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## **Entrepreneurial Training as a Means of Poverty Alleviation in Nigeria**

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By

ENESI Y. SADIKU

*Business Education Department,  
Federal College of Education,  
Okene – Kogi State*

**And**

MICHAEL OCHEIBI ODEI

*Business Education Department  
Federal College of Education,  
Okene – Kogi State*

### **Abstract**

*To attain the Millennium Development Goals, Nigerian government must give adequate attention to entrepreneurship development. Entrepreneurship development is the spring board for sustainable economic growth and self-reliance. In order to spin off entrepreneurship development in Nigeria, the government must focus attention on entrepreneurial training or education. This, if vigorously pursued purposefully, poverty in Nigeria will be reduced. Therefore, this paper focuses on the roles entrepreneurial training could play to bring about poverty reduction in Nigeria. The paper further discusses the challenges of entrepreneurial training such as inadequate training facilities/equipment and lack of political will by government to release funds allocated and approved for training timely and it closes with recommendations such as the employment of qualified and experienced trainers and banks to give loans to the trained graduates with less stringent conditions of collateral securities for investment.*

### **Introduction**

Poverty, a global malaise has not been known to absolutely spare any nation of the world. However, the dimension and severity vary from nation to nation. The developing nations of the world including Nigeria are worst hit by it.

The need to reduce poverty to the barest minimum has been the major concern of the world over. This is because poverty is dehumanizing and is a threat to economic, social and political stability of the nations of the world.

Nigeria, as a nation is endowed with abundant human and natural resources. One therefore expects that Nigeria should not lack and be a poverty stricken nation.

This is so because the abundance of human resource connotes potential entrepreneurs, workforce and market, while the natural resources imply potential wealth awaiting harnessing and transformation to chase away poverty. Despite this endowment, Nigeria is still wallowing in abject poverty.

In Nigeria, poverty is found among the rural landless, and small farmers, the urban employed and unemployed (Lioyde and Tokunbo, 2002). The problem is thus that there is the lack of functional education that will bring about the training of the abundant human resources in Nigeria to be creative, innovative and business opportunity seekers to transform the material resources into goods and services. This kind of training can bring about enterprising ‘mind set’ which could generate models of wealth creation. The kind of training or education we are talking about is “Entrepreneurial training”. It is the missing link to fill the gap between the abundant material and human resources which could tame poverty in Nigeria. No wonder, the Nigerian government has introduced entrepreneurship as course in tertiary institutions.

Entrepreneurial training will bring about the most desired industrial and vocational revolution in Nigeria which could turn around the Nigerian economy for sustainable development and self-reliance. The developed nations of the world have private driven economies. Entrepreneurship is the heart beat of any industrialized nation. Omole (2010) stated that entrepreneurship is a basic tool for economic advancement of any nation. Asian ‘tigers’ rose from poverty and underdevelopment, to attain their present status of economic growth through entrepreneurship development.

### **Conceptual Clarifications**

Entrepreneurial training or education is an integral part of Vocational and Technical Education (VTE). Federal Republic of Nigeria (2004) recognized Vocational and Technical Education as an aspect of education which leads to the acquisition of practical and applied skills as well as basic scientific knowledge. Entrepreneurial education according to Odei (2010), is that aspect of education that can develop the insight needed by its recipients to discover and create entrepreneurial (business) opportunities and the expertise to successfully start and manage their own businesses and to take advantage of these opportunities.

Entrepreneurship training or education brings about entrepreneurship in a country. Entrepreneurship training not only makes its recipients self-employed and self-reliant, but also creates awareness to the recipients of opportunity to practice, challenges, procedures, characteristics, attitudes, and skills needed for entrepreneurship. Entrepreneurship emanated from a French word “entrepreneur” which means one who undertakes task in a production process. In other words, entrepreneurs are individuals who accept risks, mobilize resources, provide jobs and introduce innovation, and also create economic activities. They are risk takers, creators, innovators and people who start things (Oba: 2010). Udoh in Oba (2010) defined entrepreneurship as the “total of self asserting attitude that enables a person to identify

business opportunity together with the capacity to organize needed resources with which to profitably, take advantage of such opportunities in the face of calculated risks and uncertainties. Entrepreneurship is also defined by Olokoyo (1999) as ‘the willingness and ability of an individual or group of persons to search for investment opportunities, establish and run a business unit successfully’. Simply put, entrepreneurship is the willingness and ability of an individual to seek for investment (entrepreneurial) opportunities in an environment and be able to establish and run the business successfully based on the identified opportunities. Entrepreneurship development entails risks, in terms of time, money, human and materials resources. Thus, entrepreneurship is a process of planning and organizing small business enterprises, the co-ordination of people and other resources to create, develop and implement solutions to problems to meet people’s needs.

