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Original Research Article

# Entrepreneurial Skills Development as a Key Factor in Reducing Youth Unemployment in Somalia: A Case Study in Mogadishu

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**Abstract:** This study examined the role of entrepreneurial skills development in reducing youth unemployment in Somalia by exploring how entrepreneurship skills can support youth in creating businesses, improving self-employment opportunities, and reducing reliance on limited formal employment opportunities. The study adopted a descriptive-correlational research design, targeting 480 youths in Mogadishu, Somalia. A sample size of 218 respondents was selected using Yamane's formula. Data were collected through structured questionnaires and analyzed using the Statistical Package for Social Sciences (SPSS) using descriptive statistics, Pearson correlation, and regression analysis. The findings revealed that entrepreneurial skills development has a significant positive influence on reducing youth unemployment in Somalia. Most respondents agreed that entrepreneurship training improves business management skills, enhances innovation, and enables young people to establish and sustain businesses. The correlation results showed a strong positive relationship between entrepreneurial skills and youth unemployment reduction ($r = 0.625$, $p < 0.001$). Regression analysis further indicated that entrepreneurial skills significantly predict unemployment reduction, explaining 85.5% of the variation. The study contributes to entrepreneurship and human capital theory by demonstrating that skills development increases youth capacity for employment creation. It recommends expanding entrepreneurship education, improving access to financial support, strengthening vocational training, and creating supportive policies for youth-owned enterprises to promote sustainable economic development in Somalia.

***Keywords:*** *Entrepreneurial Skills, Youth Unemployment, Entrepreneurship, Self-employment*

## 1. Introduction

Youth unemployment has become a global problem in recent years, but its effects are most severe in developing nations, where missed opportunities have an impact on the economy and society (Mensah, 2026). The pre-existing crisis has been made worse by the global financial crisis. Youth unemployment has remained three times higher than adult unemployment on average over the past 20 years, and in some areas, it is currently as high as five times higher as adult unemployment. The global youth population grew by 60,000 annually on average between 1997 and 2007; between 2007 and 2011, the number of youth unemployed increased by 4 million (ILO, 2012).Globally, the figures have increased significantly since the crisis (Marginean, 2014). Typically, there are both active and inactive populations in every economy. The population willing and able to work, which includes both unemployed people and those actively involved in the production of goods and services, is referred to as the economically active population (Uju, 2018).

(Choudhry et al., 2010) indicate that the financial crisis has an impact on the youth unemployment rate that is larger than the impact on overall unemployment and extends beyond the impact resulting from changes in GDP. According to their findings, financial crises have an impact on youth unemployment five years after they occur, with the worst effects occurring in the second and third years. The issue of youth unemployment is not new. When the majority of the "baby-boom" generation entered the workforce in the 1980s, interest in the literature began to grow (Marginean, 2014). Due to the current state of the economy, the majority of developing nations are dealing with the problem of youth unemployment. Even developed nations are not exempt because they have not demonstrated any notable progress in addressing this terrible social issue, even



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though the rise is more pronounced in developing countries (Kola et al., 2019).

Concern over the world's gradually rising unemployment rates has grown in recent years, especially in the majority of developing nations where young people have been found to be the most impacted. In order to develop the human capital that enables young people to avoid unemployment, youth development and economic empowerment are crucial life stages. One important factor in determining long-term growth that a country can invest in is the human capital found in young people. The development of entrepreneurial skills and the creation of jobs depend heavily on ensuring that young people are well-prepared for the future (Aun et al., 2018). Youth unemployment is a highly challenging worldwide issue that primarily affects developing nations and is linked to widespread underdevelopment. In developing countries like Somalia, where common natural and man-made disasters affect the majority of people's daily lives, the limitations of youth unemployment lead to more severe issues.

