and services requires boundless imagination, pushing the boundaries of what is conceivable. The exhilarating challenge of attracting and retaining customers adds a delightful dimension to each day Pittaway and Cope (2007). There's an unmatched thrill in waking up each morning with the thought of honing your competitive edge. Collaborating with people becomes an adventure, a constant source of learning and personal growth. Embracing new technologies presents an extraordinary test of adaptability.

In the current corporate landscape, anxiety looms large with waves of restructuring, reorganizing, downsizing, and retrenchment. However, this era also heralds the age of the entrepreneur—a time where ideas carry immense weight, and every individual's contribution matters. Despite the uncertainties and threats, unprecedented opportunities abound.

For entrepreneurs, the benefits are vast:

Opportunity to Create Destiny: Ownership of a business bestows independence, allowing entrepreneurs to shape their destinies and actualize their desires.

Job Satisfaction: Successful entrepreneurs leverage their skills, interests, and creativity, working in fields they are passionate about, free from rigid job descriptions.

Opportunity to Make a Difference: A growing number of entrepreneurs launch businesses with a mission to contribute to causes that matter to them, whether it's providing affordable housing or championing environmental sustainability.

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Pride in Fulfilling Self-made Goals: Entrepreneurship involves taking responsibility for business plans, visions, deadlines, and goals. While challenging, the realization of profits brings immense fulfillment and pride.

Contribution to Society and Recognition: Small business owners often earn respect and trust in their communities. They contribute to local economies, foster job opportunities, and bring prestige to their communities.

Independence and Freedom: While independence and freedom may take time to materialize, mature and self-sufficient businesses eventually provide the financial independence entrepreneurs aspire to.

Opportunity to Reap Impressive Profits: Entrepreneurs enjoy a direct relationship between their efforts and income, with well-planned and effective endeavors leading to significant financial rewards.

No Limits: Entrepreneurs set their own goals, free from corporate restrictions. While there are no guaranteed minimum earnings, there is also no ceiling.

Recognition: Achieving milestones often results in public recognition, further motivating entrepreneurs and serving as a key element in a thriving business.

Increased Self-confidence: Building a business from the ground up instills entrepreneurs with heightened self-confidence and a profound sense of accomplishment.

Support services for upcoming entrepreneurs in Zambia

Zambia's National Vision 2030 outlines the goal of becoming a prosperous middle-income country by 2030, with a focus on policies that promote sustained economic growth and inclusivity. The fifth National Development Plan centers on achieving Broad-Based Wealth and Job Creation (BBWJC), emphasizing the need to stimulate investment, entrepreneurship, and employment in micro and small enterprises (MSEs).

As highlighted by Siachiyako (2011), budding entrepreneurs often face obstacles such as lack of experience, funding, and support from various quarters. Starting a business from scratch presents significant challenges. Zulu's research (2008) emphasizes the importance of raising awareness about entrepreneurship and providing practical support services like training, advice, and access to capital.

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Despite Africa's entrepreneurial spirit, many face frustration due to an unfriendly business environment. Fundanga (2010) notes the need for seed capital and initial support, especially for innovative entrepreneurs in various clusters across Zambia. The government and public sector play a crucial role in creating a positive policy environment and offering direct support services to small businesses. Private sector development initiatives should unlock the potential of micro, small, and medium enterprises (MSMEs) for broad-based growth and employment creation (www.zda.org). President Rupiah Banda (2010) emphasized the government's commitment to supporting young entrepreneurs, recognizing their ideas, hope, and ambition. The focus on young entrepreneurs aligns with initiatives to facilitate their dreams and drive, as highlighted in Banda's speech on African Freedom day.

Both the government and the private sector have established support organizations to assist upcoming entrepreneurs. Private institutions provide skills training across communities, and various organizations, including NGOs, FBOS, and CBOS, contribute to supporting entrepreneurship at different levels. Some of these organizations are Zambia Chamber of Small and Medium Business Associations (ZCSMBA), Zambia Association of Chambers of Commerce and Industry (ZACCI), Zambia Development Agency (ZDA), Youth Investment Trust of Zambia (YAPYA) etc.

The role of entrepreneurship in economic development

Economic growth signifies an increase in the gross output of goods and services, commonly measured by gross domestic product (GDP). This growth is reflected in rising revenue, which is the product of price multiplied by quantity. By subtracting costs from revenue, we derive profit. Costs incurred by businesses, including labor costs, contribute to this equation. As GDP expands, revenue also increases, and heightened economic activity leads to greater employment opportunities.

