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Issues and Challenges in the Development of Entrepreneurship Education in Nigeria

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Abstract

Entrepreneurship education has emphasis on economics and covers business disciplines like management, marketing and finance with links to psychology, sociology, and teacher education as well as business education. It prepares and builds persons to be responsible and enterprising individuals capable of deep entrepreneurial thinking that contribute to economic and sustainable development. It focuses on expertise that is needed and used to conceive and commercialise business opportunities. Nigeria especially in the face of the global economic crisis and its energy crisis requires graduates who will be job “creators” and not job “seekers”. This paper addresses issues and challenges in the development of entrepreneurship education in Nigeria. These include major issues like the need for a policy framework for youth entrepreneurship. It also identified the challenges to its development which include funding, manpower and education, and entrepreneurial attitude. The paper finally made recommendations that will enhance a full blown entrepreneurship education in Nigeria.

Introduction

Functional education according to Ocho (2005) is the process through which individuals are made participating members of their society. It enables them to become capable of living in the society and to contribute towards its economic development. This shows that a functional education system takes

cognizance of the dynamics of the labour market, equips its graduates with occupational skills and competencies to enable them be self reliant.

To this end and in response to identified problems, there were at different times several reforms in the Nigerian education system. For instance owing to its initial direction at producing graduates for government employment without taking a recourse to the labour market the system at a stage was confronted with a soaring rate of unemployment. This was according to Nwangwu, (2006), because the graduates failed to possess sound knowledge of entrepreneurial education. In response to this came the introduction and emphasis on entrepreneurial education since it was believed that its introduction into tertiary education would lead to acquisition of skills that would enable its graduates to be self reliant and consequently reduce unemployment problems (Nwangwu 2006).

The purpose of this paper is to describe the issues and challenges of entrepreneurship education among youths especially students of tertiary education in Nigeria and to make recommendations on the way forward. The paper is set out as follows: First the concepts of entrepreneurship, entrepreneur and entrepreneurship education are discussed. Second a discussion of the importance of entrepreneurship education in Nigeria is outlined. Thirdly the policy framework for entrepreneurship education, the challenges confronting entrepreneurship education in Nigeria were discussed. Finally recommendations towards ensuring a full blown entrepreneurship education in Nigeria and conclusions were made.

Entrepreneurship

Entrepreneurship is the willingness and ability of an individual to seek for investment opportunities, to establish and to run an enterprise successfully (Suleiman, 2006). The entrepreneurship spirit is a pre-requisite to an entrepreneurial society and culture. This spirit is required for the overall economic growth of any nation especially developing ones like Nigeria. This is in line with the view of Nwangwu (2006) that entrepreneurship is the willingness and the ability of an individual or a firm or an organization to identify an environmental change and exploit such an opportunity to produce goods and services for public consumption. In the words of Dangote as stated by Odjegba (2005) entrepreneurship is built on vision, focus and determination. It is built on standards management practices, enabling environment, access to funds...

The concept of entrepreneurship is associated with a number of activities including the following:

- a) the ability to create and build something from nothing
- b) the ability of having a vision matched with focus and determination of building an enterprise.
- c) the skill for seeing an opportunity where others fail to do so.
- d) the ability to build a working team to complement your own talents and efforts
- e) the ability to aggregate, marshal and control resources judiciously
- f) the willingness and ability of innovativeness and creativity
- g) the willingness to undertake personal and financial risks
- h) the ability to engage in activities despite all odds and in fact surmounting these odds and possibly turn them into your own favours.

From the aforesaid, one can conclude that entrepreneurship is more than being smart. It is the ability of a person to collaborate with others and to act in the face of new opportunities. It entails the possession of key skills and talents; innovativeness and the combination and usage of all these together with an entrepreneurship skill.

The concept of entrepreneurship is however associated with a number of activities as it does not occur in a vacuum. For it to occur it demands the presence of an entrepreneur and an enabling environment.

