

ENTREPRENEURSHIP DEVELOPMENT IN SMALL SCALE BUSINESS ENVIRONMENT

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Abstract

This paper discusses entrepreneurship development in small-scale as the gateway into making youths, adults women etc to be self employed in the Nigerian business environment. With the Nigeria ailing economic environment, training business education graduates with entrepreneurship development skills could eradicate the rising unemployment and poverty rates in the country, thereby contributing to sustainable nation building. The paper also observes that insufficient funds/capital/equipment, lack of hard work, honesty, reliability and influence of wide-scale corruption in national life including power/energy crisis, etc., are contributory factors to poor entrepreneurship development in small-scale business environment in Nigeria. It concludes by recommending, among other things, that everyone should discard environmental bad habits of all forms of corruption in Nigeria, as they cannot favour the growth and development of the country's nascent democratic dispensation

Introduction

Since the political independence in October 1, 1960, Nigeria has been experiencing structural changes from the agrarian type of economy to that of industrial and small-scale business enterprise. This new industrial environment is creating unpalatable consequences on the mineral, plant, animal and human kingdoms in Nigeria, as well as other parts of the world.

Noibi and Lawani (1993) explained that Nigeria land, water; atmosphere, vegetation, wild life, population and culture have been and are still being awfully degraded as a result of:

- (a) Poverty
- (b) Growth and partial distribution for population,
- (c) The mode of how economy is organized and distributed
- (d) Technology chosen in the organization and distribution of economy and style of living.

Additionally, Nigeria as a nation, is experiencing unemployment and poverty problems which have contributed to rise unabated. More and more people are becoming unemployed, hungry and poor in the Nigerian environment. Aina (2002) said that where there is an unemployment situation, poverty takes over, and that poverty is a state of penury of destitution. He added that a nation that is hit by wide-scale poverty, the following outcomes would be its characteristics:

- (a) Wide-scale producer of primary products
- (b) Being unable to effectively harness its natural resources because of inadequate capital and technological know-how
- (c) Low labour and inefficient productivity, and consequently, expensive cost of production;
- (d) Suffering from capital flights
- (e) Offering low income for its citizens, thus, inhabiting their purchasing power, and being perpetually externally indebted because its imports are more than its exports.

With the prevalence of unemployment among youths, adults and women in the Nigeria's ailing economic environment, the potential business education graduate would have to acquire a lot of skills in order to achieve gainful employment either by being employed in an organization or by being self-employed through setting up of his own model office popularly known as "business center". This is where the skills of entrepreneurship come into play; and the business education career can reduce unemployment and promote poverty eradication when entrepreneurship skills are acquired alongside with it.

In this vein, business education has become a veritable part of vocational education in the world of work. This is the reason why technological advancement of the business world has positively

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moulded the business education graduate to always improve himself/herself in order to cope with the

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modern office or teaching environment that is advancing rapidly into a more sophisticated one.

This is where environmental education becomes very relevant to the business education students as it is directed at educating them on how to save themselves through gainful employment, and at the same time, preserve the environment in which they live. Environmental education, therefore, is an attempt to bring to the awareness of students the need for them to regain balance of nature so that each and every one could enjoy the earth's natural resources forever and always.

When entrepreneurship is made a part of any career education, it would enable Nigerian youths and adults, according to Lassa (1997) "to orient themselves towards creative and honourable means of livelihood". Armed with computer literacy and applications, business education has come to mean a lot to any business environment and this has enhanced economic development of any nation.

There is no consensus over the definition of nation building. Ngada (2001) asserted that nation building is a concerted effort by the leaders to bring peoples of a diverse society together to form an attractive economically viable, politically strong and culturally stable nation. It also includes the changing of attitude of the citizens from the traditional to nationalism, patriotism and modernity. Ikwumelu (1993) explained that nation building is the effort made by leaders to move the nations steadily forward and permanently in the direction of self-reliance and development through dedication to excellence in leadership, discipline, orderliness, honesty, mutual respect and tolerance in national affairs. Abdullahi (2002) saw nation building as the society's environmental changes through the institutions, organizations, social clubs, customary usages, and attitudes to an extent that makes the society move more positively responsible to desired modern changes as a way of achieving economic gainful employment of the growing population.