Key characteristics of successful economies encompass high growth rates, low unemployment rates, and a prevalence of small businesses, indicative of an entrepreneurial spirit. Economic growth hinges on the efficient utilization of factors of production such as labor, capital, natural resources, technology, and entrepreneurship. Among these factors, entrepreneurship plays a pivotal role by orchestrating the collaboration of all elements to generate wealth for entrepreneurs and meet societal needs.

The role of entrepreneurship in economic development involves instigating structural changes in business and society. One theory emphasizes innovation as a catalyst for growth, not only in creating new products but also in stimulating investment interest. Entrepreneurial behavior impacts an economy's strength and stability for three primary reasons:

Innovation

Innovation, the process of creating something new, is central to entrepreneurship. Small entrepreneurial firms contribute significantly to innovation, accounting for 55% of all innovations in countries like the USA. These firms often devise solutions or meet needs in novel and more effective ways.

Job Creation

Small firms, particularly in their early years, play a crucial role in creating new job opportunities. Contrary to popular belief, a substantial portion of jobs, about 80%, is generated by small rather than large companies. This trend is evident in economies like Japan that actively encourage an entrepreneurial environment.

Globalization

The globalization of business intensifies competition, challenging enterprises to adapt and innovate. Small firms, less bureaucratic than larger counterparts, successfully compete by personalizing services, ultimately benefiting customers and the economy through improved quality, reduced prices, and averted monopolies. Other roles that entrepreneurship plays include:

- Improved Customer Service
- Meeting Community Needs
- Wealth Creation
- Source of Development
- Opportunity for Personal Development

RESEARCH METHOD

Research approach

This research utilized a combination of quantitative and qualitative methodologies to gather comprehensive information. The incorporation of qualitative data sought to enhance and complement the insights derived from the quantitative data. The synergistic use of both approaches allowed the researchers to address the limitations inherent in each, fostering a more robust triangulation of data collection instruments and methodologies. The quantitative aspect involved the collection of data through closed-ended questions in structured questionnaires, while the qualitative dimension employed semi-structured interviews to elucidate underlying reasons, opinions, and motivations.

Research design

The researchers opted for a descriptive research design, a scientific methodology centered on the observation and detailed description of a subject's behavior without any intentional influence. This

_____ Publication of the European Centre for Research Training and Development-UK design was selected with the specific purpose of gaining insights and comprehension into the factors influencing university graduates in establishing businesses in Zambia.

Area of study

The research was conducted within the confines of Lusaka, with data collection focused on graduates who have completed their studies from 2018 to the present. The rationale for selecting this particular demographic lies in its familiarity and accessibility to the researcher, ensuring a streamlined process for obtaining the essential information during data collection.

Population of the study

This study targeted university graduates as the population of interest, specifically focusing on individuals who completed their education since 2018. The primary informants for this research were graduates within Lusaka, chosen due to their expertise and ability to offer valuable insights into the factors hindering graduates from initiating businesses after completing their education. Their role as key informants stemmed from their knowledge of the essential content required to enhance students' skills in various fields.

Sample size

For the purpose of this study, 250 respondents were engaged.