An Entrepreneur

According to Meredith, (1983) an entrepreneur is a person who possesses the ability to recognize and evaluate business opportunities, assemble the necessary resources to take advantage of them and take appropriate action to succeed. In the view of Unachukwu, (1992) an entrepreneur is a person (or group of persons) who initiates a business, organizes, controls, and combines other factors of production, directs the processes of production and bears all the attendant risks.

The above definitions go to show that an entrepreneur is a creative person who readily bears all forms of risks associated with an enterprise. He

organizes work, makes final decisions, finds customers to ensure survival of the business enterprise and handles other diverse activities at the same time. In simple words therefore an entrepreneur is any person who perceives business opportunities, initiates the business and applies scarce resources rationally and in a most beneficial manner to guarantee profits and survival of the business venture.

These acts are in no way simple nor do they come easily. They are more or less a result of hard work and life experience as only a few persons are born with reasonable skills in entrepreneurship. The rest of us require training to acquire the skills. Even the few born with the skills keep them latent unless they are prompted and aroused by training. This being the case it could be posited that entrepreneurs are “not born” but rather they “come” through teachings and life experiences. It therefore follows that it is only through effective teaching (entrepreneurship education) that people can access skills and knowledge required to be entrepreneurs.

Entrepreneurship Education

Entrepreneurship education which has recently gained wide popularity means different things to different educators. Kourilsky, (1995) defines entrepreneurship education as opportunity, recognition, marshalling of resources in the presence of risk and building a business venture. Bechard and Toulouse, (1998) defines it as a collection of formalized teachings that informs, trains, and educates anyone interested in business creation or small business development

It also means different things at different levels of education. At the primary and secondary school level the aim is mainly to create awareness for a career option and thus it serves as a vehicle for the development of academic skills and emphasis on the importance of school subjects. This thus leads to mastery of school subjects especially English and Mathematics by the school children. At the tertiary level of education entrepreneurship education is perceived not only as a career opportunity but as a way of upgrading a young person’s abilities to succeed as an employee as well as an entrepreneur. The implication therefore is that the overall purpose of entrepreneurship education is the development of expertise as an entrepreneur. It is the process of providing individuals with the ability to recognize business opportunities, the insight, the zeal, the knowledge, the courage and skills to act on them.

Entrepreneurship therefore seeks to prepare people especially youths to be responsible and enterprising individuals; to develop deep thoughts on entrepreneurship and consequently contribute to economic and sustainable development of their communities. It encourages creative thinking and promotes a strong sense of self worth and accountability. Through entrepreneurial education graduates especially those of tertiary education are equipped to find new methods of doing things and enabled to be own bosses and job “creators” rather than job “seekers”.

Entrepreneurship education is a relatively new academic discipline. It is multidisciplinary in nature, having strong emphasis in economics, covering business disciplines like management, marketing, and finance; and closely linking with other disciplines like psychology, sociology, anthropology, teacher and business education. It goes beyond textbooks teachings and involves a wide spectrum of life ideas drawing practically from life experiences. Although its development is quite recent, the phenomenon has been recognized as a key factor in economic growth of any nation.

The Benefits of Entrepreneurship Education

The study of entrepreneurial education has never been as important as it is today when the world is confronted with big challenges that extend well beyond the global economy. It has also been spurred by the realization of the extent to which the phenomenon serves as a key factor in economic development.

Some of the profound benefits of entrepreneurship education include the following:

1. Improving Academic Performance of Students

As had earlier been established, entrepreneurship education goes beyond teachings on how to operate a business but extends to encouraging creative thinking and promotion of a good spirit of self worth and accountability. This shows that the phenomenon keeps persons (especially youths) who for any reason lack interest in the traditional school teaching committed to their work. Such persons include those gifted or talented, physically challenged or financially challenged. Through entrepreneurship education which emphasizes on other aspects of academics, including self worth such persons are motivated and enabled to work towards realization of their dreams. With such motivation, they perform better in their

academics and graduate from school. Arguing along this line Charney and Libecap (2003) observed that entrepreneurship is an important educational innovation that provides impetus to learning about learning.