Peters (1993) and Aina (2002) have stressed that nation building has acquired a new dimension, and that is, its sustainability. They explained that sustainability involves the ability to stabilize or perpetuate the gains of development. This is why Nigeria should sustain or maintain the improved condition she has attained without going backwards into her erstwhile undesirable state.

The Concept of Business in Nigeria

It is not easy to define business but Thusdat (1984) said:

The principle task of business in a democracy is to provide for consumer wants and needs. The wants of consumers generally shape the structure of business enterprise and the operations of business concerns. The main function of business, therefore, is the creation, procurement or the provision of the desired goods or services that they may be furnished to consumers in proper quantities at suitable times and at satisfactory prices

Fubara (1998) added that business is the sum total of those activities that have as their main purpose; the creation, maintenance and extension of a concern which continues to exist because it earns profits or other benefits or money.

In Nigeria, the word 'business' is very familiar to everybody, connoting different meanings. Men and women of the underworld use the word 'business' E.g. "Our business has failed today as a result of police network activities". It is common to hear from the Radio and Television news that the National Assembly could not transact any 'business' the previous day because the members present did not form a quorum.

Adeyeye (2002) maintains that the environment of business is an all-important variable as follows:

- (a) A business depends on its environment for the supply of resources like: labour, capital, and raw materials.
- (b) It is within the environment that opportunities abound which, if taken, is capable of launching a business into attaining its short and long-run objectives.
- (c) The environment (society, community or nation) forms the market for the products of a business enterprise.

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Entrepreneurship and Business Education Skills/Facilities

Nwaokolo (1997) explained that an entrepreneur is a person who makes profit by starting or running a business of his own especially when it involves taking financial risks. He added that entrepreneurship “involves the ability to set up a business enterprise as different from being employed by somebody else. It also involves the acquisition of skills, ideas and managerial abilities that are necessary for personal self-reliance”, and gave the following items as the characteristics of an entrepreneur.

- (a) The entrepreneur takes the initiative in combining the resources of land, capital and labour in the production of a good or service.
- (b) The entrepreneur has the choice of making basic business-policy decisions, that is, those non-routine decisions which set the course of a business enterprise.
- (c) The entrepreneur is an innovator-the person who attempts to introduce on a commercial basis new products, new productive techniques, or even new forms of business organization.
- (d) The entrepreneur is obviously a risk bearer... The reward for his or her time, efforts, and abilities may be attractive profits or losses and eventual bankruptcy. In short, the entrepreneur risks not only time, effort and business reputation, but his invested funds and those of his associate or stock holders (McConnell, 1981).

In this vein, a person who has been trained in the acquisition of business education skills can easily become an entrepreneur because the risks involved in running a business of his own are greatly minimized or reduced. He would be the proper person to manage the capital, land (in the form of store or business centre), labour (in the form of supporting staff), to the fullest advantage in order to make money for himself.

Lawal, Kio, Sulaimo, and Adebayo (2000) explained that an entrepreneur is an individual who

creates a new firm and continues to manage it until it is successful.

They added that is the person who identifies business opportunities and organizes the required resources to initiate successful business activity, and that an entrepreneur is different from a manager who only plans, organizes and controls a business idea after it has been successfully initiated by the entrepreneur.

In this vein, there are two categories of entrepreneurs, and they are: craft entrepreneur and opportunistic entrepreneur. The craft entrepreneur is the one who exploits businesses opportunities by utilizing personal skills, and this is where the business education graduate fits in; while the opportunistic entrepreneur is the one who is interested in having the business to grow and expand (Lawal, Kio, Sulaimon, and Adebayo, 2000). They explained that entrepreneurship refers to the act or process of identifying business opportunities and organizing them to initiate a successful business activity and profit. It is the ability to perceive profitable business opportunities, the willingness to act on what is perceived and the necessary organizing skills associates with the project. The main function of an entrepreneur is the ability to combine all factors of production in order to create wealth. These are: land, labour and capital. Land comprises land surface, sea, forest, and all mineral deposits or creatures that can be found in them. It can also refer to store, business center or workshop, etc. capital is the money that is used to start a business while labour is the human effort put into production or the supporting staff that are working with the entrepreneur. Other important facts about the entrepreneur are:

- (a) He provides the capital.
- (b) He bears the risk involved.
- (c) He coordinates the factors of production
- (d) He takes decisions on what to produce and how, as well as when to produce them. It can be either goods or services or both.
- (e) He sees to it that he encourages his supporting staff to put in their best into production areas through motivation, communication and excellent service to customers (Adeeko, Lawal, Unimunakwe and Akintola , 2001).

