

EMPLOYMENT GENERATION AND POVERTY ERADICATION THROUGH ENTREPRENEURSHIP AND FUNCTIONAL VOCATIONAL EDUCATION

Moses O. Adeniyi

Abstract

Nigeria's vision of being one of the first 20 most industrialized nations in the world by the year 2020 is most welcomed given the quantum of its available human and material resources. However, this dream could be dashed given the high unemployment and poverty levels that could rob its citizens of their contribution to economic growth and development. It is against this background that this paper takes a look at 'employment generation and poverty eradication through entrepreneurship and functional vocational education'. In the introduction, the paper highlights the paradox of unemployment and poverty of Nigerians in the midst of plenty. It goes further to discuss: the relationship between unemployment and poverty; vocational education, and entrepreneurship education; the linkage between these two forms of education; and how they could translate to the creation of employment and poverty eradication in Nigeria. The paper concludes by recommending that entrepreneurship and functional vocational education should be given all the attention it deserves so that Nigeria's dream could be realized.

Introduction

Nigeria is one country in the world that is blessed with so much human and material resources but its economy cannot be said to be the desired. The National Economic Empowerment and Development Strategy (NEEDS) (2004) presented the picture in very clear terms thus: Nigeria is blessed with abundant natural resources including arable land, natural gas, petroleum, tin, columbite, iron ore, coal, limestone, lead, zinc, kaolin, gold, gemstones, graphite, marble, tantalite, uranium, salt, soda and sulphur, just to mention a few. Furthermore, Nigeria produces about 2 million barrels of oil per day (the sixth largest producer in the Organization of Petroleum Exporting Countries, (OPEC)); our proven reserves of oil amount to 32 billion barrels, enough to last for 37 years at the current rate of production; our proven natural gas reserves amount to 174 trillion cubic feet, the equivalent of 30 billion barrels of crude oil; cocoa and rubber account for 60 percent of our non-oil merchandise exports but we have greater agricultural potential; of our 98 million hectares of land, roughly 74 million hectares is arable. In spite of these intimidating credentials, there is no gainsaying the fact that Nigeria has one of the weakest economies in the world and it has lost decades of development as a result of slow economic growth (NEEDS, 2004). This paradox should not be a surprise given the fact that labour, the human factor (of production) that is to coordinate all these resources is not being put to optimal use as a result of unemployment and poverty. Perhaps, it is the realization of this sad truth and the need to correct this anormally that made the Federal Government of Nigeria to launch the vision 20:2020 blueprint on Friday, the 25th of September, 2009 by the Minister of National Planning. The Vision is Nigeria's quest to join the league of 20 most industrialized nations in the world by the year 2020. According to the Nigeria Vision 20:2020 Economic Transformation Blueprint (2009), the Vision is to create: a large, strong, diversified, sustainable and competitive economy (with a projected Gross Domestic Product of US\$900Billion and Per Capita Income of US\$4,000) that effectively harnesses the talents and energies of its people and responsibly exploits its natural endowments to

guarantee a high standard of living and quality of life to its citizens. In order to achieve this feat, the key areas of immediate policy focus, inter alia, include: fostering the private sector-powered non-oil growth to build the foundation for economic diversification, investing in human capacity development to enhance national competitiveness and addressing subsisting threats to national security. This is in consonance with the National Economic Empowerment and Development Strategy (2004) which clearly stated that the private sector will be the engine of economic growth; it will be the executor, investor, and manager of businesses; the government will play the role of enabler, facilitator, and regulator, helping the private sector grow, create jobs and generate wealth; and that deregulation and liberalization will diminish governmental control and attract private sector investment. However, the questions that beg for answers are: how can the private sector be the engine of economic growth when so many able-bodied Nigerians are without jobs? How can they have jobs when the kind of education they have acquired or are acquiring do not match the world of work? And how can the kind of education match the world of work when there is no link between the classroom and industry? Herein lies the relevance of Entrepreneurship and functional Vocational Education for employment generation and poverty eradication so that Nigeria can attain its vision.

The subsequent sections of this paper shall be presented under the following headings: unemployment and poverty – two sides of the same coin; Vocational Education; Entrepreneurship Education; Vocational Education and Entrepreneurship Education – the link; and creating employment and poverty eradication through Entrepreneurship and Vocational Education in Nigeria. The paper therefore recommends, inter alia, that entrepreneurship education should form part of the curriculum of all disciplines in our schools.