However, Youth unemployment is a highly challenging worldwide issue that primarily affects developing nations and is linked to widespread underdevelopment. In developing countries like Somalia, where common natural and man-made disasters affect the majority of people's daily lives, the limitations of youth unemployment lead to more severe issues. Somalia's youth unemployment is reported to be over 70%, resulting in persistently high levels of poverty, increased militancy, dangerous migration, violent crimes, kidnappings, restiveness and socially delinquent behavior (Gelle et al., 2021). According to White and Kenyon (2000) youth entrepreneurship is a critical in promoting innovation and resilience as it encourages young people to find new ideas and methods of doing things through experience based learning. In Somalia, entrepreneurship and business creation are a growing alternative for young people whose age group often faces a labor market with double digit unemployment rates. As traditional job-for-life career paths become rarer, youth entrepreneurship is regarded as an additional way of integrating youth into the labor market and overcoming poverty. Entrepreneurship can unleash the economic potential of young people (Mohamed, 2017). In addition to that Somali youth population is confronted by an alarmingly high unemployment rate. The 2020 SLDHS revealed youth unemployment exceeding 70% in the 15–29 age group exceeding regional averages and reflecting broader systemic challenges with approximately 70% of its population under 30 this demographic imbalance intensifies labor market pressures (Obsie et al., 2025).

Youth in Somalia can be organized according to clusters and culture of living or residence. While some live in rural areas as pastoral nomads or agro-pastoralists, others are in IDP camps with very little aspiration for a durable change in their current living situation, while a growing number of them pursue a living mode as urbanites. Considering the undesirable situation of the country which for decades has been in pendulum between natural disasters and man-made catastrophes, the education system has become poor, unregulated and uncoordinated, for the past three decades. For Somalia as a whole, youth between the ages of 14 and 29 represent around 42% of the population in 2010. If the bracket is expanded to ages 10 to 34, the composition represents roughly 60 percent ( MOHAMED, 2018).

## 1. Literature Review

### Concept of Entrepreneurship

The word entrepreneur is derived from the French word "entrepreneur" meaning "to undertake". Since its origins in the middle Ages, when it was applied to particular professions, the concept of the entrepreneur has evolved and expanded to encompass ideas pertaining to the individual rather than the profession. Conversely, an entrepreneur is a person who uses one person's land, another's labor, and another's capital to create a product. He pays interest on capital, land rent, and labor wages when he sells the product in the market; what's left over is his or her profit (Uju, 2018). Entrepreneurship is a part of business life contributes towards successful business organization. The people who are actively deal with business activities are most responsible for the achievement of their vision. But the people are coming from different background and education, which raises the issue of entrepreneurship skill, is unavoidable and become part of entrepreneurship process (Diandra, 2020).

Entrepreneurial Skills is defined as the ability to operationalize, in a concrete situation, a set of knowledge, attitudes, and skills to be successful. This concept highlights that a competent person in a given area has an analytical, creative, and practical savoir-faire, more than simply an uprooted knowledge of performance circumstances (Education, 2021). Entrepreneurs were the backbone of major economies and their failure worsened the gravity of issues faced by economies during the crisis (Magd & Ph, 2021).

### Entrepreneurial Skills

Entrepreneurial skills acquisition are said to be the necessary set of skills required to be an entrepreneur. In other words, entrepreneurial skills acquisition are those necessary skills an entrepreneur needs to successfully run a business or add value to work. Agu, et al (2013) argued that acquisition skills must be nurtured through proper education so that it can be directed to responsible and enriching small business endeavors that will benefit the individuals and the communities in which the entrepreneurs live. Formal descriptions/definitions characterize entrepreneurial skills acquisition as ability

to have self-belief, boldness, tenacity, passionate, empathy, readiness to take expert advice, desire for immediate result, visionary and ability to recognize opportunity. Skill acquisition as basic ability is the means by which man adjusts to life Skill therefore is the rapidity, precision, expertise, dexterity and proficiency exhibited through mental and manual repetition of performance of an operation.

According, Etonyeaku, et al (2014) opine that skill is the capacity of a person to accomplish a task within desired precision and certainty. Skill involves a practical knowledge in combination with clearness, expertise, dexterity and ability to perform a function which could be acquired or learnt in the school or training centers through learning, experience. Various types of skills are required for the students to be successful entrepreneurs. The inclusion of these skills into education program will reduce the rate of dependence on government for job, instill in the students the right mindset, the ability to be creative, and innovative, and be able to create job out of their chosen career. Moemeke (2013) stated that innovative skills in science singularly can not only produce individuals with useable skills but also without the necessary initiative and impetus for utilizing them at the functional level enough to create wealth (Journal & Education, 2022).

