

THE PROBLEMS AND PROSPECTS OF ENTREPRENEURSHIP EDUCATION IN NIGERIA

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Abstract

This paper discusses the problems and prospects of entrepreneurship education towards enhancing sustainable development in Nigeria. The problems facing Nigeria are numerous. These include high rate of unemployment, under-employment, poverty, over-reliance on foreign products and technology, low capacity utilization, low level of economic growth and development, etc. This paper therefore focuses on the importance of entrepreneurship education in enabling the students and youths to acquire skills with which to be self-reliant. The paper equally addresses the problems and prospects of, as well as the objectives and methods for redesigning entrepreneurship education to provide the youths the requisite entrepreneurship skills for them to be able to compete favourably in a globalized world and integrated global economy. It is recommended that the government should give adequate attention to and provide the necessary funds for entrepreneurial development in the country through the provision of conducive and enabling environment for functional entrepreneurship education.

The need for entrepreneurship education started emerging in the middle of 1980s. Before then, unemployment and poverty were not a national concern as it is currently. Political instability and in-consistencies in the socio-economic policies of successive governments led to high level unemployment. As a result, in the mid 80s, the Nigerian economy collapsed while youth and graduate unemployment was on the increase. There was a record of large-scale laying off of workers and early retirements due to Structural Adjustment Programme (SAP) policies and bad economic trends

in the country. Due to the above, entrepreneurship which is supposed to have remedied the situation was not encouraged. Over the years, tertiary education policy has not emphasized the concept of self-reliance that will guarantee the growth of entrepreneurship in Nigeria.

Nwangwu (2007) opined that the failure of tertiary education to inculcate entrepreneurship culture in students has led to wastages in terms of human, material and natural resources. This is because graduates from Nigeria institutions are not equipped with the

skills with which to tap or exploit the natural resources that are found in Nigeria. All these factors have made it difficult for self-reliance pursuits among our graduates.

Ayodele (2006) equally discovered inadequate capital to be one of the chief factors hindering entrepreneurship implementation in the country. He equally identified irrelevant education that is bookish, theoretical and “white color job” oriented. Accordingly, he is of the belief that Nigeria’s macro-economic environment is unhealthy and unstable for an entrepreneurship development. Another problem identified is the fear of failure by the people to take risk on entrepreneurial activities due to market imperfection. Also unstable and un-conducive political environment scare away investors that have plans to set up entrepreneurial activities.

History of Entrepreneurship

Entrepreneurship is the practice of starting new organizations or revitalizing matured organizations in response to identified opportunities. Entrepreneurship is the willingness and ability of an individual to seek out investment opportunities, establish and run an enterprise successfully. Knight (1967) and Drucker (1970) stated that entrepreneurship is about taking risk. The behaviour of the entrepreneur reflects a kind of person willing put his or her career and financial security on the line and takes risks in the name of an

idea, spending much time and capital on an uncertain venture. According to Anayakoha (2006) entrepreneurship refers to anybody who chooses or assumes risks, and identifies business opportunity. Entrepreneur can be defined as an innovative individual who has developed an ongoing business activity where none existed before. McClelland (1961) described the entrepreneur as primarily motivated by an overwhelming need for achievement and strong urge to build. Entrepreneurs are the organizers and coordinators of the major factors of production, such as land, labour and capital. The entrepreneur’s vision is usually supported by an interlocked collection of specific ideas not available to the market place. With persistence and determination, the entrepreneur develops strategies to change the vision into reality. Cole (1959) categorized types of entrepreneur into four: the innovator, the calculating inventor, the over-optimistic promoter, and the organization builder.

The term entrepreneurship began appeared in the 1900s, but became more pronounced in the 1940s and 1950s, during which scholarly interest in entrepreneurship was first renewed. The pioneers of entrepreneurial theory were Max Weber and Schumpeter (1950). They identified the historical situation under which industrial capitalism of modern Western Europe arose and flourished and demonstrated the effective role of religious values

(Protestant Ethics) in the development of effective entrepreneurs.

Three broad categories of entrepreneurship study appeared during the post World War Two period. They are: the modified economic, the socio-cultural and psychology. The modified-economic approach comprises of two broad perspective i.e. micro and macro. The micro perspective attempts to formalize the hiatus between personality and business organization. The macro perspective discusses the gap between the actual and potential level of investment. The gap is attributed to the scarcity of business information and to deficiencies in the pre-investment infrastructure. The socio-cultural approach sees entrepreneurship as an aspect of social change. The psychology and motivation of entrepreneurs frequently determines entrepreneurial performance.