Unemployment and Poverty - Two Sides of the Same Coin

According to the UK Department for International Development (DFID) (2009), Nigeria is the most populous country in Africa but more than half of its 150 million people live in poverty despite the country being a major oil producer. It added that Nigeria has large numbers of young, unemployed men (and women) who are at risk of turning to violence and crime if they cannot find jobs. It is very difficult to separate poverty from unemployment in view of the fact that there is a mutual relationship between them. On the one hand, unemployment inevitably leads to poverty because the unemployed lacks the economic wherewithal to acquire the good things of life. On the other hand, poverty also leads to unemployment since lack of access to capital creates a state of hopelessness for the potential entrepreneur who has all it takes to be self-employed except the financial resources.

According to Briggs (1973) in Akintoye (2008), unemployment is the difference between the amount of labour employed at current wage levels and working conditions, and the amount of labour not hired at these levels. Gbosi (2006) defined unemployment as a situation in which people who are willing to work at the prevailing wage rate are unable to find jobs. According to the International Labour Organization (ILO) (1996), “the unemployed is a member of the economically active population, who are without work but available for and seeking for work, including people who have lost their jobs and those who have voluntarily left work. To corroborate this definition, the International Encyclopedia of the Social Sciences (2008) posits that a person is unemployed when he or she is willing and able to work given the prevailing terms and conditions of employment but does not currently have a job.

The causes of unemployment in Nigeria can be attributed to: faulty educational planning, rural-urban migration, retrenchment in both the private and public sectors in recent times, poor/lack of infrastructural facilities especially electric power supply, just to mention a few. However, this paper points to the fact that there is a kind of disconnect between the kind of education dished out to our children in the classroom and the world of work. Depending on its causes, unemployment can pose severe problems for both individuals and societies alike. For example, since most households derive most of their income from participation in the paid labour market, unemployment can be a source of considerable material hardship and distress. Furthermore, unemployment can challenge the sense of identity and self-worth that individuals derive from their jobs. Finally, unemployment represents, in the aggregate, a waste of productive resources: society as a whole would be better off if the unemployed were engaged in productive activity. (International Encyclopedia of the Social Sciences, 2008).

One of the most serious consequences of unemployment is poverty and it is one of the major problems confronting the Nigerian people today. It refers to a condition of both material and non-material deprivation of an individual or a community. The perception of it also varies between individuals and communities, between communities or regions and between urban and rural areas. Just as poverty has varying perceptions, its causes are also multi-dimensional. According to Akaahan (2006), poverty, at the community level, means environmental and natural resources degradation and/or the absence of socio-economic infrastructure, social services and employment opportunities. Individual poverty connotes inaccessibility to basic necessities of life like food, clothing, health facilities and decent shelter, inability to meet social and economic obligations, lack of skills, lack of gainful employment, inadequate possession of economic assets and sometimes, a general lack of esteem.

According to the United Nations Development Programme (UNDP) (2001), the poor are those who cannot afford decent food, medical care, recreation, decent shelter and clothe, meet family and community obligations, and other necessities of life.

Therefore, in order to overcome these twin macroeconomic maladies and march forward towards achieving Nigeria's vision 2020, vocational and entrepreneurship education is the answer.

Vocational Education

According to Dato, Danwanzam, Nyapson, Padung, Udo, Bentu, & Okwori (2004), Vocational and Technical Education can be referred to as activities which are essentially aimed at providing skills, knowledge and aptitude required for employment in a particular occupation, group of related occupations or a function in any field of economic activity including distributive education, health education, agriculture, business education, fine and applied arts, home economics, technical education, etc. According to Osuala (1987), vocational education refers to systematic learning experiences which are designed to fit individuals for gainful employment in recognized occupations.

The National Policy on Education of the Federal Republic of Nigeria (2004) defines Technical and Vocational Education as a comprehensive term referring to those aspects of the educational process involving, in addition to general education, the study of technologies and related sciences and the acquisition of practical skills, attitudes, understanding and knowledge relating to occupation in various sectors of economic and social life. Inter alia, Technical and Vocational Education is further understood to be

- i. an integral part of general education;

- ii. a means of preparing for occupational fields and for effective participation in the world of work;
- iii. an aspect of life-long learning and a preparation for responsible citizenships; and
- iv. a method of alleviating poverty.