**The Concept of Unemployment**

Unemployment is a stock concept measured at a point in time. Like a pool of water, its level rises when inflow (the newly unemployed) exceed outflows (people getting new jobs or quitting the labor force altogether) (Englama, 2001). Unemployment is an important issue in developing countries. The high rate of unemployment means that the country is not using the labor resource efficiently. Unemployment is the greatest economic problem because of its negative effect on the individual and the society (Hjazeen et al., 2021). On the other hand, unemployment increase harms individuals due to revenues decrease, and on the other hand on the state budget, in terms of tax revenues reduction and implicitly minimizes the government expenses for social services (Zainea et al., 2020).

World Bank Indicators estimate the average of Somali population as about 15 million (World Bank 2018), although other reliable sources indicate that "The current population of Somalia is 16,693,104 as of April 2026, based on World meter elaboration of the latest United Nations data." Another source, the World Population Review (2022) estimates, "The Categorization of youth current population of Somalia is 16,750,922 based on projections of the latest United Nations data. The UN World Population Fund estimates the July 1, 2022 population at 16,841,795… [with an estimated youth population of] 70%." About 75 percent of Somalia's overall population is estimated to be very youthful cohort below 35 years (UNFPA 2014; USAID 2020), a figure that demonstrates the impact of youth bulge on Somalia's population growth as it did elsewhere in Sub-Sahara Africa or the underdeveloped world at large (Ali et al., 2022).

According to Fajana (2000), unemployment refers to as a situation where people who are willing and capable of working are unable to find suitable paid unemployment. It is one of the macro-economic problems which every responsible government is expected to monitor and regulate. The higher the unemployment rate in an economy the higher the poverty level and associated welfare challenges. Fajana (2000), Alao (2005) and Wikipedia (2010) identify the following types of unemployment.

1) **Structural Unemployment:** This occurs when there is a change in structure of an industry or the economic activities in the country. This may be because people's tastes have changes or it may be because technology has outmoded and the product or service is no longer in demand.
2) **Frictional unemployment:** This is caused by industrial friction in which jobs may exist yet the workers may be unable to fill them either because they do not possess the necessary skills or because they are not aware of the existence of such jobs. The employable may remain unemployed working of plants.
3) **Seasonal unemployment**: This occurs due to seasonal variations in the activities of particular industries caused by climatic changes, changes in fashion or by the inherent nature of such industries. In the tropical region, ice factories are less active in rainy season because demand for ice is low.
4) **Technological unemployment**: This is caused by changes in the techniques of production technological changes are taking place constantly, leading to the increased mechanization of the production process**.**
5) **Residual unemployment**: This is caused by factors such as old age, physical or mental disability, poor work attitudes and inadequate training.
6) **Open unemployment**: This is the type of unemployment where there are categories of young men and women who are roaming the streets looking for the job, but there is job for them to do. They refused to do job(s) they see because of reasons best known to them.

**Causes of Youth Unemployment in Somalia**

In the study unemployment in Somalia, Dhaqane et al. (2022)**,** Ahmed and Hassan,(2023), Mohamed (2024 Institute of Economic Affairs Somalia (2025), Yusuf et

al (2025) and Mohamed et al. (2026) have identified the main causes of unemployment in Somalia.

The first cause of youth unemployment in Somalia is the lack of education and employable skills. Education plays a significant role in preparing young people for the labor market. However, many Somali youths have limited access to quality education and vocational training due to the prolonged effects of civil conflict and weak educational infrastructure. As a result, many young people graduate without the practical, technical, and professional skills required by employers. According to the Institute of Economic Affairs Somalia (2025), a large proportion of Somali youth lack competencies such as digital literacy, communication, teamwork, and problem-solving skills, which are highly demanded in today's labor market. This situation reduces their employability and increases unemployment among young people.

The Second is the lack of skills between educational outcomes and labor market demands. Many educational institutions in Somalia established a strong emphasis on theoretical knowledge while offering little in the way of hands-on training and work experience. As a result, graduates frequently have credentials that do not align with what employers require. Despite the large number of unemployed graduates, Ahmed, Hassan, and Ali (2023) showed that employers frequently struggle to find suitably qualified workers. Youth unemployment is largely caused by this mismatch between market demands and available skills.

The third is the Nepotism, tribalism, and corruption constitute. In Somalia, opportunities for employment are frequently determined more by personal connections, clan ties, and favoritism than by qualifications and merit. According to Dhaqane et al. (2022), tribalism and corruption are two of the main causes of youth unemployment in Somalia. These practices prevent young people who are capable and qualified from effectively participating in the labor market and restrict equal access to employment opportunities.