Poverty as defined by World Bank (2001) refers to those who live on less than one dollar a day. Obadaik (2009) stated that “poverty is generally thought as a deprivation in respect of things necessary for life-food, water, health, shelter and other fundamentals to life, including education, security, opportunity, and freedom. It is associated with lack of rights, freedom and empowerment at both household and higher levels of social organization”. Enyema (1997) also defined poverty in both absolute and relative terms as “a state where an individual cannot cater adequately for his basic needs of food, clothing and shelter”. Poverty can thus be seen as a state or condition where an individual is unable to provide adequately for his/her basic needs. In other words, it is a state of lack or need.

### **Entrepreneurship Training and Poverty Alleviation**

A number of strategies or programmes have been put in place to reduce poverty in Nigeria. Some of these programmes include the Directorate of Foods, Roads and Rural Infrastructure (DFRRI), Better Life (BL), Family Support Programme (FSP), National Poverty Eradication Programme (NAPEP) etc. These lofty and laudable programmes could not achieve the much desired goals due to lack of functional entrepreneurial training. Entrepreneurial training plays some of the following roles among other things to alleviate poverty in Nigeria;

First, entrepreneurial training develops skills and capacity for business pursuit. Relevant skill acquisition is a veritable tool for increasing and boosting the productive power base of the country. Skill acquisition refers to the process of possessing effective and ready knowledge as developing one’s aptitude and ability in a particular field (James: 2008). Entrepreneurial training enhances the understanding and capacity of the trainees or recipients for the pursuit of entrepreneurial (investment) behaviours, skills and attributes in different contexts. The propensity to behave entrepreneurially is not exclusively to certain individuals. According to Odei (2010) “different individuals have different mix of capabilities for demonstrating and acquiring behavior, skills and attributes”. These characteristics can be learned, developed and practiced through entrepreneurial training. In other words, entrepreneurial training provides its recipients

with life skills to become productive entrepreneurs as it engenders creativity and innovative ideas, enlarges economic pie, and increases personal freedom.

Entrepreneurial training also helps its recipients to generate business ideas. This is because, it makes one to become aware and enlightened about business opportunities and potentials in his/her environment. Every individual has latent/ideas stored in him by nature. He/she needs information or knowledge to inspire or ginger him/her towards this stored idea. Entrepreneurial training bestows on the individual the knowledge about his/her hidden potentials or talents culminating into ingenuity. In other words, entrepreneurial training exposes one to his/her potentials and other resources around the environment. The information at one's disposals makes him/her to think deeper and rethink to have a good business idea. Poverty in Nigerian society today is largely caused by lack of business ideas. Investment or business idea is a function of good information about resources both within and outside the individual's environment. A good idea, well conceived and effectively utilized, transforms into small business which can grow into big business employing many Nigerians thereby reducing poverty.

Entrepreneurial training has also helped in making its recipients to be more preferred to others in gaining gainful employment. Entrepreneurial training not only bestows on its graduates skills, abilities and competences for self-employment. The graduates of entrepreneurial education or training possess vital qualities that make them to be preferable above others in the labour market. These qualities have made them have stronger bargaining power for better salary. Thus, entrepreneurial training is needed to increase wage or salary earning. Better salary enhances good standard of living, hence minimizing poverty.

Also, entrepreneurial training provides lower and middle technical managers with relevant skills for industrial growth in Nigeria. Entrepreneurial training develops the insight and expertise needed to successfully start and manage business. It can thus bring about effective management of businesses. The failure of many businesses in Nigeria is mostly due to lack of good managers. Entrepreneurial training is capable of turning in for Nigerian nation efficient and effective managers, accountants, marketers, secretaries etc capable of managing successfully business ventures in Nigeria.

Entrepreneurial training has also influenced and invoked the spirit of entrepreneurship which has stirred up the much needed vocational and industrial revolution in Nigeria. This has in turn, repositioned the economic growth, development and entrepreneurial drive for job and wealth creation and global competitiveness of Nigerian youths/graduates.

Finally entrepreneurial training has also helped in creating more awareness of the potentials and investment opportunities of the rural areas and the attention of the youths and graduates are gradually drawn to rural areas to seek for investment

opportunities and to invest their resources and talents. Most youths and graduates are now investing in agricultural ventures such as livestock, vegetable and fruit farming, phone call, hair dressing saloons and a host of other small business ventures. This development is decongesting urban areas thereby, reducing pressure on housing and other social amenities in the areas which also brings down the cost of living.

### **Challenges of Entrepreneurial Training in Nigeria**

There are several problems confronting entrepreneurial training in Nigeria.