From the aforesaid, it is glaring that Vocational Education prepares the recipient not only to become employable but more importantly, to become a job creator and hence self-reliant ready to contribute to the country's economic growth by increasing the gross domestic product.

Entrepreneurship Education

The International Encyclopedia of the Social Sciences (2008) explains that an enterprise is a business venture initiated by an entrepreneur, the person who assumes the organization, management, and risks of a business enterprise. According to Akpomi (2009), the entrepreneur has been described as the one who starts an enterprise; the one who puts new forms of industry on their feet; the one who shoulders the risks and uncertainty of using economic resources in a new way; and the one with the right motivation, energy, and ability to build something by his or her own efforts. Akpomi (2009) went further to point out that the quality of instruction at all levels has to be oriented towards inculcating the values of acquisition of competencies necessary for self-reliance and reducing poverty.

Entrepreneurship is considered a factor of production that involves human resources, most commonly performing the functions of raising capital; organizing, managing, and assembling other factors of production and undertaking business decisions. It involves a combination of initiative, foresight, and willingness to take the risks and undertake the new ventures required to establish a successful business.

The signature of true entrepreneurship is characterized by three attributes: the identification or recognition of market opportunity and the generation of a business idea (service or product) to address the opportunity; the marshaling and commitment of resources in the face of risk to pursue the opportunity; and the creation of an operating business organization to implement the opportunity-motivated business idea (Sahlman and Stevenson, 1992). Opportunity recognition is the cornerstone of the entrepreneurship process. Having distilled an opportunity, the prospective entrepreneur must be willing and capable of marshaling the investment of resources to pursue that opportunity without any assurances of outcome or rewards, i.e. in the presence of risk. The entrepreneur must also be committed enough to the prospects and the passion of the opportunity to be willing to invest some of his/her personal reputation and resources and must be able to secure from others key investments including time, knowledge, energy, reputation, and capital - all in the absence of any guarantees of success. Finally, the entrepreneur must succeed in building from the secured resources an operating business organization to deliver the product and/or service vision to the customer market which inspired the original recognition of opportunity. In order to acquire the skills of entrepreneurship, entrepreneurship education is a *sine qua non*.

Entrepreneurship education is a lifelong learning process, starting as early as elementary school and progressing through all levels of education, including adult education (Lankard, 1991). It is the type of education that seeks to prepare people, particularly youth, to be responsible, enterprising individuals who become entrepreneurs or entrepreneurial thinkers by immersing them in real life learning experiences where they can take risks, manage the results and learn from the outcomes. Lankard pointed out that through entrepreneurship education, young people (including those that are physically challenged) learn organizational skills, including time management, leadership

development and interpersonal skills, all of which are highly transferable skills sought by employers. Thus, entrepreneurship education, by creating jobs and/or increasing the worth of the labour force, offers a solution to the unemployment problem in Nigeria

Paul (2005) identified the objectives of entrepreneurship education thus:

- i. To provide meaningful education for the youths to be self-reliant and encourage them to drive profit and to be self-independent or self employed.
- ii. To provide graduates with enough training that will make them to be creative and innovative in identifying new business opportunities.
- iii. To provide college graduates with enough training in risk management, to make uncertainty bearing more possible and easy.
- iv. To give the young graduates training and support to establish a career in small and medium size business.
- v. To provide the graduates with training in skills that will enable them meet the manpower needs of the society.
- vi. To stimulate industrial and economic growth of rural and less developed areas.
- vii. To provide business enterprises both small and medium the opportunity of recruiting graduates who will be trained and tutored in the skills relevant to the management of small business centres.

Vocational Education and Entrepreneurship Education – The Link

The ingredient that makes Vocational Education meaningful and functional is the entrepreneurship side of it. In other words, Vocational Education is not effective if the recipient is not creative, innovative and is not prepared to take the risks of starting a venture by cashing in on opportunities (and there will always be such opportunities) that the business environment presents. In a nutshell, Vocational Education and Entrepreneurship Education are complementary.