2. Enhancing Performance and quality of Schools

By achieving improved performance of children the quality of schools and their general performance are also improved. This rests on the fact that students who enroll into schools rather than being truants and dropouts are enabled to make success through entrepreneurship. Being enabled to be useful to themselves they would also impact on the gradings and quality of the schools.

3. Aids the Realisation of Goals of Education

The target of education across nations today is the programme of inclusive education. The place of entrepreneurship education in the realization of this programme cannot be over-emphasized. As established earlier, entrepreneurship education motivates students and sustains their interest, their individual problems and challenges notwithstanding. As a result, they develop great interest in school subjects and consequently benefit from education.

4. Increasing Economic Competitiveness

In the world especially in the face of the global economic meltdown, the establishment of industries capable of creating jobs and wealth has come to be an index and cornerstone for the future economic growth of any nation. Only persons who are greatly skilled in entrepreneurship can establish and sustain such industries. The benefit of entrepreneurship in this area therefore cannot be over-emphasized. This stems from the fact that contrary to conventional wisdom that people are born entrepreneurs research has shown that this is not so. As observed by Gottlieb and Ross (1997) entrepreneurs are made and not born and elements of entrepreneurship can be taught and learnt. The expansion of training and educational opportunities for desiring entrepreneurs therefore affords them benefits that would enhance their level of economic competitiveness.

5. New Programme of Study

Entrepreneurship education is also beneficial to mankind as it provides a new programme of learning for research and teaching. Entrepreneurship education additionally offers more practical teachings in acquisition of skills relevant to the needs of the changing environment. This is as opposed to the traditional business studies which though well attended simply emphasise large corporation over the small or start up ventures. It is for these reasons that demand for entrepreneurship education by youths has been accelerated. Writing on this, Cooper, Bottomley and Gordon, (2004), asserted that the rise of programmes in entrepreneurship education has been fuelled by unprecedented student demand as students look for a style of business education that will provide them with transferable skills. This corroborates the earlier finding of Porter, (1994) that entrepreneurial education emphasizes imagination, creativity and risk-taking in business whereas traditional business schools tend to over-emphasize quantitative and corporate techniques at the expense of more creative skills.

6. Poverty Alleviation and Economic Growth

Entrepreneurship empowers people to take advantage of opportunities for wealth creation, enthrone a system of incentives that reward hardwork, discourage, condemn and punish corruption. By so doing the people especially youths are enabled to create opportunities for employment and consequently income. The generation of income leads to savings and investment including the establishment of industries and companies which are key factors or indices of economic growth.

Policy Framework of Youth Entrepreneurship Education in Nigeria

Within the first decade of Nigeria's independence (1960 – 1970) the country was mainly agrarian; it thus depended on agriculture both for local sustenance and foreign exchange generation. The education system was directed at production of graduates for government employment. It thus continued graduating students without taking cognizance of the labour market. The matter of unemployment and poverty were not issues of national concern. The economy though monolithic was flourishing. The public service at that time was capable of absorbing up to 70% of the labour force. The economy progressed and was further reinforced by the oil boom of the 1970's.

However, the trend changed by 1980's when following political instability and inconsistencies in the socio-economic policies of governments the economy began to crumble. There was unmanageable escalation in the rate of unemployment and poverty. As a result the country experienced collapse of several business enterprises, high rate of retrenchment and retirement of workers. To grapple with these, several structural adjustment programmes were initiated.

