

# PROBLEMS OF ENTREPRENEURSHIP IN BUSINESS EDUCATION SECTOR OF THE ECONOMY

## Abstract

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This paper is examining the important role which business education skills acquisition would play as a rescue programme that should be able to arrest the entrepreneurial problems which are currently ravaging the Nigerian economy. Millions of Nigerians think of establishing businesses of their - own but only very few actually succeed and enjoy being in business. This paper further illustrates that the Nigerian nature of educational system, impatience, insufficient or non-availability of electricity power supply, inability of youths to identify business opportunities, low sourcing/availability of capital, inflation, high terms of loans, burglary/theft, including inadequate infrastructures, etc., have been seen as factors affecting the thriving of entrepreneurship in Nigeria. To come out of these problems, the paper recommends that there is the need to reposition our school system to include skills acquisition courses, empower the economy through the installation of a viable electricity power supply system, among others, before a normal entrepreneurship competencies will evolve among Nigerian youths and adults.

## Introduction

Nwachukwu (1990:1), explained that, entrepreneurship is very important in any economy. This is the reason why many Nigerians think of going into business for themselves but only few of them are able to succeed, and the following reasons have been adduced:

- (a) They see business ownership as a means of generating profits and, thus becoming wealthy;
- (b) They see it as an opportunity to do what they love doing - own a hotel or restaurant, feed well at all times, serve the public, and still live a comfortable life;
- (c) They see entrepreneurship as the best way of getting away from stultifying paid employment constraints, politics, or career impasse;
- (d) They perceived entrepreneurship as the best way of preparing for retirement; a place to spend the rest of their productive days away from a life that is unsatisfying, sterile and dull;
- (e) They wish to emulate successful businessmen who have acquired leadership in business, with the attendant power such leadership earns.
- (f) They see entrepreneurship as an alternative when steady paid employment could not be secured;
- (g) They genuinely believe they have something special to offer, either a product or a service. To these, life cannot be fulfilled unless the desire is realized.

In addition to the above, Akibu (2002:53), explained that, large-scale unemployment is one of the greatest social problems facing Nigeria today. Hence, open unemployment especially among school leavers and graduates, remains a very serious problem that needs urgent attention.

In time past, Major-General Mohammed Buhari (Rtd.), a onetime head of state and chairman of the defunct Petroleum Trust Fund (PTF), alerted Nigerians on the need to urgently check the soaring rate of unemployment in the country, and advocated a careful implementation of the vision 2010 (Daily Times, 1998:3).

From the above items, therefore, there is need for all stakeholders in the Nigeria's economy to brace up to the challenge of arresting those negative factors that stand against the actualization of entrepreneurship skills and practices in the country. This is the reason why this paper has come to exhume the problems and recommend possible repositioning activities that would ameliorate them.

## Meaning of Entrepreneurship and Small Business

Sloner, Freeman and Gilbert (2003:159), defined an entrepreneur as, the originator of a new business venture find a new organization for that venture, while Hornby (2001), defined entrepreneurship as the act of exhibiting the skills in starting a business with a view to making a profit. Akibu (2002:54), opined that entrepreneur is the act of exercising entrepreneurial skills, and he perceives opportunities which others do not. He is always searching for change, responding to it and exploiting it as

an opportunity.

On the other hand, Stoner et al (2003), expressed that, small business plays a central role in our lives because we conduct much of our own personal economic activity with people running small businesses. They further explained that small business is any business that is locally owned and managed, often with very few employees working at a single location.

In this vein, business education culminates into self-employment as a way of boosting working hard for oneself rather than others. Also, it carries the pride of being one's own master and the singular ownership of the fruits of one's enterprising initiative by making someone to stand on his two feet economically.

### **The Benefits/Functions of Entrepreneurship**

According to Stoner et al (2003), (here are some benefits/functions of entrepreneurship. They foster economic growth, increase productivity, create new technologies, products, and services and also change and rejuvenate market competition. Therefore, the following, according to Kolawole (1997 and Akibu, 2002), are the main functions of an entrepreneur:

- (a) **Identification of Opportunities:** This is the understanding of the needs and wants of potential customers, consumers, etc., which are not being fulfilled and which the entrepreneur can convincingly satisfy by producing (the goods or services). Nigerian youths and adults should possess the capacities and abilities to discern this.
- (b) **Evaluation of Opportunities and Choice Making:** This is a situation whereby the entrepreneur must use a number of criteria to evaluate the alternative prospects in taking a decision. These include: portability index, personal interest or desire of the entrepreneur (to mention a few of them).
- (c) **Decision on Form of Enterprise:** The factors are: the cost and procedures of starting the business/legal requirements in the formation and operation of the business, and continuity of the enterprises, talents and the skills needed, need for additional capital, attitude towards sharing of profits, and size of risk of the enterprise amongst others.
- (d) **Factors Combination:** This includes; decisions on what to produce, where, how, when, how by whom and machines and equipment with which the assignment is to be carried out.
- (e) **Business Directorship:** This also entails a determination of goals and objectives as well as strategies for achieving same, resources allocation and indeed putting in place the entire management structures and functions, e.g., organizing, planning, staffing, coordinating and controlling.
- (f) **Risk Management:** This is the creative response to an investment opportunity through the development of new product, new technology or modifying the existing ones as ways of serving a better need, Mbah (2005). added that, an entrepreneur should be able to deal with failure. This means that an entrepreneur should not see failure as an end, because it does not prevent future success.