The fourth is the inadequate provision of vocational and technical training. Technical and vocational education is essential for developing practical skills that meet labor market demands. However, Somalia has a limited number of vocational training institutions and insufficient technical education programs. As a result, many young people lack the practical skills required in sectors such as information technology, construction, manufacturing, and services. This shortage of relevant skills contributes to high levels of unemployment among youth despite the availability of job opportunities in certain sectors.

The fifth is rapid population growth. Somalia has one of the youngest populations in the world, with a large proportion of its citizens below the age of 35 years. The rapid increase in the youth population has placed enormous pressure on the labor market. Every year, thousands of young people enter the workforce seeking employment, while the number of jobs created remains relatively low. This imbalance between labor supply and labor demand has become a major contributor to youth unemployment in the country.

Lastly, limited entrepreneurship opportunities also contribute to youth unemployment in Somalia. Although entrepreneurship has the potential to create self-employment and generate jobs for others, many young people face significant challenges in starting and expanding businesses. These challenges include limited access to finance, inadequate business skills, poor infrastructure, and weak institutional support. Consequently, many youths remain dependent on scarce wage employment opportunities rather than creating their own businesses and employment opportunities for others.

In brief, a number of institutional, demographic, economic, and educational variables contribute to youth unemployment in Somalia. Lack of education and skills, mismatched skills, poor economic growth, war and instability, corruption and nepotism, poor vocational training, fast population expansion, and little prospects for entrepreneurship are the main culprits. In order to address these issues and provide Somali youth with sustainable employment possibilities, the government, educational institutions, the corporate sector, and development partners must work together.

## 2. Methodology

### Research Design

A descriptive-correlational survey design was used in the study. The researcher was able to gather data on young people's employment status and entrepreneurial skills owing to the descriptive survey design. The correlational component made it feasible to analyze the relationship between the development of entrepreneurial skills and a reduction in youth unemployment in Mogadishu, Somalia.

### Target population of the Study

The target population consisted of 480 youths in Mogadishu, Somalia, including 180 students and recent graduates with entrepreneurship training, 120 youth-owned small business operators, 100 vocational and technical training graduates, and 80 beneficiaries of entrepreneurship development programs. These groups were selected because they had acquired entrepreneurial skills and experience relevant to the study of youth unemployment reduction.

**Table 1: Distribution of target population and Sample size**

| Category | Population | Sample Size |
|---|---|---|
| Unemployed youth | 180 | 82 |
| Self-employed youth | 120 | 55 |
| Vocational and Technical Training Graduates | 100 | 45 |
| Youth Beneficiaries of Entrepreneurship Development Programs | 80 | 36 |
| Total | **480** | **218** |

Source: field survey 2026

Sample Size

The sample size for the study was determined using Yamane's (1967) formula, which is commonly used to calculate sample sizes from a known population. The formula provides a representative sample while maintaining a 95% confidence level and a 5% margin of error.

**Yamane's (1967) formula**:

$$n = \frac{N}{1 + N(e)2}$$

**Where:**

n = Sample size

N = Population size (480)

e = Margin of error (0.05)

$$n = \frac{480}{1 + 480(0.05)2} =$$

Substituting the values:

$$n = \frac{480}{2.2} = 218$$

**Method of Data collection and analysis**

The study is used mixed method both primary and secondary data sources. A structured questionnaire comprising two sections was used to gather primary data: demographic data and items on youth unemployment and the development of entrepreneurial skills, which were rated on a 5-point Likert scale. Direct collection and distribution of the questionnaires from respondents took place. Books, journals, reports, and pertinent publications were the sources of secondary data.

SPSS was used to code and analyze the data. The data was summarized using descriptive statistics (frequencies, percentages, mean, and standard deviation). The relationship between variables was examined using Pearson correlation, and the role of entrepreneurial skills development on youth unemployment was ascertained using multiple regression analysis.

**Sampling Techniques**

The study employed a stratified sampling technique to ensure that all key categories of respondents were adequately represented. The population was first divided into relevant strata, including students with entrepreneurship training, youth-owned small business operators, vocational training graduates, and beneficiaries of entrepreneurship programs. After stratification, simple random sampling was used to select respondents from each group to give every individual an equal chance of participation. This approach ensured fairness, reduced sampling bias, and improved the representativeness of the sample.