The menacing problem of unemployment and poverty spurred the Nigerian government into developing a policy framework for youth entrepreneurship education. This saw the birth of the National Directorate of Employment (NDE) in 1986, and the Work For Yourself Programme (WFYP) in 1987. Both programmes were joint programmes of training and financial support to entrepreneurs. The NDE was however more extensive and included three core programmes namely the Youth Employment and Vocational Skills Development Programme; the Agricultural Programmes, and the Small Scale Industries and Graduate Employment Scheme. It was charged with a number of responsibilities including the following:

- a) to create employment opportunities and thereby reduce unemployment among youths and university graduates in the country
- b) to provide an enabling atmosphere for self reliance
- c) to foster entrepreneurship

Both the NDE and WFYP made impacts on the economy as they were able to empower young graduates in the task of job and wealth creation through entrepreneurial thinking. However, the youths were also confronted with the problem of non-possession of sound knowledge of entrepreneurship. In an effort to fill this gap the NDE introduced the Entrepreneurship Development Programme (EDP) which has as its principal function the offering of functional education for the youth to enable them to be self employed and self reliant. This marked the beginning of policy statements encouraging the teaching of entrepreneurship education in Nigeria.

These efforts notwithstanding the problem of graduate unemployment continued to soar high and constituted a major problem of the Nigerian nation. It could therefore be logical to say that tertiary education in Nigeria failed to meet the employment requirements of its teeming graduates.

In order to further address this issue, the Federal Government of Nigeria launched the National Economic Empowerment and Development Strategy (NEEDS) with the vision of equipping youths with various skills to make them self reliant and consequently make poverty a thing of the past in the country. In order to realize this vision, NEEDS focused on four key strategies: namely; reorienting values, reducing poverty, creating wealth and generating employment. (National Planning Commission, (NPC) 2005). To ensure co-ordination, it was matched with endorsement by states as well as a commitment to the development of their own State Economic Empowerment Strategy (SEEDS) (NPC 2005).

Consequently, the National Universities Commission recently introduced Entrepreneurship as a course into the curriculum of Universities in Nigeria. The aim was to challenge and equip its graduates with entrepreneurial skills. While the progress is impressive it is still quite limited. A vast majority of Nigerians especially young graduates still cannot easily access entrepreneurship education and entrepreneurship resources.

The Challenges of Entrepreneurship Education in Nigeria

Despite the profound benefits of entrepreneurship education, it is still not fully blown in Nigeria. The problems that hinder the development of entrepreneurship education in Nigeria include the following:

1. Finance

There is need for substantial funds for teachings in practical terms for entrepreneurial education; for financing start ups and expansion of business ventures in order to produce successful entrepreneurs. These funds could come from internal sources like personal savings, financial support from friends, relations, traditional co-operative groups and societies or externally from institutions like banks, government agencies and nongovernmental organizations.

These sources do not guarantee funds for youths start-up and business expansion for the following reasons. The funds from internal sources are largely inadequate due to high poverty level. The graduates have little or nothing on themselves. On the other hand accessing funds from external sources is difficult due to demand for collaterals by these agencies, and, in some cases requirements for part funding of the total money required for an entrepreneurship activity. The youths do not have these collaterals nor the

part funding. The failure to present these denies them access to the funds required for the business ventures.

2. Inadequate Equipment and Technology

The cost of equipment is quite high and cannot be offered by most Nigerians especially young graduates. This makes for difficulty in development of entrepreneurship as technology is closely related to entrepreneurship. It therefore calls for a need for the provision of affordable technologies.

3. Economic Pressure from Parents

There is often great pressure from some Nigerian parents who prefer their children making money in the short term over long term benefits of education. This makes it difficult for youths to devote enough time required for training in entrepreneurship. It is also as a result of such pressures that Nigeria is faced with a high rate of child labour without any skill in entrepreneurship.

4. Education

Entrepreneurship demands a talented workforce. Our system of education fails to provide the necessary foundation for such a work force. Our schools up to the tertiary level presently do not have a well developed curricular that emphasizes initiatives to increase accountability.