### **Role of Business Education**

Business education is one of the major areas of specialization, which helps the development of economic well-being of an individual as well as the nation in general. This is the reason why many authors like: Omoniyi (2001) and Nwodo (2005), described business education as systematic learning experiences, which are designed to fit individuals for gainful employment in recognized occupations. Akibu (2002), enumerated the following components of business education programmes:

- (a) Accountancy,
- (b) Banking and Finance.
- (c) Business Administration and Management,
- (d) Marketing, Purchasing and Supplies, and
- (e) Secretarial Studies.

Nwodo (2005) stressed the following as the benefits/roles of business education:

- (a) Its beneficiaries get employment quicker and experience fewer and shorter periods of unemployment than any other college graduates.
- (b) It helps to strengthen the existing economy of a community by working with business, industry and labour leaders to improve adult/ vocational education designed to increase workers productivity, promotability and utilization of new complex and automated equipment.
- (c) It reduces small business failures by equipping its graduates with basic tools for self-employment and by providing training services to small business managers and their employers.

### **Entrepreneurial Problems in Nigeria**

Tim paper recognizes some contemporary problems of entrepreneurship in Nigeria, and the following are some examples.

*Patience:* Many youths and adults involved in entrepreneurship lack the patience and goodwill to be exercised in the nurturing of any kind of small business. This is occasioned by the unending instincts to "get rich quick", or the ability to gain quick returns in monetary forms, in any kind of investment. Whereas, any form of business enterprise is likened to things of nature, especially plants, that do not grow to be harvested automatically, A very good example is the plantain plant that grows steadily from the planting stage to harvesting one, and that it does not grow to be harvested automatically. Many youths are not patient enough, and this is the main reason why some unscrupulous people engage in the manufacture of sub-standard and fake drugs and other products or under-take the trading in counterfeit, expired or banned goods.

*Inadequate or Non-Supply of Electricity Power:* This is a very huge problem in Nigeria today for her inability to provide stable electricity supply to boost real industrial take off. Many entrepreneurs like: businessmen who run business centres, poultry farms, artisans, saloons, etc., have been thrown out of jobs as a result of "inadequate power supply. Many industries are producing their goods and services below capacity levels hence; there is insufficient provision of goods and services that would satisfy the demand and supply of the people.

*Nature of Nigeria's Educational System:* The current nature of Nigeria's educational system still pays high premium on theoretical education. In the same vein, many youths are theoretically-oriented, and therefore, cannot be craft entrepreneurs that can boost self-employment as entrenched in the National Policy on Education (2004).

*Sourcing for Funds:* Sourcing for funds in the form of capital is very difficult for youths and adults to embark on. This is why many people with laudable businesses do not have enough capital to execute them. In short, terms of loans from banks as well as from private individual are very high as proceeds from the entrepreneurial ventures can hardly service the loan and the interest payments.

*The Menace of Burglars:* There are too many cases of burglars in our environment today that have carted away equipment, materials, tools and machines of entrepreneurs of small scale businesses overnight. These have made many of them to go out of business or put them further in debts.

*Lack of Good Roads and Infrastructural Facilities:* Many Nigerian urban, sub-urban and rural settlements lack good roads, well-drained streets/roads, etc., that ought to facilitate easy running of-business ventures. There are many cases where torrential rain falls. Hooding, over-flown river banks

have sacked many business premises in our cities, towns and villages.

**Current High Inflationary Trend in Nigeria:** The import-oriented economy of Nigeria has metamorphosed into inflationary experiences. It now results into a situation where foodstuff prices, generally rise by about two hundred per cent (200%). This trend does not make life meaningful and comfortable for small scale ventures in the economy.

### **Recommendations**

From the foregoing, therefore, the following recommendations are hereby made:

1. Government should study the electricity system in the country with a view to evolving a viable power supply. Without this, the achievement of an enviable economy would continue to be a mirage.
2. Government, as well as other stakeholders in the business world with particular reference to the Central Bank of Nigeria and the commercial banks, should endeavour to liberalize loans given to small scale entrepreneurs by giving them a long holiday period before repayment is commenced.
3. Government should set up consultancy services to advise beneficiaries of loans on how best to utilize them.
4. Monitoring teams should be set up by the government or any other stakeholder in order to see to it that the loans are properly utilized.
5. Government or other stakeholders should evolve a kind of "reward system by setting up production targets for entrepreneurs who are able to meet up with the production requirements.
6. Government and tertiary institutions should encourage the smooth teaching of entrepreneurship education skills to students in order to familiarize students with the rudiments involved in entrepreneurship skills development.

### **Conclusion**

This paper has brought out some problems that militate against the development of entrepreneurship in Nigeria by eliciting [ha! business education can come to the rescue. Some problems like: lack of electricity power supply, low sourcing/availability of capital among others, threaten the development of self-employment in Nigeria, and proffered solutions like: provision of enduring electricity supply, loan assistance to beneficiaries and others, have been highlighted.

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