

# **ENTREPRENEURSHIP EDUCATION: A PANACEA TO UNEMPLOYMENT AND ECONOMIC GROWTH CHALLENGES IN NIGERIA**

By

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## **Abstract**

*This paper discusses “Entrepreneurship Education as a Panacea to Unemployment and Economic Growth Challenges in Nigeria”. The main objective is to underscore the role of entrepreneurship education in tackling unemployment problems in Nigeria and in enhancing the growth and development of the Nigerian economy. In order to achieve the objectives of the paper, data were gathered from secondary sources. From the data gathered, it was discovered that most Nigerian youths and graduates are unemployed and also that Nigeria as a country is facing a lot of growth and developmental challenges hence the need for her to achieve Vision 20:2020. Based on the findings, It was recommended that government at all levels should strengthen the existing skills acquisition institutions to make them functional and establish more of such institutions for the purpose of providing opportunities for the would-be Nigerian entrepreneurs to practically learn vocational trades of their choice and also be supported financially at the end of the programme to set up enterprises of their own. It was also recommended that government should provide the enabling environment for entrepreneurial activities to thrive by providing basic infrastructures.*

The level of economic growth and development of any country can directly be attributed to the level of entrepreneurial activity in that country. No doubt, entrepreneurship is the engine that drives the economy of any nation and entrepreneurship education provides the youths and young graduates of any country with various entrepreneurial skills necessary to start new businesses of their own thereby empowering them economically. Therefore any country in the world that wants to grow and develop her economy and also solve the problems of unemployment must

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have the ability to nurture this entrepreneurial activity and grow businesses, create wealth and sustain competitive advantage. This is because there is a direct correlation between job creation and the level of entrepreneurial activity in an economy, as well as a positive, statistically significant association between national economic growth and entrepreneurship.

Unemployment, particularly among the youths, is a critical problem in developing countries. In Nigeria for example, the rate of unemployment is quite alarming. Unemployment rate in Nigeria is estimated at 23.9% in 2011 (National Bureau of Statistics, 2011). Furthermore, Nigeria even after 50 years of independence is still one of the developing countries in the world faced with a lot of growth and developmental challenges. In developing countries like Nigeria, the primary barrier to economic growth is often not so much a scarcity of capital, labour or land but a scarcity of both the dynamic entrepreneurs that can bring these factors of production together and the markets and mechanisms that can facilitate them in this task. Otache and Umar (2011) opined that one of the solutions to the problem of underdevelopment of the developing or Third World countries like Nigeria is to create successful entrepreneurs, or better still, promote entrepreneurial activities at all levels of the government. What this implies is that government at all levels should promote entrepreneurship education with a view to inculcating entrepreneurial skills into the citizenry in order produce more entrepreneurs and increase the level of entrepreneurial activities in the country. In a nutshell, there is a positive correlation between the number of entrepreneurs present in a country and the level of entrepreneurial activities in that country. The number of entrepreneurs determines the level of entrepreneurial activities. Entrepreneurship education presupposes that entrepreneurs can be made or created. Though there are divided opinions on this matter. Some believe that entrepreneurs are born while others believe that entrepreneurs can be made. While it is true that there are born entrepreneurs, it is also important to note that entrepreneurs can equally be identified, trained and thus made through training and education. The two important traits (creativity and innovativeness) which distinguish entrepreneurs from non-entrepreneurs can actually be learnt. A good entrepreneurship education is necessary for such traits to be activated and developed. Even if such traits are active, there is the need for guidance through effective entrepreneurship education.