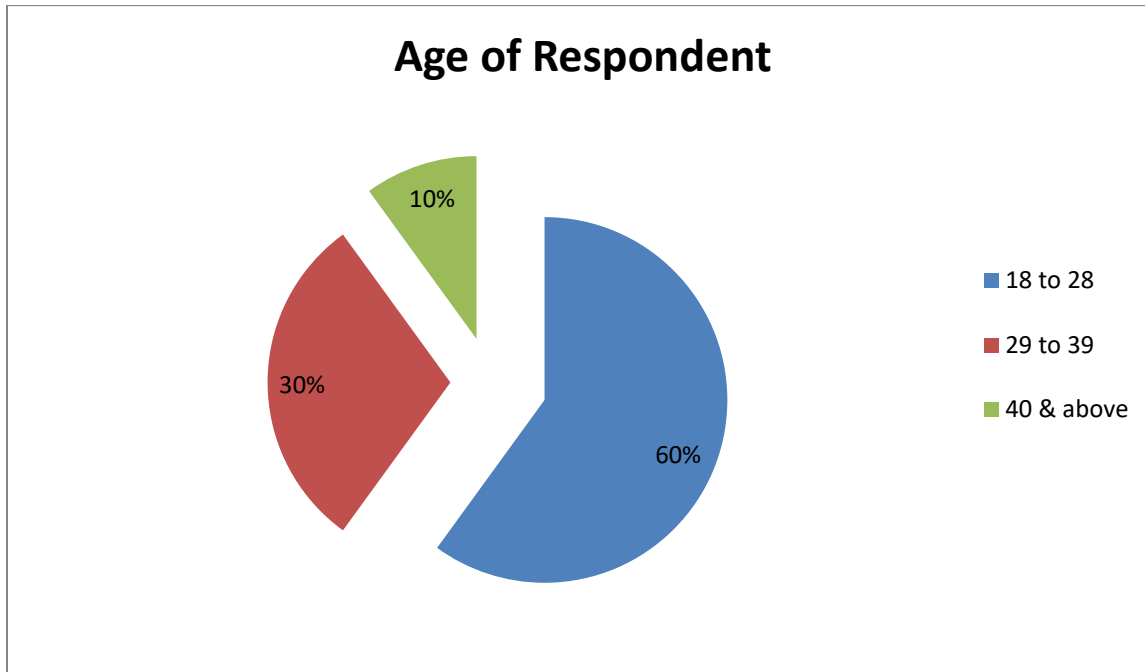
Data collection methods/instruments

This study employed primary data collection methods, utilizing both questionnaires and interviews. The chosen graduates were provided with a combination of open and closed-ended questionnaires. This approach was favored for its ease, impartiality, cost-effectiveness, and the reduced pressure it imposes on respondents. The use of questionnaires served as a straightforward method for collecting primary data from individuals. Additionally, semi-structured interviews, a qualitative inquiry approach, were conducted, incorporating a series of open-ended questions alongside opportunities for the interviewer to delve deeper into specific topics or responses. Five semi-structured interviews were conducted to gather information on the factors influencing university graduates in establishing businesses in Lusaka, Zambia.

Data analysis Methods

According to Wambura (2011), data analysis is a comprehensive process involving the assembly and retrieval of detailed information. The complexity of data obtained in a mixed method approach often necessitates a combination of qualitative and quantitative analysis methods. In this study, the analysis of quantitative data was conducted using Microsoft Excel Spreadsheet, chosen for its versatility and the array of analytical options it offers. Qualitative data, on the other hand, underwent analysis through content analysis.

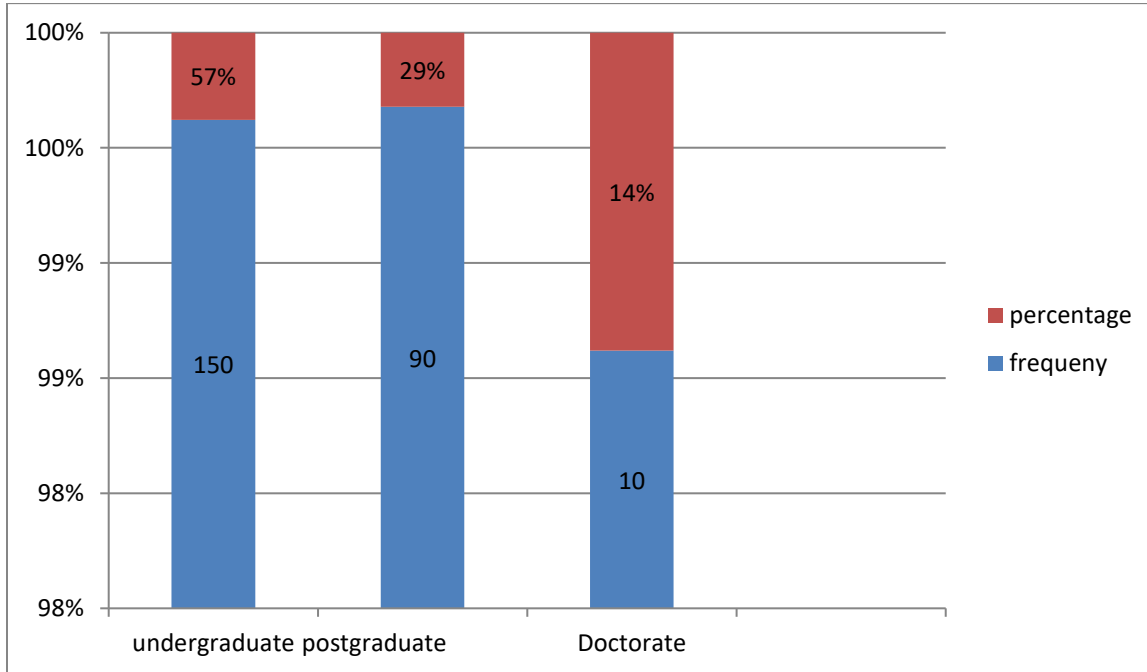
Data analysis and presentation



The graphical representation elucidates that 60% of university graduates concurrently engaged in both employment and entrepreneurship fall within the demographic of 18-28 years, constituting 150 respondents. Additionally, 30% of respondents, equivalent to 75 individuals, belong to the age bracket of 29-39. In contrast, the cohort aged 40 and above comprises only 10% of the respondents, totaling 25 individuals.

