

ENTREPRENEURSHIP EDUCATION FOR ECONOMIC GROWTH AND DEVELOPMENT IN NIGERIA.

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ABSTRACT

Entrepreneurs are not born rather they become through the experience of their lives. Through effective entrepreneurship education, people can access the skills and knowledge needed to start and grow a new business. This paper, examined entrepreneurship education for economic growth and development in Nigeria. The challenges facing us as a nation range from high rate of poverty; youth and graduate unemployment; over dependence on foreign goods and technology; low economic growth and development; poor infrastructural facilities among others. This paper argues that entrepreneurship education will provide students with the skills with which to be self-reliant and becoming job creators rather than job seekers. This paper also recommended among other things that all stakeholders must encourage the introduction of entrepreneurship education across faculties and departments as general courses in the country. The federal government in collaboration with state governments should provide scholarships/bursaries for performing students as a way of encouragement as well as adequate attention to entrepreneurial development in the country in order to bring about improved economic growth and development.

Keywords: Entrepreneurship, Entrepreneurship Education, Economic, Growth, Development.

1.0 INTRODUCTION

Entrepreneurship education seeks to prepare people, especially youths, to be responsible, enterprising individuals who become entrepreneurs or entrepreneurial thinkers and who contribute to economic growth and development of their country. The need for entrepreneurship education started emerging in the mid 1980s. In the mid 80s, the Nigeria economic collapsed while youth and graduate unemployment hit the roof. There was large-scale layoff of workers and retirements as a result of structural Adjustment Programmes and bad economic trends in the country. During this situation, entrepreneurship, which would have salvaged the situation, was not encouraged. It has been observed that tertiary education has not been properly include philosophy of self-reliance such as creating a new cultural and productive environment that will promote pride in primitive work and self-discipline. Encouraging people to actively and freely take part in discussion and decision affecting their general welfare, promoting new set of attitudes and culture for the attainment of future challenges.

Nwangwu (2007) argued that the failure of tertiary education to imbibe the above philosophy in students has led to wastages in terms of both human and natural resources. This is because the youths and graduates form tertiary intuitions are not equipped with the skills with which to exploit the natural resources that abound in Nigeria.

Some of the factors hindering entrepreneurship in the country such as inadequate capital; unhealthy and unstable macro-economic environment; fear of the people to take risk on entrepreneurial activities and government policies are not designed to promote entrepreneurship.

1.1 CONCEPTUAL FRAMEWORK.

Entrepreneur. An entrepreneur is an enterprising individual who builds capital through risk and initiative. The term was originally a loan word from French and was first defined by the Irish – French economist Richard Cantillon. Entrepreneur in English is a term applied to a person who is willing to help launch a new venture or enterprise and accept full responsibility for the outcomes. The word entrepreneur was coined from a French word called ‘entrepredre’ which means a person who voluntarily head the military expedition. It was first used during the French military history in the seventeenth century. Ojeifo (2010) in his book, a Handbook on Entrepreneurial Development in Nigeria defined an entrepreneur as the owner or the manager of business enterprise who through risks and initiative, attempts to make a profit.

1.2 ENTREPRENEURSHIP

Entrepreneurship is the process of creating something new of value by devoting the necessary time and effort, assuming accompanying financial, psychic and social risks, receiving the resulting rewards of monetary and personal satisfaction and independence. (Hisrich, Peters, Sheperd 2007). The entrepreneur develops a business plan, acquires the human and other required resources, and is fully responsible for its success or failure.

According to Wikipedia, “is the act of being an entrepreneur” or “one who undertakes innovations, finance and business acumen in an effort to transform innovations into economic goods”. This may result in new organizations or may be part of revitalizing mature organizations in response to a perceived opportunity. The most obvious form of entrepreneurship is that of starting new business which is referred to as startup company.

Entrepreneurship has been simply captured as the use of human courage to seek investment opportunities and establish a profit-oriented enterprise (Ikeme & Onu, 2007). Entrepreneurship is generally viewed as a process of creating something new. Doing this involves a lot of time and effort devoted to ensure the tasks at hand and the resultant effects include monetary and personal satisfaction as well as independence. Entrepreneurship involves creation process, conscious devotion of time and effort, involves risk and has some rewards. Gana (2001), defined it as willingness and ability of an individual to seek out investment opportunities in an environment and be able to establish and run an enterprise successfully based on identified opportunities. Hisrich and Peters (2002), simply captured the term as the dynamic process of creating incremental wealth. They went further to explain that entrepreneurship is the personalized version of actualizing one’s desire, ambition, and expression.