Therefore, to be effective in preparing students for a changing society and work place, Vocational Education must extend beyond the delivery of occupational knowledge, job skills, and work experience. It must offer students an incentive for thinking creatively about an industry and broaden their understanding of the career opportunities afforded in that industry. Entrepreneurship education offers students such opportunity by helping them anticipate and respond to change (Ashmore, 1989). Ashmore went further to explain that by acquiring Entrepreneurship Education, students learn that: although a job may be successfully accomplished today by performing a given set of tasks, tomorrow an entirely different set of tasks (and skills) may be required and because businesses are always changing, workers need to find new ways to do given jobs or new ways to do a given job better. He therefore advocates the promotion of brainstorming of potential businesses in the various vocational areas as a means of making students aware of self-employment as another route to success and personal esteem.

Creating Employment and Poverty Eradication through Entrepreneurship and Vocational Education in Nigeria

In view of the foregoing discussions, it will only be wise for Nigeria to turn its attention towards the type of education that will transform our students into job creators rather than job seekers. By this, unemployment and poverty would be overcome. According to Ashmore (1989), entrepreneurship is a key driver of any economy; wealth and a high majority of jobs are created by small businesses started by entrepreneurially minded individuals many of whom go on to create big businesses. The importance of entrepreneurship cannot be over-emphasized – entrepreneurship skills

and attitudes provide benefits to society, even beyond their application to business activity. Obviously speaking, personal qualities that are relevant to entrepreneurship such as creativity and a spirit of initiative can be useful to everyone, in their working responsibilities and in their daily existence.

Entrepreneurs drive America's economy, accounting for the majority of the nation's new job creation and innovations. According to the United States Census Bureau (2002), self-employed individuals - - - operate three-fourths of United States businesses and that America's 25.8 million small businesses employ more than 50 percent of the private workforce, generate more than half of the nation's gross domestic product, and are the principal source of new jobs in the U.S. economy. In the United States between 1980 and 1987, 17 million jobs were created by new and small firms whereas the public sector only contributed 1.3 million and in Kenya, the small business sector is the source of 75% of all new jobs (Kolshorn & Tomecko, 1995). Moreover, a staggering 2.3 million big-business jobs were lost due to corporate downsizing during the years 1987 to 1992. During those same years, 5.8 million new jobs were created by small to medium sized entrepreneurial companies (Naisbitt, 1994). Were it not for contributions of successful entrepreneurship, the American economy would be in a precarious position (Harrell, 1992).

In January 2009, the chairman of the Senate Committee on Employment, Labour and Productivity of the Federal Republic of Nigeria lamented that Nigeria's education system needed to be overhauled for the country to move away from a system that produces people that only rely on white collar jobs; and that we needed entrepreneurs who will employ labour. He therefore called on Nigeria to look inwards especially in the area of developing the capacity of the productive sector to generate employment (Leadership, 2009). He could not have been more accurate in view of the fact that Nigeria's education today is unabashedly oriented towards the "take-a-job" mentality. It conveys in both content and attitude that the student is being prepared for a career in which he or she will be working for some kind of small or large business entity - i.e., "taking a job" that someone else has already created. There is therefore the urgent need to adjust our mindset from job seekers to job creators by acquiring the knowledge and skills of conceiving and starting up new businesses through entrepreneurship and functional vocational education.

Akinyemi (1988) in Nwoye (1991) as quoted by Adeniyi (2009) present various small - scale investment opportunities in various fields for potential entrepreneurs thus:

Agricultural and Agro – Allied Industry: Processing of Garri and yam flour, canning and preservation of fruits, poultry farming, canning and preservation of vegetables, manufacture of biscuits, chocolates; vegetable and palm oil mills; rice milling plants; processing of animal feeds; production of industrial starch; bread and cake making.

Leather Industry: Manufacture of foot wear and other leather products; leather bags, belts, boxes, etc; wallets, port folios and shopping bags.

Paper products: Manufacture of carbon paper; production of cardboards; book publishing; manufacture of drinking straw; manufacture of paper egg-trays; manufacture of toilet rolls; napkins; manufacture of file jackets; production of stickers and labels; manufacture of paper bags; production of typing sheets and duplicating papers; manufacturing of envelopes; exercise books and registers; manufacture of cartons.