The Development and Growth of Entrepreneurship in Nigeria

The beginning of entrepreneurs, who have developed large scale enterprises in Nigeria ranges from petty traders and artisans with limited or no formal education to professionals with advanced education. The colonial period ushered in diverse group of people into entrepreneurial vocations. The economic crises occasioned by the World Wide Economic Depression of the 1930s forced many young and able-bodied men in Northern Nigeria into the exploitation of certain minerals, especially gold. For

example, more than 3,000 semi-skilled Hausa labourers on the plateau tin mines migrated to Sokoto and Ilorin gold mines after they had been laid off from the mines. In 1932, the high price for gold appeared to have attracted miners and speculators to the east of Sokoto province and Rimi in Kano province. In 1934, gold prospective was undertaken in the Abuja area of Niger province. The depression assisted entrepreneurs in the textile industry to grow due to the collapse of prices and massive shift from imported manufactured textiles to cheaper local ones as incomes dwindled in response to falling prices (Abdulkadir, 2004).

Throughout the colonial period, government service and employment in foreign companies provided jobs for some people. Some of these people who retired from junior cadre in government departments such as the railways and public works started their own businesses. Similarly, clerks, store-keepers and produce agents who retired from private and foreign companies started their own businesses. In the 1950s and 1960s, the emergence of parastatals bodies gave a few professional people such as lawyers and accountants the connections and business experience to start their own private businesses. In the 1960s, African capital was typically in saw-milling, furniture making, printing, garment making, baking, building materials and motor transport. In the 1970s and 1980s, some senior public officials and

executive officers retired at a relatively young age and started their own businesses. The oil “boom” of the 1970s encouraged the accumulation of wealth which found their ways into more productive forms of investment such as individual investment. A small part of the investment abroad provided hard currency earnings which were used to have investment in Nigeria (Forest, 1994).

However, the Nigerian Civil War tended to have interrupted the growth of entrepreneurship and local enterprises and also set back accumulation and a trading which began rapidly towards industrial investment. This was particularly true at major commercial centres of Aba and Onitsha. In the late 1970s, Aba witnessed growth in artisan production. After 1977, indigenous investment in manufacturing sprang up in Lagos, Ibadan and Kaduna. In Kano, local industrial investment kept momentum throughout the decades of the 1970s and continued into the early 1980s (Forrest: 1994).

The Structural Adjustments Program (SAP) which began in 1986 as a result of globalization of the world economy and from pressures applied by the International Monetary Fund (IMF) and the World Bank brought deregulation, trade liberalization, privatizing and commercializing inefficient public enterprises and an emphasis on market solutions and private initiatives. A globalizing

mechanism through SAP is a reduction of public expenditure, currency devaluation, rationalization of employment level to reduce national budget deficits, massive cuts in social spending by the state, streamlining government bureaucracies via job cuts, disinvestments in public enterprises and the elevation of the private sector. Consequently, between 1986 and 1990, both government and private firms shed ‘excess’ labour. The decline in the rate of employment, the glooming economic situation and high competition in the urban labour market led to employment growth in informal enterprises such as shoe, motor, bicycle, repairing, tailoring, metal working, block making, hairdressing, furniture making, etc. The continued depreciation of the Naira and the uncertainty and problem of sourcing foreign exchange delayed the take-off of many projects, while capital-intensive enterprises like large-scale farming was undermined. However, artisans and roadside producers with low overheads and wage costs gained at the expense of capital-intensive producers. Also, traders in second-hand machinery and motors were favoured as were those importing from cheaper sources of supply. The privatization program at federal and state levels opened up some opportunities for acquisition by indigenous capital (Forrest: 1994; Abdulkadir: 2004).

The Nigeria government seems to have woken up to the reality that the country needs to break away from the

vicious cycle of poverty, infrastructural neglect, corruption and other social problems. The reason being that after forty-five years of independence Nigeria has not attained her optimum level of development.

Kolawole and Omolayo (2006) opined that many individuals have difficulties in creating new business ventures because of lack of necessary information and skills needed to achieve their targets. Indeed, the curriculum in higher institution of learning was in the past oriented towards making graduates suitable only for white-collar jobs.

This was the reason why millions of our youths as well as lot of university, college, polytechnic graduates roam about the streets of the major cities and towns in search of white-collar jobs. It is necessary and very important to position Nigeria tertiary institutions to stimulate economic growth through a deliberate agenda of production of entrepreneurial graduates.

The Importance of Entrepreneurship Education

Entrepreneurship education focuses on developing, understanding and capacity for pursuit of entrepreneurial behaviour, skills and attitudes in widely different contexts. According to Arogundade (2011) entrepreneurship education is structured to achieve certain goals, including:

1. Offer functional education for the youth to enable them to be self-employed and self-reliant.
2. Serve as a catalyst for economic growth and development.
3. Provide youth graduates with adequate training to enable them become creative and innovative to identify rewarding business opportunities as well as adequate training in risk management.
4. Reduce poverty.
5. Generate employment.
6. Reduce rural-urban population drift.
7. Create smooth transition from traditional to a modern industrial economy.