1.3 ENTREPRENEURSHIP EDUCATION

Entrepreneurship education is an educational programme that provides the students with the knowledge, skills and motivation needed to start up a small scale business. In other words, it promotes innovation or rather introduces new products or services and market strategies to the students to become outstanding entrepreneurs. Kenton and Ervin (2000) define entrepreneurship education as an educational discipline that prepares people, especially youth to be responsible, enterprising individuals who become entrepreneurs or entrepreneurial thinkers that contribute to economic development and sustainable communities. In other words, entrepreneurship education is a programme that provides discipline to an individual to assume the responsibility and the risk for a business operation with the

expectation of making a profit. If this succeeds, the entrepreneur reaps profits; and if it fails, he takes the loss.

Hisrich (2002) in Kurya (2006) defines entrepreneurship as the process of creating something different with value by devoting the necessary time and efforts, assuring the accompanying financial, psychological and social risks, and receiving the resulting rewards of monetary and personal satisfaction. Another definition of entrepreneurship that is worthy of note is Miami University of Ohio (2003) quoted in Kurya (2006) which states that "Entrepreneurship is a process of identifying, developing and brings a vision to life. The vision may be an innovative idea, an opportunity or simply a better way to do something. The end result of this process is the creation of a new venture, formed under conditions of risk and considerable uncertainty"

Also according to Kuryi (2006), entrepreneurship is a process through which individuals and groups pursue opportunity, leverage resources and initiative change to create value. Therefore, considering all the works cited, entrepreneurship education generally provides creative skills and knowledge needed to start and grow a business. In other words, it prepares individuals to create and successfully operate a business enterprise.

1.4 OBJECTIVES OF ENTREPRENEURSHIP EDUCATION

Entrepreneurship education is oriented towards different ways of realizing opportunities. This is what makes entrepreneurship education distinctive in its focus on realization of opportunity, whereas management education is focused on the best way to operate existing hierarchies.

Entrepreneurship education seeks to provide students with the knowledge, skills and motivation to encourage entrepreneurial success in a variety of settings. Entrepreneurship education is structured to achieve the following objectives.

- a. To offer functional education for the youth that will enable them to be self-employed and self reliant.
- b. To provide graduates with adequate training that will enable them to be creative and innovative in identifying novel business opportunities.
- c. To serve as a catalyst for economic growth and development.
- d. To offer tertiary institution graduates with adequate training in risk management, to make certain bearing feasible.
- e. To reduce high rate of poverty.
- f. To create employment opportunities.

- g. To reduce rural – urban migration.
- h. To provide the young graduates with enough training and support that will enable them to establish a career in small and medium sized businesses.
- i. To inculcate the spirit of perseverance in the youths and adults which will enable them to persist in any business venture they embark on.
- j. To create smooth transition from traditional to a modern industrial economy.

1.5 IMPORTANCE OF ENTREPRENEURSHIP EDUCATION IN NIGERIA

Entrepreneurship is a key driver of our economy; wealth and a high majority of jobs are created by small business started by entrepreneurially-minded individuals, many of whom go on to create big businesses. There is more creative freedom for people who are exposed to entrepreneurship education. There is higher self-esteem, and an overall greater sense of control over their own lives. It is the believe of many experienced business people, political leaders, economists and educators that fostering a robust entrepreneurial culture will maximize individual and collective economic and social success on a local, national, and global scale

Entrepreneurship education is a lifelong process; starting as early as elementary school and progressing through all levels of education, including adult education. The standards and their supporting performance indicators are a framework for teachers to use in building appropriate objectives, learning activities, and assessments for their target audience. Using this framework, students will have progressively more challenging educational activities; experience that will enable them to develop the insight needed to discover and create entrepreneurial opportunities; and the expertise to successfully start and manage their own businesses to take advantage of these opportunities.

Entrepreneurship education focuses on developing understanding and capacity for pursuit of entrepreneurial behaviors, skills and attributes in widely different context. It can be portrayed as open to all. The propensity to behave entrepreneurially is not exclusive to certain individuals. Different individuals will have a different mix of capabilities for demonstrating and acquiring entrepreneurial behaviors, skills and attributes. These behaviors can be practiced, developed and learned; hence it is important to expose all students to entrepreneurship education.

Entrepreneurial skills and attributes provide benefits to society, even beyond their application to business activity. Obviously, 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 day-to-day existence. Also the relevant technical and business skills need to be provided to those who choose to be self employed and or to start their own venture or might do so in the future.