The business education graduate, who is worth in salt, should be able to master completely the accounting or secretarial skills (depending on his area of specialization) which are the essential tools of his trade. Whitehead (2000) expressed that the he or she should not be lacking in any skill especially with the use of the equipment/facilities, balancing of accounts, whether he is operating a documentary office or gainfully employed in an organization. They are: Computer system, scanning machines, telephone

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facilities, photocopying machines duplicating machines, calculating machines, typewriters (manual, electric and electronics), etc.

As a craft entrepreneur, the beneficiary of business education should be able to manage, control, organize, exploit and utilize his supporting staff (e.g., computer operators, messengers, dispatch riders, and cleaners) to achieve his goal, and maximize his profits. Other services, such as e- mailing and internet browsing can be effectively rendered to customers.

National Poverty Eradication Programme

Aina (2002) opined that Nigeria, as a poor county, is plagued with lack of commitment to nation building occasioned by corruption, indiscipline in public life, ethnic and religious strives, ignorance and disease. He went further to say that Nigeria is ranked by the World Bank as a low- income country, and also among the twenty poorest nations in the world as computed on the basis of per capita income.

Agbionu (2002) added that Nigeria has always introduced one form of programme of the other to alleviate poverty through different administrations since her independence in 1960. Nigeria started alleviation poverty through the establishment of the following programmes:

- (a) cushioning the immediate unemployment problems of fresh graduates by introducing the National Youth Service Corps scheme in 1973 by Gowon administration;
- (b) the establishment of the National Directorate of Employment in 1978 to solve problems of unemployment and also to serve as a means of promotion entrepreneurship;
- (c) the establishment of Operation Feed the Nation (OFN) in the seventies by the Obasanjo regime;
- (d) the setting up of the Green Revolution in the early eighties by the Shagari administration;
- (e) the establishment of the Structural Adjustment Programme (SAP), Mass Mobilization Scheme for Economic Recovery, and Better Life Programme for Rural Women that were introduced by the Babangida administration in mid-eighties and early nineties;
- (f) the setting up of the Family Support Programme (FSP) introduced by the Abacha regime and;
- (g) the establishment of National Poverty Eradication Programme set up by the present Obasanjo administration.

One funny thing that is common in them is that “the woes of the masses” especially the magnitudes of unemployment and poverty have continued to multiply unabated. The “black thread” that has been common to them is the problem of implementation, whether ‘full’, ‘haphazard’ or ‘faulty’. President Obasanjo later changed the poverty alleviation programme to National Poverty Eradication Programme (NAPEP). With all its well-meaning goals, the problem of implementation has not spared the trend of failure as a result of either “implementation dormancy” or “faulty implementation”. One interesting thing inherent in it is that once money is disbursed for the purpose, it is diverted. This is why this paper is highlighting the need to promote entrepreneurship development in small-scale business in order to help in eradicating poverty as a way of achieving economic gainful employment or self-reliance. Aina (2002) supported this fact by maintaining that the surest way of coping with the problems is “to train already educated youths and adults to acquired entrepreneurship skills to be self-employed which business education can provide”.

Entrepreneurship Development in Small-scale Business and Poverty Eradication

Entrepreneurship skills acquisition in business education is very vital to the stimulation of gainful employment in a depressed economy like that of Nigeria. This cannot be attained without adequate provision of equipment, tools, machines, computer systems, etc., for the training of youths and adults in every stage of educational development. As a practical programme, government should set the ball rolling by purchasing typewriters and computer systems in laboratories/typing pools in the junior secondary schools or higher institutions (as the case may be), for teaching and learning the skill

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subjects. As business studies is a pre-vocational subject at the junior secondary level, it is crucial that adequate provision of typewriter be made including the hiring of qualified teachers. Okonkwo (1995) had advocated that the full implementation of business studies at the junior secondary school level would go a long way to the promotion of poverty eradication in Nigeria.