The development and growth of entrepreneurial activities have greatly enhanced and benefited individuals, groups and the nation as a whole. The importances of entrepreneurial activities are as follows:

1. It provides gainful self employment and employment for others, often in better jobs and offers more jobs satisfaction and flexibility of the work force thereby, helping to improve the living standards of individual and the nation at large.
2. It equally provides jobs for entrepreneurship educators. In fact, the biggest employer is the private

- business sectors which provides millions of jobs, thus create massive employment multiplier and accelerator effects in the whole economy. More jobs mean more money incomes and this increases the demand for goods and services.
3. Entrepreneurship helps in developing skill in planning, decision-making, problem solving abilities, self-reliance, self-sufficiency, independence, diligence, confidence, courage and self-discipline in the entrepreneur.
 4. It facilitates income generation and increased economic growth.
 5. It helps in the processing of local materials into finished goods for domestic markets and consumption as well as export thereby, reducing dependence on imported goods.
 6. It encourages heavy competition thereby encouraging high quality products.
 7. It leads to the availability of more goods and services and also develops new markets.
 8. Entrepreneurship promotes the use of modern technology in small scale manufacturing to enhance productivity.
 9. Entrepreneurship encourages more researches and studies and development of modern machines and equipments for domestic consumption.
 10. Entrepreneurship is very important and beneficial to the entrepreneur and his/her family in terms of enormous personal and family financial gains as well as to the overall development of the country's economy.
 11. It helps in reducing over-dependence on government jobs, salaries and wages employment. Freedom from the dependence on the jobs offered by others is relatively assured.
 12. Entrepreneurship assists an entrepreneur in becoming positive thinker, an innovator, a calculating inventor, an over-optimistic promoter, an organizational leader and a decision maker.

Problems and Prospects of Entrepreneurship Education

The growth and development of entrepreneurial education in Nigeria is faced with inherent bottlenecks and problems. These problems include:

- a. Lack of a friendly economic environment.
- b. Absence of school-based enterprises where students could identify potential business, create and operate small businesses.

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| <p>c. Lack of enterprise colleges that will foster specific skill sets required for entrepreneurship and serve as skill acquisition centers for the youths.</p> <p>d. Security challenges in many parts of the country.</p> <p>e. Knee-jack policy of government with respect to incentives and support for entrepreneurship education.</p> <p>f. Inadequate infrastructure [particularly electricity, roads, water, communication] are inefficient and in most cases non-functional and therefore escalates the cost of operations and forces operators out of businesses.</p> <p>g. Bureaucratic bottlenecks and inefficiency in the administration of incentives and support facilities provided by government militate against functional entrepreneurial education.</p> <p>h. Lack of access to appropriate technology.</p> <p>i. Absence of suitable training and leadership development.</p> <p>j. Unfair trade practices occasioned by the importation of sub-standard goods and creating unfair competition.</p> | <p>The Nigerian government is currently trying to stabilize electricity provision and appropriate infrastructure in the government. Thus, despite the problems faced in the development of entrepreneurship education in Nigeria, it has some prospects. These include:</p> <ol style="list-style-type: none"> 1. Creation of enormous financial gain by operators. 2. Self employment, employment for others, more job satisfaction and flexibility of the work place. 3. Development of small scale industries, particularly in rural areas. 4. Encouragement of the processing of raw materials into finished goods for domestic consumption as well as for export. 5. Income generation and increased economic growth. 6. Development of new markets. 7. Making more goods and services available. 8. Freedom from dependency on the jobs by others. 9. Ability to have great accomplishments. 10. Emigration of talent may be stopped by a better domestic entrepreneurial education and climate. |
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Conclusion and Recommendations

Indeed, Nigeria has the material and human resources that could provide for a better and successful entrepreneurial education and climate for economic growth and development. The major challenge has been the lack of adequate attention and financial provision for its development. Based on this, the following recommendations are proffered:

1. Educational programme at all levels should be made relevant to provide the youths and graduates with the much needed and adequate entrepreneurial skills.
2. There is the need to initiate school-based enterprises where students can use their enterprise and initiative to create and operate small-scale businesses using the school as mini-incubators.
3. Students should be merged with successful entrepreneurs with clearly established entrepreneurial programmes.
4. Small business schools should be created where interested students can participate and learn varying vocations.
5. Appropriate and necessary funds should be provided for entrepreneurial development in Nigeria.

6. Provision of conducive and enabling environment for functional entrepreneurship education.

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