## 3. Findings

This section presents and analysis the data accepted from the research. A total of 218 questionnaire were distributed and 203 copies were returned and completed. This analysis based on the answers from the questionnaire collected back whose percentages is 93% returned and 7% not returned.

**Table 2: Socio-Demographic characteristics of the respondents**

| | Profile | N | % |
|---|---|---|---|
| Gender | Male | 146 | 67.0% |
| | Female | 72 | 33.0% |
| Educational | Secondary | 69 | 31.7% |
| | Diploma holders | 15 | 6.9% |
| | University Students/ Graduates | 122 | 56.0% |
| | Vocational training participants | 12 | 5.5% |
| Age | 18 – 22 | 53 | 24.3% |
| | 23 – 28 | 120 | 55.0% |

| | | |
|---|---|---|
| 29 – 33 | 33 | 15.1% |
| 34 – 37 | 12 | 5.5% |

.**Source:** Field Survey 2026

**The table 2** presents the demographic characteristics of the respondents in terms of gender, educational qualification, and age. The findings show that the majority of the respondents were male, accounting for 146 (67.0%) of the total respondents, while female respondents constituted 72 (33.0%)**.** This indicates that the study included more male participants than female participants, with males representing approximately two-thirds of the sample. The higher participation of males may reflect the composition of the target population or greater accessibility and willingness of males to participate in the study. Regarding educational qualifications, the largest proportion of respondents were University Students/Graduates, representing 122 (56.0%) of the total sample. This was followed by respondents with Secondary education, who accounted for 69 (31.7%)**.** A smaller proportion consisted of Diploma holders, with 15 (6.9%) respondents, while Vocational training participants represented the smallest educational category with 12 (5.5%) respondents. These findings suggest that the study population was relatively well educated, with more than half of the respondents having attained university-level education. This educational profile may contribute to a better understanding of the issues under investigation, as respondents are likely to possess the knowledge and skills required to provide informed responses.

In terms of age distribution, the results indicate that the majority of respondents were aged 23–28 years, representing 120 (55.0%) of the total respondents. This was followed by those aged 18–22 years, who accounted for 53 (24.3%) of the sample. Furthermore, 33 (15.1%) respondents were aged 29–33 years, while the smallest age group was 34–37 years, comprising 12 (5.5%) respondents. The findings indicate that the sample was dominated by young adults, particularly individuals in their mid-twenties. This age structure suggests that the study largely captured the perspectives and experiences of a youthful population, who are often more active in education, employment, and social engagement. The relatively lower representation of older respondents may indicate that the study's target population is concentrated among younger age groups.

**Table 4: Entrepreneurial skills enable youth to start and sustain their own businesses, thereby reducing unemployment**

| | N | % |
|---|---|---|
| Strongly Disagree | 4 | 1.8% |
| Disagree | 7 | 3.2% |
| Undecided | 7 | 3.2% |
| Agree | 126 | 57.8% |
| Strongly Agree | 74 | 33.9% |
| Total | 218 | 100.0% |

**Source:** Field Survey 2026

**The table 4** presents respondents' opinions on whether entrepreneurial skills enable youth to start and sustain their own businesses, thereby reducing unemployment. The findings indicate that the majority of respondents 126 (57.8%) agreed with the statement, while 74 (33.9%) strongly agreed. A small number of respondents were undecided 7 (3.2%)**,** disagreed 7 (3.2%), and only 4 (1.8%) strongly disagreed. Thus, the results show that most respondents believe that entrepreneurial skills play an important role in helping youth establish and maintain their own businesses, which can contribute to reducing unemployment.

**Table 5: The knowledge acquired during the training improves skills on how to manage business efficiently and effectively**

| | N | % |
|---|---|---|
| Strongly Disagree | 2 | 0.9% |
| Disagree | 6 | 2.8% |
| Undecided | 10 | 4.6% |
| Agree | 102 | 46.8% |
| Strongly Agree | 98 | 45.0% |
| Total | 218 | 100.0% |

**Source:** Field Survey 2026

**The table 5** presents respondents' views on whether the knowledge acquired during entrepreneurial training improves skills for managing businesses efficiently and effectively. The findings indicate that the majority of respondents 102 (46.8%) agreed with the statement, while 98 (45.0%) strongly agreed. A small proportion of respondents were undecided 10 (4.6%)**,** disagreed 6 (2.8%), and only 2 (0.9%) strongly disagreed. Thus, the results show that most respondents believe that entrepreneurial training provides important knowledge and skills that improve business management abilities.