Textile and Associated Industry: Sewing industry and garment shop; production of underwear; production of socks; production of neck ties; production of baby toys;

Metal and Engineering: Bolts and nuts manufacture, nails, pins, rakes, cutlasses, hoes, shovel beds, iron chairs, tables; workshops for repair and servicing of automobiles; workshop for servicing and repair of kitchen equipment, cookers, refrigerators, blender, etc.; manufacture of cutlery.

Chemicals and Allied groups: Production paints, pharmaceutical products; manufacture of plastics; production of candles; manufacture of all classes of soaps; laundry detergent; distilled water; production of photographic films; production of chalk; palm kernel extraction.

Wood and woodwork: Furniture; treatment of timber; saw milling; Traditional craft and cultural heritage: Basket making, raffia making; carving; blacksmithing; wine tapping; pottery; weaving.

Service Enterprise: Distributorship; wholesaling, retailing; consultancy; clinic; employment agency; and travel agency.

In addition to the list above, there are many business outfits that one can establish to create jobs especially in the area of information and communication technology. They are: sales and repair of handsets, phoning booths, internet cafes, selling of GSM recharge cards, just to mention a few.

Conclusion

If Nigeria must realize its vision of being one of the first twenty (20) most industrial nations in the world by the year 2020; from its Gross Domestic Product (GDP) of US\$214.4billion in 2008 (World Economic Forum, 2009) to the envisioned US\$900billion in 2020 and from US\$1,450.5 per capita income in 2008 to US\$4,000 by the year 2020, it must take the issue of private sector development with utmost seriousness by giving Entrepreneurship and Vocational Education its pride of place. All and sundry in the education industry must realize that no meaningful development can take place if what the classroom has to offer cannot be linked with the world of work. Therefore, all stake holders should give the necessary support that Entrepreneurship and Vocational Education deserves in order to turn its recipients into job creators, increase Nigeria's GDP and per capita income and ultimately, fight poverty to a standstill. By this, Nigeria would be taking the right step towards making its vision a reality by the year 2020.

Recommendations

In order to encourage entrepreneurial and functional Vocational Education in Nigeria so as to make vision 2020 realizable, this paper makes the following recommendations:

1. Entrepreneurship education should form part of the curriculum of all disciplines in our schools. One would not be wrong to say that many business ideas emerge from non-business disciplines but are often treated with levity because students are not sufficiently educated in the knowledge and skills required.
2. Entrepreneurship and Vocational Education should not just be all talk; it should be pragmatic in approach. Since it is a fact that people learn best by doing, the motivation to start and run a business, enterprising behaviour, and business competencies can be acquired through carefully designed experiential learning situations that simulate actual business events.

3. Teachers of vocational and Entrepreneurship Education should be trained and retrained through organized conferences/seminars/workshops so that they can impart same on their students.
4. Entrepreneurship education should also lay emphasis on analysis of the strength, weaknesses, opportunities and threats (called SWOT analysis) of business ideas, business planning, computer applications, managing capital/cash flow, marketing skills, and accounting skills.
5. In order to make Vocational Education functional, the enabling environment must be provided in our schools. In this regard, infrastructural facilities especially electric power supply must be provided so that machines and equipments requiring such can be put to use at all times during the teaching-learning process. In addition, security for machines and equipments should be guaranteed in order to prevent vandalization and theft.
6. In order to support enterprising Nigerians, the Federal Government should encourage the banks to site branches in the rural areas so as to make banking services accessible to potential entrepreneurs who need financial support to bring to life business ideas. Furthermore, micro credit should be readily available to young entrepreneurs at affordable lending rates so that the cost of capital will not be scaring.
7. Security of lives and property should be guaranteed by the Federal Government of Nigeria so that enterprising Nigerians, after acquiring Entrepreneurship and Vocational Education, can utilize any opportunity that presents itself in any part of the country without the fear of loss of one's life and investment.
8. The Students' Industrial Work Experience Scheme (SIWES) should be taken very seriously by the Industrial Training Fund (ITF), educational institutions, business organizations and the students. This will enable students come face-to-face with the practical side of learning and engender the much required interest to start their own businesses after completing school.

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