

Entrepreneurship Education Policy: An Intervention Strategy For Economic Development In Nigeria

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Abstract

This article centered principally on the effect of entrepreneurship education on economic development in Nigeria. The study adopted a theoretical approach supported with secondary data sourced from text books, journals and internet materials. The findings revealed that enriched and well packaged entrepreneurship education can enhance skill acquisition and capacity building, foster entrepreneurship development and fast tract economic growth in Nigeria. It was therefore recommended that entrepreneurship education should be centered on practical orientation rather than the theoretical appreciation of the course in our various institutions. It further recommended that the government should establish good study centers with well qualified personnel to educate and train the prospective entrepreneurs, and make funds available to them at the end of the programme for business formation enrich and repackage entrepreneurship education, curriculum for application in Nigerian schools and colleges.

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1 Introduction

The cardinal rationale behind Nigeria's strive for independence was to attain socio political and economic autonomy, in order to fast track general growth and development. Post independence actions taken toward accomplishing the goal include indigenisation of certain firms, capacity building, establishment of schools, setting up public enterprises and encouragement of primary production sector.

It is important to note that the plethora of firms in operation in that era were basically established and managed by the state. It is also worthy of note that over ninety five percent of the firms became moribund even at their introduction stage, principally due to some factors encapsulated in the somewhat absolute public ownership/management style employed.

The failure of the style to lead to the much desired economic growth caused a rethink towards encouraging privatization and general entrepreneurship development. The degree of encouragement of entrepreneurship is epitomized by recent introduction of a two semester general course tagged entrepreneurship development in all Nigerian universities.

This paper therefore intends to examine the effect of entrepreneurship education policy on the country's economic development and to identify necessary actions that could be captured in the policy for the envisaged goals to be achieved effectively.

2 Theoretical Framework

Entrepreneurship is the act of being an entrepreneur. Entrepreneur can be defined as one who undertakes innovations, finance and business acumen in an effort to transform innovations into economic goods and services (wikipedia, 2012). This may result in new organizations or may be part of revitalizing mature organizations in response to a perceived opportunity. According to Islam et al. (2011), the characteristic of entrepreneur played an important role in ensuring the business success in Small and Medium Enterprises (SMEs). Etuk and Mbat (2010) viewed entrepreneurship as a process through which individuals and/or government either on their own or jointly exploit available economic opportunities without being scared by associated risks or inadequate resources under their control. In the same way, Stevenson (1983) defined entrepreneurship as the pursuit of opportunity without regard to resources currently controlled.

However, entrepreneurship can be defined as the process of creating something new with values, by devoting the necessary time and effort, assuming the accompanying financial, psychic and social risks, and receiving the resulting rewards of monetary and personal satisfaction and independence.

Entrepreneurship is an essential factor of production and a prime mover in any successful enterprise. Entrepreneurship therefore, means a science of undertaking tasks with attendant risks and gains, while the entrepreneur is the organizer, innovator, and risks bearer in any business undertaking. The essential objective of entrepreneurship is to make profit and not to incur losses.

Entrepreneurship is a building blocks or a key driver of an economic development in any economy. Research and development, wealth and a high majority of employment opportunities are created by small businesses developed by entrepreneurially minded individuals, many of whom go on to create large companies or businesses. People exposed to entrepreneurship regularly express that they have more opportunities to exercise creative ideas, freedoms, higher self esteem, and an overall greater sense of control over their own lives. As a result, many experienced people, such as the political leaders, economists, and educators believe that fostering a robust entrepreneurial culture will maximize individual and collective economic and social achievement on a local, national and global scale.

2.1 Impact of entrepreneurship on economic development

According to Casson (1993), entrepreneurship is one of the most important inputs in the economic development of a country. He stressed further that entrepreneurship plays a pivotal role not only in the development of industrial sector of a country, but also in the development of agricultural and service sectors. Fasna (2006) asserted that entrepreneurship is crucial to development of state's economy. He noted that the multiple problems of unemployment and low productivity created by the failure of bureaucracies and public corporations in the last two decades are gradually decreasing due to government encouragement of Small and Medium Scale enterprises in Nigeria. The functional relationship of entrepreneurship with economic development involves more than just increasing per capita output and income; it involves initiating and constituting change in the structure of business and society. This change is accompanied by growth and increased output which allows more wealth to be divided by the various participants. One approach of economic growth depicts innovation as the key not only in developing new products or services for the market but also in stimulating interest in the new ventures being created. The most recent private sector survey estimates the contribution of entrepreneurship by way of micro, small and medium enterprises (MSMEs) to be 20-25% of GDP in Bangladesh (Islam et al., 2011).