At the tertiary institution level, government and other stakeholders should vigorously pursue business education by providing adequate teaching aids/equipment and laboratories for the teaching and learning of the skills in order to avail the students the opportunities to achieve professional competencies in the following areas:

- (a) the ability to make use of reference books/materials, e.g. dictionaries, yearbooks encyclopedia, handbooks, directories, company reports, gazettes, statistical bulletins and manuals, etc.
- (b) computer systems with appropriate software;
- (c) typewriters (manual, electric .and electronics);
- (d) ability to use tape-recorders for dictation purposes ;
- (e) skilful use of photocopies;
- (f) the skilful exposure to different textbooks and workbooks which display certain skills reinforce that enhance the learning of new technological innovations like the internet, communications and calculations;
- (g) the versatile writing of minutes of meetings at any level of management including departmental meetings or committee meetings;
- (h) the versatile writing of technical reports (whether disciplinary committees, work-stoppages, fire incidence or appointments and promotions), etc.
- (i) calculating machines, cash handling, cheque writing machines, etc., for effective balancing of various accounting books.
- (j) marketing techniques that promotes sales of goods/services.

From the forgoing, therefore, entrepreneurship development in small-scale business can promote the eradication of poverty when the skill arrears are well blended with business education skills so that beneficiaries can set up their own small business after graduation in order to enhance self-employment in the economy. Eventually, they can become employers of labour as supporting staff would be employed, e.g., accounts clerks, telephone operators, cleaners, book-binders, dispatch riders messengers, security guards, etc.

Contributory Factors To Poor Entrepreneurship Development in Small-Scale Business Environment

Some failure problems of craft entrepreneurs, especially those trained business education graduates who run business centres or documentary offices, may be divided into two categories: internal and external factors. Internal problems are mainly the inability to manage the business while external factors refer to some unforeseen or uncontrollable external problems. They are as follows:

(a) Internal Problems

Inadequate Training: Inadequate training of business education graduates persists in our tertiary institutions, thereby, resulting. into half-baked professionals. Frequent strikes, population upsurge and shortage of equipment for training are the order of the day in our tertiary institutions. Many graduates lack professional competences in book-keeping/accounts, typing shorthand, grammar/sentence structures and modem equipment operational skills. This is why some craft entrepreneurs of small-scale business cannot produce balance sheets, good malleable letters and other usable documents for their customers. Lawal, Kio, Sulaimon and Adebayo (200) added that lack of knowledge, particularly technical know-how in the particular business undertaken by the entrepreneur also contributes to business failures."

Insufficient Funds/Capital/Equipment: Insufficient funds, capital, equipment, or machines available would greatly create enormous problems to the entrepreneur. Running a business center of a documentary office entails adequate funds/capital and procurement of modern equipment. Their absence would certainly create lasting problems to the entrepreneur.

Obsolete Equipment: Some craft entrepreneurs who own documentary offices with manual and electric typewriters without additional modem computer systems are liable to shortfall in customer patronage. This is due to their inability to acquaint themselves with modem technological changes in the business world. Most business activities and communications have now been improved through the use of computer systems, e.g. e-mail and Internet technologies (Agbionu, 2002).

Indiscipline/Unreadable Expenses: Indiscipline and unreasonable expenses undertaken by some craft entrepreneurs can seriously affect the sustainability of a business. Expenses such as invitation for

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donations in churches/clubs, attendance at social gatherings, womanizing, (in the case of male entrepreneurs), excessive alcoholism/drug abuse, etc., can be attributable to indiscipline and unreasonable expenses.