The economic importance of the entrepreneur has also been recognized for several decades. Welber (1930) put forward the thesis that the protestant ethic is spirit of capitalism (Green, 1959). Other writers have discussed from different perspectives, the importance of entrepreneurship to different countries in the industrial era. Schumpeter (1947), who is, perhaps, believed to be the first major economist to analyze the role of entrepreneurship in economic development, attributed innovation to the entrepreneur. He described entrepreneurship as the engine of economic development. He argued that "to study the entrepreneur is to study the central figure in modern economic history".

In the theory of distribution put forward by Say (1824), a neoclassical economist, the entrepreneur plays a crucial role, though he or she is not a production factor. Unlike the capitalist, the entrepreneur directs the application of acquired knowledge to the production of goods for human consumption.

1.6 THE CONTRIBUTIONS OF ENTREPRENEURSHIP EDUCATION TO THE ECONOMIC GROWTH AND DEVELOPMENT OF NIGERIA.

Entrepreneurship education, in combination with other education programmes in Nigerian universities will contribute to the nation's economic growth and development in the following ways:-

- a. Employment opportunities.** Entrepreneurship education will results in the creation of small businesses. The labour intensive nature of small businesses enables them create more jobs than the big businesses.
- b. Reduction in rural-urban drifts.** One of the primary objectives of promoting entrepreneurship in developing countries is to mitigate Rural-Urban drift syndrome. The migration of rural dwellers to cities in search of 'white-collar' jobs has resulted in congestion, high incidence of crimes, etc.
- c. Development of local technological base.** The development of indigenous technological base in all countries of the world has been championed by native entrepreneurs; this will help in transferring the much needed technology needed for the rapid transformation of the country,

- d. **Talent discovery.** Entrepreneurship education will help to discover talented, competitive, creative and very skillful individuals that are the nation's innovative assets.
- e. It will prepare individuals to be responsible and entrepreneurially conscious to contribute significantly to economic growth and development.
- f. It will build a connecting link that creates productive and very thoughtful citizens that can contribute to local, regional and national competitiveness.
- g. Entrepreneurship education will inspire and motivates students to achieve while in school and use their knowledge in a real world setting. It will provide activities that build relationships, provide relevance for learning and encourage rigour in the efforts to develop academic skills to be competitive.
- h. Entrepreneurship education will encourage graduates to establish small scale businesses and sustain them. These small businesses form the cornerstone of future economic growth, job creation and wealth generation.
- i. It will result in conservation of foreign exchanges. This will lead to reduced importation of machineries and equipment, raw materials and payment to foreign experts

1.7 THE CHALLENGES OF ENTREPRENEURSHIP EDUCATION IN NIGERIA

Despite the profound benefits of entrepreneurship education, it is still not fully blown in Nigeria. Some of the problems that hinder the development of entrepreneurship education in Nigeria include the following:

a. Finance

There is need for substantial funds for teachings in practical terms for entrepreneurial education; for financing start ups and expansion of business ventures in order to produce successful entrepreneurs. These funds could come from internal sources like personal savings, financial support from friends, relations, traditional co-operative groups and societies or externally from institutions like banks, government agencies and nongovernmental organizations.

These sources do not guarantee funds for youths start-up and business expansion for the following reasons. The funds from internal sources are largely inadequate due to high poverty level. The graduates have little or nothing on themselves. On the other hand accessing funds from external sources is difficult due to demand for collaterals by these agencies, and, in some cases requirements for part funding of the total money required for an entrepreneurship activity. The youths do not have these collaterals nor

the part funding. The failure to present these denies them access to the funds required for the business ventures.

b. Inadequate Equipment and Technology

The cost of equipment is quite high and cannot be offered by most Nigerians especially young graduates. This makes for difficulty in development of entrepreneurship as technology is closely related to entrepreneurship. It therefore calls for a need for the provision of affordable technologies.

c. Insecurity.

When there is no guarantee of security of lives and properties, it is difficult to run a successful venture. Nigeria has become a den of kidnapping and resulting in incessant hostage taking, kidnapping, bombings and unjust harassment.

d. Economic Pressure from Parents

There is often great pressure from some Nigerian parents who prefer their children making money in the short term over long term benefits of education. This makes it difficult for youths to devote enough time required for training in entrepreneurship. It is also as a result of such pressures that Nigeria is faced with a high rate of child labour without any skill in entrepreneurship.

e. Education

Entrepreneurship demands a talented workforce. Our system of education fails to provide the necessary foundation for such a work force. Our schools up to the tertiary level presently do not have a well developed curricular that emphasizes initiatives to increase accountability.