The discernible pattern in the findings underscores that a substantial number of graduates embark on their professional journeys by combining employment and entrepreneurship, particularly during the formative years of 18-28. This trend suggests an early proclivity among young graduates to explore entrepreneurial endeavors alongside traditional employment.

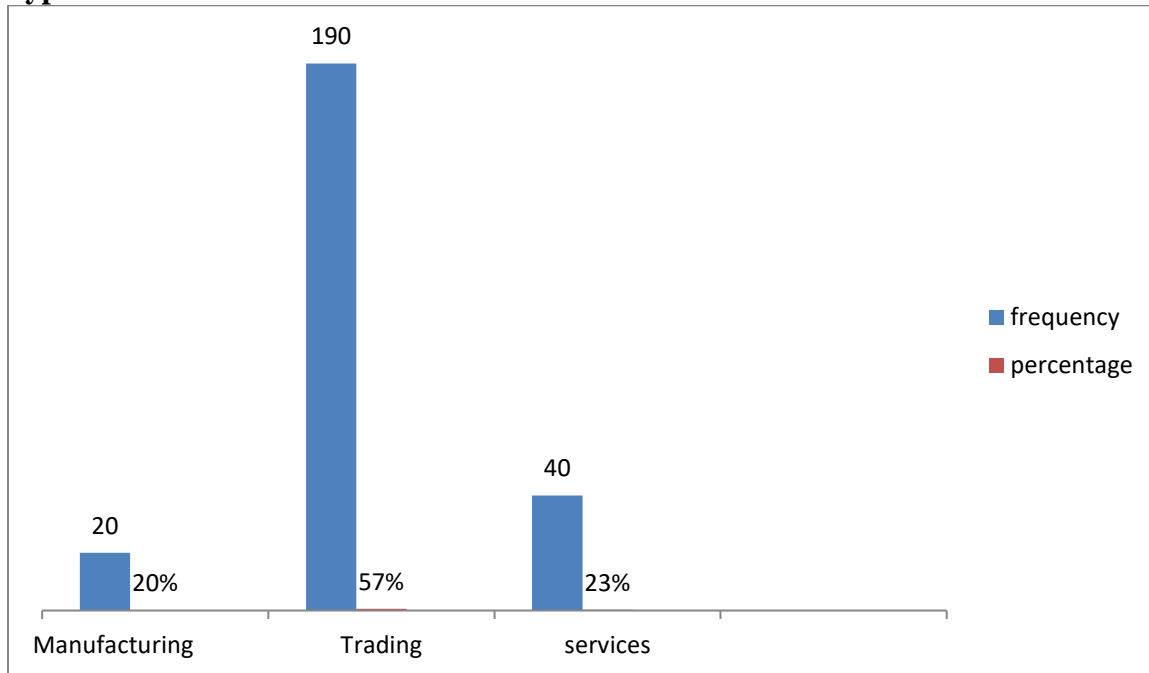
Level of education attained



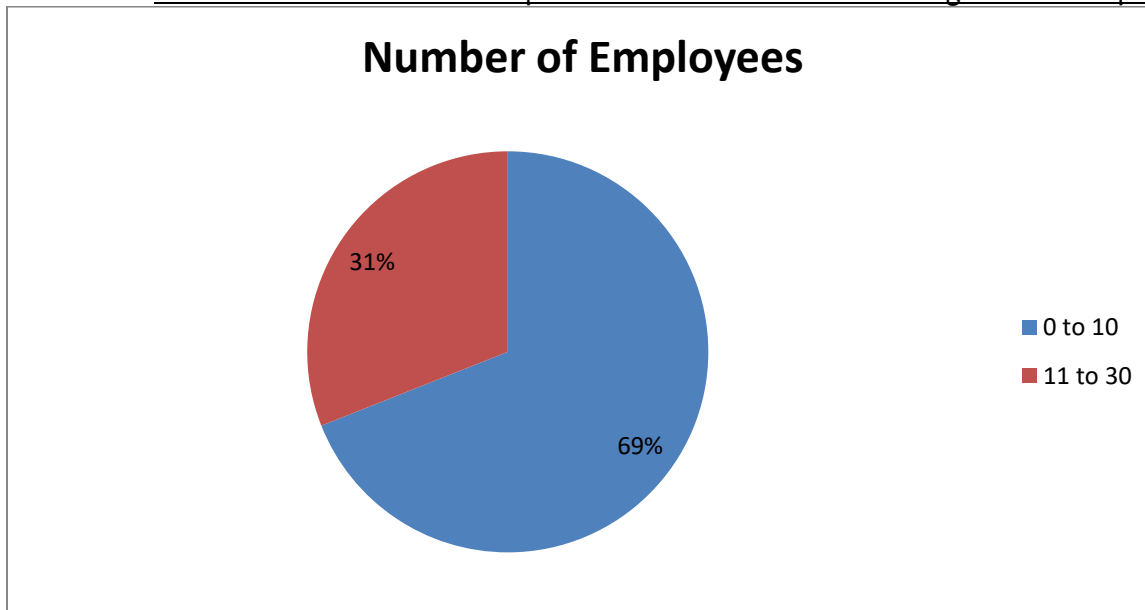
A studies, while 10 participants have attained doctorates, constituting 29% and 14% of the total of 150 participants hold undergraduate degrees obtained