### **The Concepts of Entrepreneurship and Entrepreneurship Education**

#### **Entrepreneurship**

Entrepreneurship has attracted different definitions from different scholars; hence it does not have a universally accepted definition. Entrepreneurship is described in terms of the ability to create something from practically nothing – initiating and building an enterprise rather than watching one or in terms of an ability to take calculated risks. The Entrepreneurship Centre at Miami University of Ohio (2000) defined entrepreneurship as the process of identifying, developing and bringing a vision to life. The vision may be an innovative idea, an opportunity, or simply a better way of doing something. The end-result of this process is the creation of a new venture,

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formed under conditions of risks and considerable uncertainty. Olabisi (2005) defined entrepreneurship is an activity that involves the discovery, evaluation, and exploitation of opportunities to introduce new goods and services, ways of organizing, marketing, processing raw materials through organizing efforts that previously had not existed. Given this definition, the academic field of entrepreneurship incorporates, in its domain, explanations for why, when and how entrepreneurial opportunities exist; the sources of those opportunities and the forms that they take; the processes of opportunity discovery and evaluation; the acquisition of resources for the exploitation of these opportunities; the act of opportunity exploitation; why, when, and how some individuals and not others discover, evaluate, gather resources for and exploit opportunities; the strategies used to pursue opportunities; and the organizing efforts to exploit them. In actual sense, entrepreneurship involves the nexus of two phenomena: the presence of lucrative opportunities and the presence of enterprising individuals.

However, the operational definition of entrepreneurship is the willingness and ability of a person or persons to acquire educational skills to explore and exploit investment opportunities, establish and manage a successful business enterprise. Entrepreneurship is a dynamic process of vision, change, and creation. It requires an application of energy and passion towards the creation and implementation of new ideas and creative solutions.

### **Entrepreneurship Education**

Sexton and Smilor (1997) defined entrepreneurship education as a formal structured instruction that conveys entrepreneurial knowledge and develops in students, focused awareness relating to opportunity recognition and the creation of new ventures. Mauchi, Karambakuwa, Gopo, Kosmas, Mangwende & Gombarume (2011) cited in Jones and English (2004) defined entrepreneurship education as the process of providing individuals with the ability to recognize commercial opportunities and the knowledge, skills and attitudes to act on them. Therefore, entrepreneurship education can be seen as process of imparting learners with entrepreneurial knowledge, skills and attitudes through a formal structured instruction which is usually guided by well defined aims, goals and objectives of a specific programme. According to Colton (1990) entrepreneurship education and training programmes are aimed directly at stimulating entrepreneurship which may be defined as independent small business ownership or the development of opportunity-seeking managers within companies.

However, entrepreneurship education refers to all activities aimed at fostering entrepreneurial mindsets, attitudes and skills and covering a range of aspects such as idea generation, start-up, growth and innovation. It is the process of providing individuals with the ability to recognise commercial opportunities and the insight, self-esteem, knowledge and skills to act on them. It includes instruction in opportunity recognition, commercialising a concept, marshalling resources in the face of risk, and initiating a business venture. Entrepreneur is a person having specific skill, ability,

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knowledge, awareness, self-confidence and who bears the risk of operating a business in the face of uncertainty about the future conditions.

According to Thomas and Barra (1994), the major objectives of enterprise education are to develop enterprising people and inculcate an attitude of self-reliance using appropriate learning processes. The following are the most commonly cited objectives of entrepreneurship education and training programme:

- i. To acquire knowledge germane to entrepreneurship;
- ii. To acquire skills in the use of techniques, in the analysis of business situations, and in the synthesis of action plans;
- iii. To identify and stimulate entrepreneurial drive, talent and skills;
- iv. To undo the risk-adverse bias of many analytical techniques;
- v. To develop empathy and support for all unique aspects of entrepreneurship;
- vi. To devise attitudes towards change;
- vii. To encourage new start-ups and other entrepreneurial ventures.

It can be seen that these objectives underscore the fact that entrepreneurship education should reflect carefully on acquisition of business skills and ways of enhancing the probability of success. The objectives of entrepreneurship education are mainly focused on starting a business and subsequent sustainability of the business. Thus, entrepreneurs are characterized by innovative behaviour and employ strategic skills and management practices with the aim of making a profit and growth.