**Table 6: Entrepreneurship skills will help reduce Youth unemployment**

| | N | % |
|---|---|---|
| Strongly Disagree | 7 | 3.2% |
| Disagree | 12 | 5.5% |
| Undecided | 6 | 2.8% |
| Agree | 143 | 65.6% |
| Strongly Agree | 50 | 22.9% |
| Total | **218** | **100.0%** |

**Source:** Field Survey 2026

The table 6 presents respondents' opinions on whether entrepreneurship skills help reduce youth unemployment. The findings indicate that the majority of respondents 143 (65.6%) agreed with the statement, while 50 (22.9%) strongly agreed. A small proportion of respondents were Undecided 6 (2.8%)**,** disagreed 12 (5.5%)**,** and 7 (3.2%) strongly disagreed. Therefore, the results indicate that most respondents believe entrepreneurship skills have a significant contribution to reducing youth unemployment.

**Table 7: Correlation Analysis**

| | | Entrepreneurial Skill | Unemployment Reduction |
|---|---|---|---|
| Entrepreneurial Skill | Pearson Correlation | 1 | **.625***** |
| | Sig. (2-tailed) | | <.001 |
| | N | 218 | 218 |
| Unemployment Reduction | Pearson Correlation | **.625***** | 1 |
| | Sig. (2-tailed) | <.001 | |
| | N | **218** | **218** |

***. Correlation is significant at the 0.001 level (2-tailed).

**Source:** SPSS Output, 2026

As shown in **Table 7,** Pearson correlation was conducted to determine the relationship between entrepreneurial skills development and youth unemployment reduction. The results show that there is a positive and strong relationship between entrepreneurial skills and unemployment reduction, with a Pearson correlation coefficient of r (218) = 0.625, p = 0.001 < 0.05. The significance value (p < 0.001) indicates that the relationship is statistically significant at the 0.001 level. This means that improvements in entrepreneurial skills development are associated with improvements in reducing youth unemployment.

**Table 8: ANOVA**[a]

| Model | | Sum of Squares | Df | Mean Square | F | Sig. |
|---|---|---|---|---|---|---|
| 1 | Regression | 448.936 | 1 | 448.936 | 1276.548 | <.001[b] |
| | Residual | 75.963 | 216 | .352 | | |
| | **Total** | 524.899 | 217 | | | |

a. Dependent Variable: Youth Unemployment Reduction

b. Predictors: (Constant), Entrepreneurial Skill

Source: SPSS Output, 2026

The Above Table 8 Presents the Analysis of Variance (ANOVA) results for the regression model examining the effect of **entrepreneurial skills on youth unemployment reduction**, based on a total sample size of **N = 218 respondents (Df total = 217)**. Thus, the results show that the regression model is statistically significant, with an **F-value of 1276.548** and a significance level of **p < 0.001**. This indicates that the model is highly significant and that entrepreneurial skills significantly predict youth unemployment reduction.

**Table 9: Model Summary**

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|---|---|---|---|---|
| 1 | .625[a] | .855 | .855 | .59303 |

a. Predictors: (Constant), Entrepreneurial Skill Development

**Source:** SPSS Output, 2026

**The Table 9** presents Summary model, the results show that the model has an R value of 0.625, which indicates a strong positive relationship between entrepreneurial skill development and youth unemployment reduction. This is consistent with the correlation findings, confirming a meaningful association between the two variables. The R Square value is 0.855, which means that 85.5% of the variation in youth unemployment reduction is explained by entrepreneurial skill development. This indicates a very strong explanatory power of the model, suggesting that entrepreneurial skills play a major role in influencing changes in youth unemployment levels.