from diverse universities. Additionally, 90 respondents have pursued postgraduate sample, respectively.

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Type of business

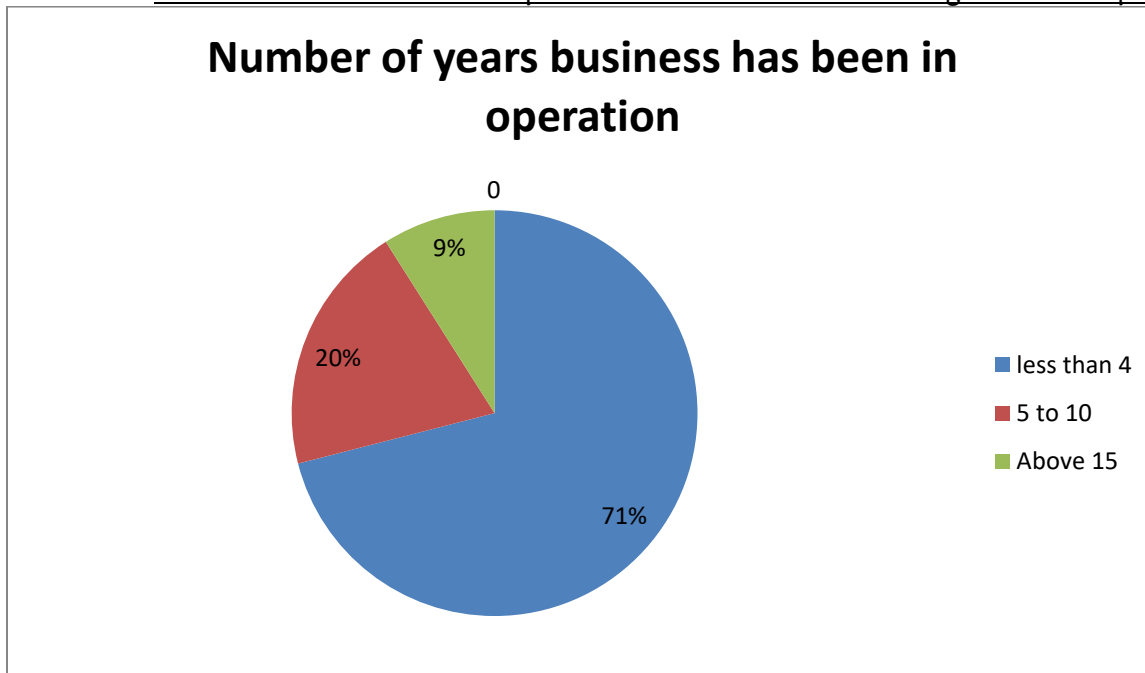


The tabulated data reveals a notable prevalence of entrepreneurs in the trading sector, constituting 57% of the sampled respondents. Following closely is the services sector, representing 23%, while manufacturing accounts for 20%. This prominence in trading may be attributed to its comparatively lower skill threshold, particularly when compared to the demands of manufacturing and other sectors.