First is the problem of appropriate up to date and adequate training facilities and equipment. Entrepreneurial training in Nigeria is faced with lack of up to date and adequate training facilities. Business skills, capacities and competences can only be effectively acquired and utilized when learning environment is equipped with the same tools, same machines and operating techniques as in the work environment or industry. Olaitan(1993) noted that “the thesis of effective learning environment using the same instructional materials rests on its potency in making lesson real, particularly comprehensive, interesting and rewarding. Unfortunately, most of the entrepreneurial training centres lack up to date and appropriate facilities and equipment for training.

There is also the problem of inadequate trainers. Besides, the trainers are not qualified. A good trainer should possess the knowledge, skill and attitude desired of all trained persons, including the technical competences, required knowledge and principles and methods of teaching and some practical experience in one of the business occupation. Fafunwa (1969) stated that ‘poor trained teachers tend to produce their own kinds’. It is equally true that one can not give what he does not have. Therefore, incompetent trainers cannot give effective entrepreneurial training in Nigeria.

The problem of a well designed curriculum is another challenge to entrepreneurial training. Every training or educational programme must have a well designed curriculum in order to be effective. Entrepreneurial training is confronted with the problem of lack of well designed curriculum due to lack of necessary information to be used in designing a suitable curriculum. The major requirement for effective entrepreneurial training in Nigeria includes reliable labour market information/business opportunities and career. The absence of these vital data means that entrepreneurial trainers have to plan their training programmes and curricular with insufficient information on business opportunities, labour market demand and career to be chosen. Hence, there is the problem of a well designed curriculum on which entrepreneurial education could be operated on.

The issue of dignity of labour is another worrisome problem confronting entrepreneurial training or education in Nigeria. Dignity of labour refers to placing ‘worth’ on whatever anyone chooses to do legally to earn a livelihood. The negative attitude of Nigerian society towards some types of works like manual job or labour

must be changed through the re-orientation of the knowledge about the world of work and business.

The perception of Nigerians and, even the governments of the graduates of entrepreneurial education leaves much to be desired. For instance, the governments in Nigeria place higher premium on the products of non-entrepreneurial education. Entrepreneurship education in Nigeria plays second fiddle role. Exoem and Ikejiofor (2002) stated that “the societal belief is that the programme (education) is for never-do-well”. The training is considered to be education for those that are not bright and intelligent to read other courses in tertiary institutions. Many parents do not even allow their children to go to entrepreneurial training institutions.

Lack of access to capital is another big problem that the recipients of entrepreneurial training face. Banks are reluctant to grant credit facilities to them without adequate collateral/securities. The lack of fund to start business places limitation on entrepreneurship development in Nigeria.

Government attitude towards funding is also another problem confronting entrepreneurial training in Nigeria. Government’s non challant attitude towards the funding of entrepreneurial training is worrisome. Whenever fund is approved, it is not released on time, and when released at all, the corrupt officials will demand for “kickback” resulting to insufficient funds for the training.

Lastly there is the problem of enabling operating environment. If basic infrastructural facilities that aid training are still in poor state as they are, the trainers cannot do anything about entrepreneurial training. For example, power supply is epileptic and at times, power completely out for days. This situation is really a big challenge to entrepreneurial training in Nigeria.

## **Conclusion**

The abundant human and material resources in Nigeria calls for entrepreneurial training to bring about entrepreneurship in order to transform the resources into wealth. Entrepreneurship is the foundation of sustainable development and self-reliance in the developed nations of the world as their economies are private-driven. Nigeria as a nation has no choice but to embrace entrepreneurial training, to make successful her programmes and strategies to alleviate in the country.

## **Recommendations**

The following suggestions are made to minimize the problems confronting entrepreneurial training in Nigeria:

1. Government should provide up-to-date and appropriate training facilities and equipment for the entrepreneurial training centres in Nigeria.

2. Government should also provide an enabling operating environment such as stable supply of power, adequate security and financial regulating agents/agencies.
3. Government should appeal and persuade commercial banks through the Central Bank of Nigeria to give loans to the graduates of entrepreneurial training centres with less stringent conditions at low interest rates for investment.
4. There should be employment of qualified trainers who have the necessary experience from the world of work or occupation.
5. Private sector should partner with government since it is difficult for government alone to provide all the necessary training facilities and equipment.
6. The political leaders should have the will power to release on time funds approved for entrepreneurial training. Corrupt officials that embezzled money meant for the training should be punished.
7. Government should orientate the Nigerian society on the importance of entrepreneurial training by embarking on public enlightenment campaigns to disabuse their negative minds about entrepreneurship education.
8. Government should address the issue of dignity of labour problem with urgent attention. 'Worth' should be placed on anything one has chosen legally to earn a living.

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