

ENTREPRENEURS, INDUSTRIES AND EMPLOYMENT OPPORTUNITIES IN NEPAL

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ABSTRACT

Entrepreneurs, industries and employment opportunities are three interrelated terms. Not only entrepreneurs can properly utilize factor of production, but also they can play multidimensional role in the process of economic growth, which in turn reduces unemployment, poverty gap, social and economic discrimination and supports in sustainable economic growth. This study was conducted to analyze and to establish the valid tripartite statistical relationship among the number of employment, number of industries and total capital investment through Poisson Regression Model using statistical software named XI-stat. Analysis shows insignificant impact of capital investment in employment generation where as ratio of increment in the number of industry and job creation is 1:1. Average capital investment required to generate a single job in small scale industry is only Rs. 0.21 million where as this capital in medium and large scale industry is Rs.0.85 and Rs. 6.82 million, respectively. On the other hand, in comparison to another category of industry, agro-forest based industries are the best category of industries which can generate more employment opportunities with low capital investment and average capital investment per employee in this category of industry is only Rs.0.49 million. Research also demonstrates that the only capital investment and the number of industries can't determine the number of job creation in the industrial sector. Hence other more factors influencing the industrial sector should be included in the model in order to predict the expected number of jobs created in the sector of industry. Despite of lot of entrepreneurship promotional activities, entrepreneurship development in Nepal is in slow pace and is blamed on load shedding, lack of irrigation facilities, shortage and high cost of raw material, lack of transportation facilities, political instability and industrial unrest and the like.

KEYWORDS: Dutch Disease, XI-Stat, Entrepreneurs, Innovation, Venture