2.2 Entrepreneurship education

Entrepreneurship education is a learning process, starting as early as elementary school and progressing through all levels of education. The standards and their supporting performance indicators constitute a frame work for teachers to use in building or developing appropriate objectives, learning activities and assessments

for their target audience. Using this framework, students, youths and citizens will have progressively more challenging educational activities; experiences that will enable them to develop the insight needed to discover and create entrepreneurial opportunities.

According to Izedonmi and Okafor (2010), entrepreneurship education is focused on developing youth with the passion and multiple skills. It is aimed to reduce the risk associated with entrepreneurship thought and guide the firm successfully via its initial stage to the majority. Brown (2000) pointed out that entrepreneurship education is designed to communicate and inculcate competencies, skills, knowledge, and values needed to recognize business opportunity, organize and start new business venture. It is about transforming an idea into reality, rather than talking about how to do it. Garavan and Costine (1995) asserted that entrepreneurship education is the process of or series of activities which aims to enable an individual to assimilate and develop knowledge, skills, abilities, values and understanding that are not simply related to a narrow field of activity but which allow a broad range of problems to be defined, analyzed and solved. It emphasizes on teaching people or citizens with the passion and desired skills needed to create an entrepreneurial firm and guide the firm successfully via its initial stage to maturity stage. It seeks to provide students with the knowledge, skills and motivation to encourage entrepreneurial success in a variety of settings (Maria, 2010). With the knowledge of entrepreneurial action, these students or potential entrepreneurs are able to understand how and what it means and takes to own a business, create ideas towards the achievement of desired goals and objectives. Certainly, the growth and development of a country's economy is possible through entrepreneurial activities and its education (Stephenson, 2005).

From the above analysis, entrepreneurship education is the systematic development of skills, knowledge and attitudes demanded by an individual to perform adequately in a given business or occupational oriented opportunities for improved performance of a country's economy. The need for entrepreneurship education comes to the surface when societies have to improve on its effectiveness, efficiency and safety of its economy for a greater economic development. The aims of entrepreneurship education therefore, are: to improve the performance of existing economy, to reduce the learning period for one to participate fully in the business environment, to help people develop their capacities so that their economy can meet most, if not all, its future requirements for the economy.

2.2.1 Objectives of entrepreneurship education

According to Paul (2005), entrepreneurship education is organized to achieve the following objectives:

- To create employment
- To reduce high level of poverty
- To create smooth transition from traditional to a modern industrial economy

- To serve as a catalyst for economic development and growth of the GDP.
- To provide the young graduates with enough training and support that will enable them to establish an occupation in small and medium sized businesses.
- To inculcate the spirit of perseverance in the youths and adults which will enable them to persist in any business venture they embark on.
- Entrepreneurship education reduces the high level of rural-urban migration.
- To offer functional education for the people that will enable them to be self-employed and self-reliant.
- To provide the youth with adequate training that will enable them to be more creative and innovative in identifying noble business opportunities.
- To offer tertiary institution graduates with adequate training in risk management, etc.

What makes entrepreneurship education distinctive is its focus on realization of opportunities (Scott, 2003). Howkins (2001) added that entrepreneurship education can be oriented towards different ways of realizing opportunities.

2.2.2 Entrepreneurship education and economic development

The issues of unemployment and poverty, poor infrastructural facilities, corruption and other social problems are critical impediments that plague the Nigerian nation. To this end, the federal government formulated various policies to guide actions directed towards finding lasting solutions to these impediments. In this regard, the economic importance of entrepreneurship education in world history has been recognized. Several early writers have discussed from different perspectives the importance of entrepreneurial education to different countries in the post industrial era. Recently, some development economists posited that the expansion of great personnel (such as entrepreneurs), rather than the increase of physical capital, is a major determinant of economic development. Schumpeter (1947), who was perhaps, the first major economist to analyze the effect of entrepreneurship in economic development, attributed innovation to the entrepreneur. In the theory of distribution put forward by Say (1824), a classical economist, the entrepreneur plays a crucial impact, though he or she is not a production factor. Unlike the capitalist, the entrepreneur directs the application of acquired skills and knowledge. The entrepreneur should be able to forecast future demand, determine the appropriate quantity and timing of inputs, calculate probable production costs and selling prices, and have the arts of superintending and administration. As this combination is not common, the number of successful entrepreneurs or prospective entrepreneurs is limited, especially in industry. According to Schumpeter (1947), the entrepreneur is the center of an integrated model of economic development, incorporating a theory of profit and interest, as well as a theory of the business cycle and the capitalist system. The entrepreneur is an innovator who does the introduction of a new product, the opening of a new

market, the conquest of new sources of materials, and the organization of new industry.