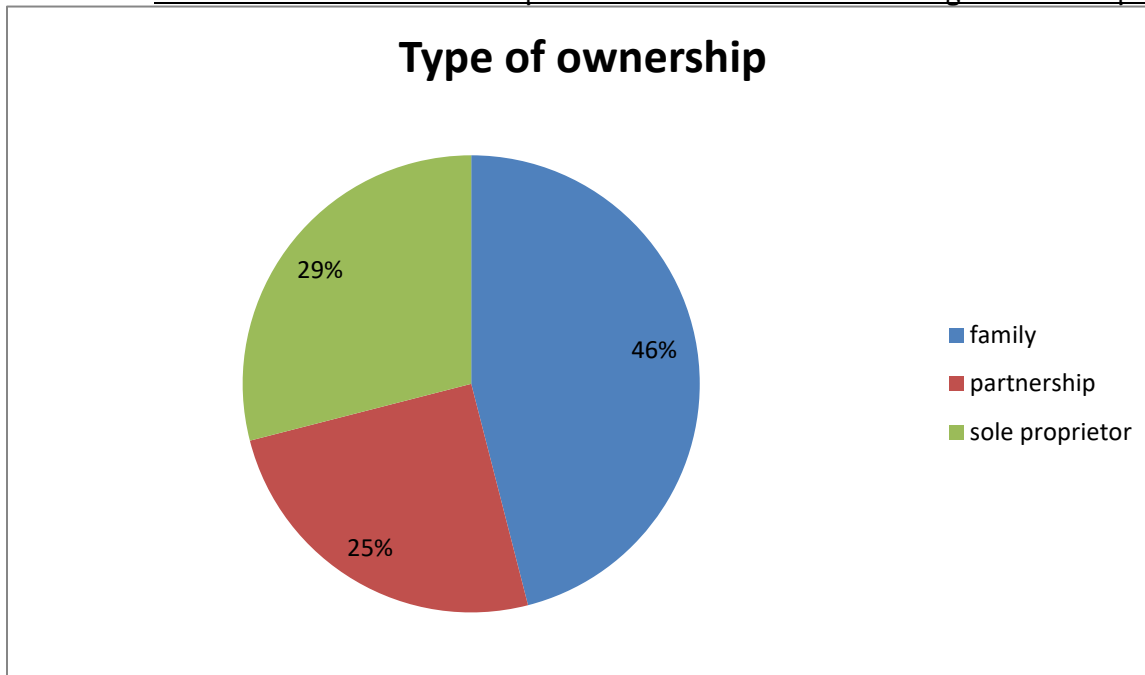
The findings elucidate that a significant majority of businesses, encompassing 69% of respondents, maintain a workforce of fewer than 10 employees. In contrast, a smaller proportion, constituting 31% of respondents, consists of businesses employing between 11 and 30 workers. Consequently, the sampled population's composition suggests a prevalence of micro enterprises, followed by small enterprises. Notably, none of the surveyed individuals own a medium-sized enterprise.

The definition provided by the Zambia Development Agency (ZDA) classifies a micro enterprise as having fewer than 10 employees, and a small enterprise as one employing between 11 and 50 workers. The observed concentration in micro enterprises underscores the potential need for support mechanisms to facilitate their transition into small enterprises. Research indicates that this transitional phase is critical, as enterprises are susceptible to failure, stagnation, or collapse unless they receive relevant support during this pivotal period.



The results reveal that a substantial proportion of businesses, specifically 71%, are within their initial four years of operation. Research underscores the significance of this phase, as it represents a critical juncture where businesses are particularly vulnerable to failure. Another 20% of enterprises have reached a stage of operation between 5 and 6 years, while a mere 9% of the interviewed businesses boast a tenure of 15 years or more.

Given the prevalence of businesses in their early stages, there is a heightened need for comprehensive guidance and direction to ensure their effective operation and ultimate success. The support extended during this crucial period is instrumental in mitigating the challenges associated with business infancy.



The predominant form of ownership identified among the surveyed enterprises is family ownership, comprising 46% of the sample. Following closely is sole proprietorship, accounting for 29%, and partnership, representing 25%. The ascendancy of family ownership can be attributed to an increasing awareness within families regarding the significance of establishing a legacy, generating supplementary income, and accumulating wealth. This trend underscores a growing recognition of the benefits associated with building and maintaining familial enterprises.