f. Entrepreneurial Attitude

The wealth resources and rich endowment of mineral resources for Nigeria have largely allowed the Nigerian populace and even the government to be complacent. A great majority of the Nigerian people has utopian ideas; live in affluence in some cases more imaginary than attained. Furthermore, since it is believed that there is a strong climate for entrepreneurs, there is little or no worry about entrepreneurship education. The necessary drive for an entrepreneur is not there and this leads to poor performance in entrepreneurship. Supporting this view is the assertion by Akpa (2007) that an average entrepreneur is rugged and aggressive.

g. Inadequate Infrastructural Facilities

Due to inadequacy of facilities like good roads, electricity, access to information, water supply etc. there is increased problem confronting the development of entrepreneurship education. There is difficulty of

communicating ideas and wares with other areas. Without sales entrepreneurship cannot be fully blown.

h. Cultural Barriers

Entrepreneurship requires a culture that respects risk taking. Without the willingness to take risks it is not possible to create value from knowledge. The culture of risk taking in Nigeria needs to be properly addressed in view of its diverse cultures which often cause a barrier to investments.

1.8 STRATEGIES FOR EFFECTIVE ENTREPRENEURSHIP EDUCATION

In order to achieve viable entrepreneurship that will enhance sustainable growth and development in Nigeria, the following strategies will help to solve the problem of entrepreneurship education in the country.

- a.** There should be some form of genuine school- work based learning incorporated in some studies as part of the national economic development strategies. This implies enriching the curriculum to incorporate more vocational and technical training. The development of apprenticeship scheme would give new graduates some work skills and experiences.
- b.** There should be School-based enterprises where students identify potential business, plan, create and operate small business by using the school as mini-incubators.
- c.** Entrepreneurship internship programmes should be develop and match students with locally successful entrepreneurs with clearly established education programmes.
- d.** Government should establish small business schools where interested students and community members can participate. This will make students to be self reliant.
- e.** Government should develop entrepreneur internship programme by matching students with locally successful entrepreneurs with clearly established education programmes.
- f.** The Government should establish an enterprise college aimed at fostering the specific skills required for entrepreneurship. This will serve as skill-acquisition centre for the youths.
- g.** Government should create an economic friendly environment. This centers on reduction of taxes on small scale businesses.
- h.** There should be enough incentives for students of vocational and technical schools. This will motivate them to establish their businesses after school.

1.9 CONCLUSION

The issue of entrepreneurship education to any nation especially developing ones like Nigeria is no doubt of paramount importance. Its role in economic growth of nations especially in the face of the global economic meltdown cannot be underestimated.

Entrepreneurship is a central pillar to economic growth and development, as well as employment generation and poverty alleviation. It is therefore necessary that aggressive efforts should be made to see to its full development. For Nigeria to achieve the vision of becoming one of the most developed countries in the world, youth empowerment, employment generation and poverty alleviation among others must be tackled. Youths should be enabled to access funds for entrepreneurship. They should also be exposed to training in technology, opportune to have internship training in entrepreneurship and reinforced on the concept of risk taking. The government should also set machinery in motion to provide an enabling environment characterized by adequate infrastructural facilities.

2.0 RECOMMENDATIONS

As a way forward towards realizing a full blown entrepreneurship education and effective practice of entrepreneurship by youths of tertiary institutions in Nigeria, towards the realization of economic growth and development in the country, the following recommendations are made:

- a. All stakeholders must encourage the introduction of entrepreneurship education across faculties and departments as general courses in the country. The federal government in collaboration with state governments should provide scholarships/bursaries for performing students as a way of encouragement.
- b. There is need to provide opportunities for youths to raise funds to enable them start up and expand their business enterprise in a manner that will be significant to them. This may be achieved through bursary awards and other such in school assistance to enable youths acquire savings before they are out of school or through grants to them on graduation.
- c. The government should mandate financial institutions to produce and issue more friendly loans. Such loans would have low interest rates and long duration for repayments.
- d. Youths should be exposed to training in technology (especially new discoveries) from time to time. This keeps them in tune with trends of the technological world and thus avoids drudgery in their business.
- e. There should be efforts to reinforce in youths the concept of risk taking and patience in wealth creation. This instills positive change of entrepreneurial attitude. They would thus develop habit of

success out of failure which is the only way to making money in the long run. Knowing that life is full of risks and success comes from failure, youths will try again where they fail.

- f. Entrepreneurial teachings have to go beyond the traditional teachings in the classroom. This implies the need to involve youths in experiential training. This could be through involving youths in internships in industries as well as involving experienced entrepreneurs in their training. These experienced entrepreneurs will complement efforts of the instructors by functioning as mentors and role models.
- g. The government should set machinery in motion to provide an enabling environment for entrepreneurship. This includes formulation of policies, provision of good roads, pipe borne water, electricity etc.

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