5. Entrepreneurial Attitude

The wealth resources and rich endowment of mineral resources for Nigeria have largely allowed the Nigerian populace and even the government to be complacent. A great majority of the Nigerian people has utopian ideas; live in affluence in some cases more imaginary than attained. Furthermore, since it is believed that there is a strong climate for entrepreneurs, there is little or no worry about entrepreneurship education. The necessary drive for an entrepreneur is not there and this leads to poor performance in entrepreneurship. Supporting this view is the assertion by Akpa (2007) that an average entrepreneur is rugged and aggressive.

6. Data

Data for entrepreneurship education has been lacking. There is little or limited programme design for entrepreneurship education.

7. Inadequate Infrastructural Facilities

Due to inadequacy of facilities like good roads, electricity, access to information, water supply etc. there is increased problem confronting the

development of entrepreneurship education. There is difficulty of communicating ideas and wares with other areas. Without sales entrepreneurship cannot be fully blown.

8. Cultural Barriers

Entrepreneurship requires a culture that respects risk taking. Without the willingness to take risks it is not possible to create value from knowledge. The culture of risk taking in Nigeria needs to be properly addressed in view of its diverse cultures which often cause a barrier to investments.

9. Research and Linkages

Success in entrepreneurship depends critically on openness and linkages with innovation systems in other countries. This is so because strong innovation systems depend both on local environment and global connectedness. The level of linkages between our research centres and universities with the outside world is still not fully developed. This is highly essential for entrepreneurship to thrive.

Recommendations

As a way forward towards realizing a full blown entrepreneurship education and effective practice of entrepreneurship by youths of tertiary institutions in Nigeria, the following recommendations are made:

1. There is need to provide opportunities for youths to raise funds to enable them start up and expand their business enterprise in a manner that will be significant to them. This may be achieved through bursary awards and other such in school assistance to enable youths acquire savings before they are out of school or through grants to them on graduation.
2. The government should mandate financial institutions like commercial banks to produce and issue more age-friendly loans. Such loans would have low interest rates and long duration for repayments.
3. Youths should be exposed to training in technology (especially new discoveries) from time to time. This keeps them in tune with trends of the technological world and thus avoids drudgery in their business.
4. There should be efforts to reinforce in youths the concept of risk taking and patience in wealth creation. This instills positive change of entrepreneurial attitude. They would thus develop habit of success out of failure which is the only way to making money in the long run. Knowing that life is full of risks and success comes from failure, youths will try

again where they fail. The ancient adage and rhyme goes; Try Try Try again. If at first you do not succeed, Try Try Try again.

5. Entrepreneurial teachings have to go beyond the traditional teachings in the classroom. This implies the need to involve youths in experiential training. This could be through involving youths in internships in industries as well as involving experienced entrepreneurs in their training. These experienced entrepreneurs will complement efforts of the instructors by functioning as mentors and role models.
6. The government should set machinery in motion to provide an enabling environment for entrepreneurship. This includes formulation of policies, provision of good roads, pipe borne water, electricity etc.
7. There should also be openness and linkages with systems of other countries. This encourages exchange of ideas, and knowledge through access to research endeavours.
8. There should be strategies for the protection of intellectual property, as well as openness in handling of innovations. Any new discovery with high potentials for entrepreneurship should be encouraged and fully funded.

Conclusion

The issue of entrepreneurship education to any nation especially developing ones like Nigeria is no doubt of paramount importance. Its role in economic growth of nations especially in the face of the global economic meltdown cannot be underestimated.

Entrepreneurship is a central pillar to economic growth and development, as well as employment generation and poverty alleviation. It is therefore necessary that aggressive efforts should be made to see to its full development. For Nigeria to achieve the vision enshrined in NEEDS which include youth empowerment, employment generation and poverty alleviation, youths should be enabled to access funds for entrepreneurship. They should also be exposed to training in technology, opportuned to have internship training in entrepreneurship and reinforced on the concept of risk taking. The government should also set machinery in motion to provide an enabling environment characterized by adequate infrastructural facilities.

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