Barriers to creating a business

1. Inadequate access to capital and credit
2. limited access to information, knowledge and necessary technology
3. Inaccessibility to markets
- 4: Lack of relevant education and training
5. Lack of experience
6. Poor linkages with support systems
7. Unfavorable policy and regulatory environment
8. High rentals
9. Difficulties in drafting a business plan
10. Lack of skilled labor

- | |
|---|
| <ol style="list-style-type: none">11. Shortage of inputs12. Excessive competition from imports13. Lack of appropriate tools and materials14. Poor transport facilities |
|---|

From the table above entrepreneurs encounter a lot of challenges that can hinder their success in establishing and growing their businesses. These hurdles include insufficient access to capital and credit, limited availability of essential information, knowledge, and technology, as well as barriers to entering and navigating markets. Additionally, entrepreneurs may face obstacles such as a lack of relevant education and training, limited practical experience, and weak connections with support systems. The unfavorable policy and regulatory environment, coupled with high rental costs, further add to the complexities. Difficulties in drafting comprehensive business plans, scarcity of skilled labor, shortages of necessary inputs, and excessive competition from imports pose additional barriers. Entrepreneurs also grapple with inadequate access to appropriate tools and materials, as well as challenges posed by poor transport facilities. Addressing these multifaceted issues is crucial for fostering a conducive environment for entrepreneurial success.

DISCUSSION OF FINDINGS

The research findings indicate that the demographic distribution of entrepreneurs is notably concentrated among individuals aged between 18 and 30, as well as those above 40 years old. There is a growing recognition of the importance of engaging in entrepreneurial activities, obtaining a university education is perceived as equipping individuals with essential skills and abilities for business endeavors, although it is acknowledged that this alone does not guarantee a 100% success rate.

Trading activities emerge as particularly attractive for participants, given their potential to generate higher income compared to other pursuits, while the manufacturing sector is identified as requiring further development. The majority of businesses surveyed are still in their early stages, with less than four years in operation and exhibiting low labor absorption, employing fewer than 10 individuals. Family-owned businesses prevail as the predominant form of enterprise, reflecting a realization among families of the necessity for alternative income generation through business ventures.

Furthermore, a noteworthy portion of graduates in formal employment harbors intentions of transitioning to self-employment, contingent upon a more friendly and favorable business environment. These findings underscore the potential impact of incorporating entrepreneurship

Publication of the European Centre for Research Training and Development-UK into university curricula, potentially influencing career choices and fostering a more entrepreneurial mindset among graduates.

In driving entrepreneurial aspirations, the utilization of a university's entrepreneurship education agenda is highlighted as a potent catalyst Ethen (2016). According to Jennie (2019), the education system, particularly universities, assumes a pivotal role in molding graduates by instilling business skills, shaping business perspectives, and, notably, fostering entrepreneurial intentions. Successful entrepreneurs often assume leadership roles and operate collaboratively as part of a team Daniel (2016). Graduates aspiring to become entrepreneurs must recognize their dual roles as supervisors and team members, necessitating strong leadership competencies to motivate and guide their teams effectively.

The success or challenges faced by university students in founding and managing businesses are influenced by various obstacles, including adequate financial resources and proper training and education (Dooglas, 2019). Research indicates that a significant hindrance for university graduates in establishing their own businesses is the lack of capital, a finding consistent with Lon and Logan's (2019) research, which identifies insufficient financing as a primary obstacle to new business creation for graduates. In Zambia, the propensity for personal and family savings is low, and graduates encounter difficulties in accessing financial support.

When embarking on entrepreneurship from scratch, the initial hurdle often involves developing a business idea. Study findings highlight that many graduates struggle with creating a business vision and idea. This challenge may stem from the complexity of identifying the right business opportunity and generating innovative ideas. Transforming a business idea into an opportunity requires visionary thinking, where entrepreneurs must discern opportunities amidst challenges. This aligns with Krasiniqi's (2017) observation that many graduates face difficulties in converting business ideas into viable opportunities.

Moreover, respondents in the study indicate that the lack of government support is perceived as a significant barrier preventing university graduates from establishing their own ventures. This finding contradicts Shamai's (2018) assertion that graduates struggle to thrive as entrepreneurs despite supportive government policies and initiatives aimed at fostering entrepreneurship. Globally, low tax rates pose a shared challenge, particularly in developing countries where emerging economies face heightened tax risks (Luthje, 2018). The hindrance of taxation emerges as a significant barrier preventing university graduates from venturing into entrepreneurship, aligning with the findings of Mair and Lazzarol (2019). Factors such as insufficient start-up funding, restrictive banking practices, high taxes, weak infrastructure, corruption, and competitive pressures from countries like China contribute to the reluctance of graduates to embark on entrepreneurial endeavors.