Lack of Hard Work, Honesty and Reliability Nowadays, many entrepreneurs lack hard work, honesty and reliability in business activities in Nigeria. This very factor is negated by many Nigerians, taking a clue from what is going on in every department of our national life. Ugiagbe (2002) expressed that many youths and adults want to “get rich-quick overnight”, thereby, “making” money without really working hard for it. They engage in doubtful means of trading and livelihood in order to become millionaires or billionaires through short-cut methods that are very inimical to the achievement of entrepreneurial skills (Aina, 2002, and Eghochumu, 2003)

(b) External Problems:

Influence of Wide scale Corruption in National Life'. Aina (2002) and Egbockuku (2003) have asserted that Nigeria has been known as the most corrupt are contributing to the problems of entrepreneurship in Nigeria. Many youths, adults and elders have thrown away the virtues of hard—work and put in its place the culture of corruption. This new system of our national life is fact eroding the fabrics of development efforts in the country. Self-centeredness, self-aggrandisement greed and selfishness have become ways of manifesting progress and successes in life among the people. This is the reason why certain business activities like: trading on counterfeit and expired drugs/cocaine/heroin, money laundering, over-invoicing of contracts, diversion of funds, abandonment of projects, mismanagement, looting of treasury, etc., have become ways of life in the country. Consequently, fraudulent/short-cut practices have no bounds in both the private and public arenas of the Nigerian economy. Alarming stories of corruption of varying degrees being perpetrated by Nigerians have always been widely reported in our newspapers, magazines and radio broadcasts in Nigeria ad that of foreign countries. This is the reason why Nigeria has been tagged as the ‘most corruption oil-rich nation among independent states in the world (Aina, 2002).

The above facts, negate the encouragement of craft entrepreneurial skills and full exploitation of economic opportunities and resources that abound throughout the length and breadth of the country. Certainly, such abundant human and material resources would have taken Nigeria into higher heights of nation building in which small-scale entrepreneurship practices play a major role.

Power/Energy Crisis: In Nigeria, artisans, technicians, business centers, hair-dressing saloons, poultry farms, schools, colleges, polytechnics, universities, etc., require regular power supply to operate, and be able to produce their goods and services in accordance with the demands and supplies of the people. This is not so in the country. Most of these small business entrepreneurs, industries, etc. have been through out of jobs including production, thereby, retarding entrepreneurship practices in the economy. *Competition Among Businesses:* Craft entrepreneurs especially trained secretarial technologists, would have to slug it out in the crowded business environment as they face the problems of competition with one and another. Many of the business center entrepreneurs are not skillful enough too produce error- free mailable letters and usable documents to their respective customers. Some of them lose customers to better skilful and competent ones (Ugiagbe, 2002).

Wrong Location of Business: Many business centers, enteiprises or documentary offices are not well located. Such centers ought to have been located in busy city centers, high court neighborhoods, education institutions (especially the tertiary ones), etc. One would find that business centers located in the suburbs of urban areas might have problems of sustainability and growth.

Recommendations

To best up including entrepreneurship development in small-scale business to beneficiaries, the following recommendations are hereby made:

1. Funds should be regularly approved and disbursed to various tertiary institutions by the government and other stakeholder in order to sustain competency during training. This would invariably stimulate gainful employment after graduation.
2. Discarding environmental bad habits of all forms of corruption should be of concern to all Nigerians especially at this time of nascent democratic dispensation, because, a wide scale corruption eats into the fabrics of nation building.
3. Entrepreneurship education skills should be approved as a compulsory course of study to business education programme (including other courses in vocational and technical education) in tertiary institution.
4. Nigerians should imbibe the culture of hard-work, honesty and reliability in all areas of

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national lives. Meaningful campaigns should be made in order to familiarize the citizens of its productive and self-reliant nature.

5. Loans or any other forms of financial assistance should be provided to graduates of business education to enable them start their own businesses. As the programme is equipment-based capital oriented, it would go a long way in the purchasing of good typewriters, computers, photocopies scanners, etc by beneficiaries. The loan scheme could be included into the National Poverty Alleviation Programme of the present Federal Government.

Conclusion

It is obvious that there is need to encourage entrepreneurship development in small-scale business to beneficiaries of business education. This will enable them to be craft entrepreneurs by setting up their own business centers or documentary offices as veritable ways of achieving self-employment and sustainable nation building.

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