**Table 10: Coefficients [a]**

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|---|---|---|---|---|---|---|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | 1.389 | .229 | | 6.061 | <.001 |
| | Entrepreneurial Skill | .819 | .023 | .625 | 35.729 | <.001 |

a. Dependent Variable: Youth Unemployment Reduction
**Source:** SPSS Output, 2026

**The Table 10** presents the coefficients of the regression analysis examining the effect of entrepreneurial skill development on youth unemployment reduction. The results show that the constant (intercept) value is B = 1.389, which is statistically significant (t = 6.061, p < 0.001). This indicates that when entrepreneurial skill development is zero, the predicted level of youth unemployment reduction is 1.389, representing the baseline level of the dependent variable. The findings further reveal that entrepreneurial skill development has a positive and significant effect on youth unemployment reduction**,** with an unstandardized coefficient (B) of 0.819 and a standardized beta value of 0.625**.** This means that a one-unit increase in entrepreneurial skill development leads to a 0.819 increase in youth unemployment reduction, holding other factors constant. The relationship is also highly statistically significant, as shown by the t-value of 35.729 and p-value < 0.001, indicating that the effect is not due to chance.

## 4. Discussion

The findings of this study revealed that entrepreneurial skills development has a significant contribution to reducing youth unemployment in Somalia. The demographic results showed that the majority of respondents were young adults, particularly those aged 23–28 years, indicating that the study captured the views of the population most affected by unemployment challenges. The high participation of university students and graduates suggests that educated youth are increasingly interested in entrepreneurship as an alternative solution to limited formal employment opportunities. The descriptive findings indicated that most respondents agreed that entrepreneurial skills enable young people to start and sustain their own businesses. This implies that entrepreneurship training helps youth develop the ability to identify business opportunities, create innovative ideas, and become self-employed. The findings further showed that entrepreneurial training improves business management

skills, including decision-making, financial management, and effective operation of businesses. This supports the view that entrepreneurship education provides practical skills required for successful business creation and sustainability.

The correlation results showed a strong positive relationship between entrepreneurial skills development and youth unemployment reduction ($r = 0.625$, $p < 0.001$). This indicates that increased entrepreneurial skills are associated with improved employment opportunities among youth. The regression findings also confirmed that entrepreneurial skills development significantly influences youth unemployment reduction, explaining 85.5% of the changes in the dependent variable. The positive coefficient ($B = 0.819$) demonstrates that improvement in entrepreneurial skills leads to greater reduction in youth unemployment. These findings are consistent with the argument that youth entrepreneurship promotes self-employment, innovation, and economic participation. In the context of Somalia, where youth unemployment remains a major challenge due to limited job opportunities, skills development provides an important pathway toward employment creation. Therefore, strengthening entrepreneurship education, vocational training, and youth business support programs can help young people overcome unemployment challenges and contribute to national economic growth.

## 5. Conclusion

This study concludes that entrepreneurial skills development has a significant positive effect on reducing youth unemployment in Somalia. The findings established that young people with entrepreneurial skills are more likely to create their own employment opportunities through business establishment and innovation. The study revealed that most respondents recognize entrepreneurship as an important approach for addressing unemployment by enabling youth to become self-employed rather than depending only on formal job opportunities.

The study also concludes that entrepreneurship training improves the ability of youth to manage businesses effectively. The knowledge and skills gained through training programs contribute to better decision-making, business planning, and sustainable enterprise development. This indicates that entrepreneurship education is an essential tool for preparing young people to participate effectively in economic activities. The correlation and regression analyses confirmed that entrepreneurial skills development has a strong and statistically significant relationship with youth unemployment reduction. The findings showed that entrepreneurial skills explain a large proportion of changes in unemployment reduction, demonstrating the importance of investing in youth skills development programs.

In conclusion, addressing youth unemployment in Somalia requires strengthening entrepreneurship education, vocational training, access to finance, and business support systems. Government institutions, educational organizations, and development partners should prioritize entrepreneurship development initiatives that equip young people with practical skills needed to create jobs and contribute to economic growth. Therefore, entrepreneurial skills development remains an effective strategy for reducing unemployment and improving the economic future of Somali youth.

## Author Contributions

Abdullahi Ali Abdullahi: Conceptualization, methodology, research design, data collection, formal analysis, literature review, writing – original draft, and project administration.

Yasin Dahir Ahmed: Supervision, validation, literature review, critical revision of the manuscript, and writing – review & editing.

Ismail Abdulkadir Hassan Qalinle: Literature review, Supervision and critical revision of the manuscript.

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## Data Availability Statement

The data supporting the findings of this study are available from the corresponding author upon reasonable request.

## Declaration of Competing Interests

The authors declare that they have no competing interests.

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