This study reveals that a lack of confidence and pride discourages graduates from initiating their own ventures, a sentiment reinforced by Maysami and Ziemnowics (2017), who suggest that many graduates opt for secure formal jobs over the perceived risks of entrepreneurship. As the availability of well-paying jobs diminishes, an increasing number of graduates find themselves compelled to become self-employed.

While competition is often viewed negatively, it is a crucial driver for imagination, productivity, and quality product development at competitive prices. However, this study underscores that dealing with competition is a formidable challenge for graduates seeking to establish their ventures, echoing the sentiments of Nkirina (2019). Entrepreneurial skills are deemed essential for the development and operation of businesses, yet the lack of these skills among Zambian graduates poses a significant obstacle to entrepreneurship Macha (2018).

In Zambia, unemployment, particularly among graduates, stands as a pressing development issue. The disparity between labor supply and demand in the country's job market has exacerbated the problem, with urban competition for jobs surpassing the availability of non-agricultural positions in rural areas. The growing influx of new entrants into the labor market further compounds the issue. Despite the challenges posed by unemployment, a limited number of graduates in various nations, including Zambia, actively engage in entrepreneurial activities Daniel (2016). The global trend of declining interest and reluctance among university graduates to pursue entrepreneurship has become a widespread concern.

CONCLUSIONS AND RECOMMENDATIONS

Conclusions

In conclusion, the challenges faced by university graduates in establishing their own ventures are multifaceted and extend beyond geographical boundaries. The global issue of low tax rates, particularly prevalent in developing countries and emerging economies, exacerbates the hurdles faced by aspiring entrepreneurs. The findings of this study align with existing research, highlighting taxation as a significant barrier alongside other obstacles such as lack of start-up funding, inhibitive banking practices, weak infrastructure, corruption, and competition from global markets.

Entrepreneurship skills emerge as a critical factor determining the success of graduates in establishing their businesses. The deficiency in these skills, as highlighted in the Zambian context, impedes the realization of positive entrepreneurial intentions among graduates. The growing issue

_____ Publication of the European Centre for Research Training and Development-UK of unemployment, especially among graduates, worsens the situation, creating a dynamic where self-employment becomes a necessity rather than a choice.

In addressing these challenges, it is imperative for educational institutions and policymakers to focus on equipping graduates with the necessary entrepreneurial skills. Additionally, efforts to create a conducive business environment, addressing taxation concerns, and promoting a culture that embraces innovation and competition are crucial for fostering entrepreneurship among graduates.

Ultimately, the global trend of declining interest and reluctance among university graduates to participate in entrepreneurial activities calls for concerted efforts at both local and international levels. By addressing these challenges collectively, we can empower graduates to overcome barriers, foster a spirit of entrepreneurship, and contribute to sustainable economic development.

Recommendations

The following are the recommendations:

- **Government Intervention and Policy Reforms:** Advocate for government intervention and policy reforms to create a business-friendly environment. This includes measures to reduce high rental costs, streamline regulatory processes, and implement supportive policies for entrepreneurs
- **Access to Capital and Credit:** Develop initiatives to enhance entrepreneurs' access to capital and credit, such as creating specialized funding programs, collaborating with financial institutions to ease lending criteria, and promoting alternative financing options.
- **Education and Training Programs:** Design and implement tailored education and training programs that address the specific needs of entrepreneurs. These programs should focus on practical skills, business planning, and market access to empower graduates with the knowledge necessary for successful entrepreneurship.
- **Infrastructure Improvement:** Invest in infrastructure development, particularly in improving transport facilities. Enhanced logistics and transportation networks can alleviate challenges associated with the movement of goods and services, promoting smoother business operations.
- **Support for Skilled Labor:** Collaborate with educational institutions and industry partners to bridge the gap between education and industry requirements. This includes promoting programs that provide practical skills, apprenticeships, and internships to address the shortage of skilled labor.
- **Tax Incentives and Support:** Implement tax incentives for businesses and provide support services to alleviate the burden of taxes. This can encourage entrepreneurship and stimulate business growth.

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- **Networking and Support Systems:** Facilitate the establishment of robust networking and support systems for entrepreneurs. Creating platforms for collaboration, mentorship, and knowledge-sharing can help entrepreneurs overcome challenges through collective efforts.

By implementing these recommendations, stakeholders can contribute to the development of an environment that nurtures entrepreneurship, supports business growth, and maximizes the potential of graduates in establishing and sustaining successful ventures.

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