### **Importance of Entrepreneurship Education**

- i. Entrepreneurship education helps in changing the attitudes of young people by providing them with skills that will enable them to start and manage small scale enterprises;
- ii. Entrepreneurship education helps in inculcating the spirit and culture of entrepreneurship (creativity and innovativeness) into young people thereby increasing the number of entrepreneurs;
- iii. Entrepreneurship development promotes and develops individual capabilities for self-employment there reducing the rate of unemployment in the country;
- iv. Entrepreneurship development encourages and promotes industrial dispersal thereby contributing to the economic growth and development of the country;
- v. It helps to bring about accelerated industrialisation, particularly through the establishment of small-scale enterprises;
- vi. It helps to increase the productive capacity of people.

### **Entrepreneurship Education and Economic Growth and Development in Nigeria**

In most developed nations of the world, the business of entrepreneurship education is given topmost priority as they have realised decades ago the role played by entrepreneurs in the growth and development of their economies. It is a fact that the economic growth and development witnessed by these developed countries is private-driven. The government only provides the enabling environment. But Nigeria seems to

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have just realised the importance of entrepreneurship education. This is because even after over 51 years of independence Nigeria is still faced with a lot of growth and developmental challenges. The Nigerian economy is presently characterised by low per capita income with majority of the people living below the poverty line, lack of infrastructural facilities, high unemployment rate, overdependence on foreign goods and technology, low economic growth and development, and corruption to mention just a few. The neglect of entrepreneurship education has prevented most Nigerian youths from contributing their own quota to the growth and development of the Nigerian economy. In the past, the curricula of Nigerian Universities, Polytechnics, and Colleges of Education were oriented towards preparing graduates for white-collar-jobs which today are not easy to come by. This explains why most Nigerian graduates are unemployed and are seen roaming the streets of major cities and towns in search of jobs that are not available. However, with the establishment of various skills acquisition institutions and the introduction of *Entrepreneurship Development* course in the curricula of all higher institutions, Nigeria is beginning to move in the right direction.

The importance of entrepreneurship education cannot be over-emphasized as it helps in inculcating the spirit and culture of entrepreneurship into the youths thereby preparing them to start small-scale businesses and contributing their own quota to the economic growth and development of the nation. No doubt, small-scale enterprises provide job opportunities for the teeming youths and graduates and also contribute to the growth of the nation's GDP.

### **Conclusions**

Conclusively, entrepreneurship education is germane to the growth and development of any nation and the need for Nigeria as a country to prepare her workforce for the challenges of the rapidly changing global economy becomes imperative. It is believed that entrepreneurship is the engine that drives the economy of any nation and that improved economic growth and development depends on a strong entrepreneurship education.

### **Recommendations**

The following recommendations are put forward for effective entrepreneurship education in Nigeria:

1. Government should make compulsory *Entrepreneurship Development* as a course to be offered at all levels of education – tertiary, secondary and primary. This enables students at all levels to acquire basic entrepreneurial skills.
2. Apart from making *Entrepreneurship Development* compulsory as a course, government should ensure as a matter of policy that Entrepreneurship Development Centres (EDC) should be established in all institutions of learning (primary, secondary and tertiary) and students should be made to choose to learn a vocational trade of their choice, to enable them acquire the practical skills.

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3. Government at all levels should make functional the existing skills acquisition institutions in their respect domain like National Directorate of Employment (NDE) and even establish more of such institutions in most towns and cities and ensure that they are well funded and staffed for effective service delivery.
4. As a way of promoting entrepreneurship education, government should make funds available in the form of short term loans with little or no interest to the would-be Nigerian entrepreneurs who have acquired basic skills in vocational trades of their choices in order to support them to establish businesses of their own.
5. Entrepreneurship education should be targeted at producing entrepreneurs who will be able and willing to create their own jobs by setting up their own businesses rather than those seeking for paid employments in already established organisations.
6. Government should provide the enabling environment that will encourage entrepreneurial activities by providing basic infrastructures like good road network, constant supply of water and electricity, etc. This will help reduce cost of doing business in Nigeria.
7. Finally, Nigerian youths should embrace entrepreneurship education by making themselves available to acquire basic entrepreneurial skills in vocational trades of their choice so that they can become job-creators and not job-seekers. This will help solve the problem of unemployment in the country and also gives them the opportunity to contribute to the economic growth and development of the country.

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