Therefore, with this, the concept of economic development can be discussed to complement the focus of this study in the third world. Economic development generally refers to the sustained, concerted actions of policy makers and communities that promote the standard of living and economic health of a specific area. Economic development can also be referred to as the quantitative and qualitative changes in the economy. Such actions can involve multiple areas including development of human capital, critical infrastructures, regional competitiveness, environmental sustainability, social inclusion, health, safety, literacy and other initiatives (wikipedia, 2012). Economic development is not synonymous with economic growth. Whereas economic development is a policy intervention endeavor with the aims of economic and social well being of people; economic growth is a phenomenon of market productivity and rise in GDP. Consequently, economic growth is one aspect of the process of economic development.

2.2.3 The role of entrepreneurship education trainer

According to Ilesanmi (2000), effective entrepreneurship education trainer should be able to perform the following activities:

- Formulate strategies for stimulating trainees towards self employment
- Explore various possibilities for exploiting and benefiting from activities of various other agencies assisting at the pre start up and start levels of new venture development.
- Identification of entrepreneurial skills in youths and motivate them to become self employed
- Provision of basic skills, knowledge and information for starting and successfully managing an enterprise.
- Provision of advisory services/consultancy on a continuous basis to trainees, ex-trainees and other interested parties.
- Evaluation of trainees or potential entrepreneurial capability using various techniques and challenging them to build on their strength.
- Recommend potential entrepreneurs for further benefits from incentive schemes available in the country.
- Organize training and development courses at various levels of the institutions and evaluate their effectiveness
- Attach youths to suitable enterprises for apprenticeships and monitor their progress very closely.
- Provide assistance to trainees in the preparation of business venture feasibility reports for effective performance.
- Provide additional assistance in obtaining credit facilities and other services from relevant organizations.

- Identify self employment opportunities in various business sectors and advise trainees or prospective entrepreneurs on selection of suitable ventures to venture into.
- Provide further advisory services to ex-trainees and those who have started business ventures and help them in solving routine problems.
- Provision of information adequately on business and self employment as a career in the community/country.

3 Recommendations

- Government should establish good study centers with well qualified personnels to educate and train the prospective entrepreneurs in the country.
- Government should properly motivate and encourage trainers through good condition of service.
- Youths should be introduced to entrepreneurial activities at their early stage to enable them grow alongside with it.
- The prospective entrepreneurs should learn how to practice entrepreneurial cultures/attributes that are acceptable in the society.
- Government should incorporate practical/field training scheme in the existing mandatory entrepreneurship curriculum of tertiary institutions.
- Entrepreneurship subjects should be introduced as one of the compulsory subjects in all secondary schools in the country.
- Entrepreneurship lectures, teachers/trainers should periodically be retrained and encouraged in the area of research to update their skills in order to be relevant in today's era of dynamic and globalized environment.
- Nigerian banking reform programmes should incorporate regulation of banks with regards to interest charged on loans for entrepreneurial ventures.
- Necessary infrastructures such as roads, electricity, portable water etc should be provided in both urban and rural areas, to enhance quality living standard, minimize rural-urban migration, and maximize value as well as employment of resources available in some communities.
- Government should show seriousness and commitment towards the implementation of entrepreneurship education policy through creation of appropriate regulatory agency to monitor the programme.
- Government should review the entrepreneurship education curriculum for institutions regularly and periodically evaluate the degree of success of the policy and level of accomplishment of the policy objective in the economy.
- The government should make provision for a credit facility (a take off grant) for the students/entrepreneurs at the end of the programme to enable them establish businesses of their own.

4 Conclusion

The pace of accomplishing economic development in Nigeria during the post independence era has substantially been slow. The policies and strategies so far employed by government include indigenization/nationalization of certain firms, establishment of public enterprises, government direct involvement in agro based sector development and management (through operation back to land, green revolution, and basin development), Structural Adjustment Programme (SAP), privatization of public enterprises, poverty alleviation schemes, national directorate of employment (NDE), banking sector reforms, among others. Having realized that entrepreneurship stimulates the economic development of countries such as Britain, USA, Germany, Canada, Japan, China, Korea, etc, the federal republic of Nigeria recently introduced entrepreneurship development curriculum in all tertiary institutions in the country. The adoption of this general studies course irrespective of students' specialty commenced barely two years ago. The goal of this policy is to impart entrepreneurial skills and interest in students of higher institutions so that upon graduation, many could embark on self employed endeavours, in order to fast track the much desired economic development in the country.

To make this policy effective, the present curriculum should be enriched and short practical field training programme incorporated. Entrepreneurship curriculum should be developed and introduced in secondary schools as part of the mandatory subjects especially at junior level and final examinations. Skill acquisition in this direction could stimulate interest and involvement in entrepreneurial activities, leading to increased utilization of resources, increased output of goods and services for household and industrial consumption, generation of employment opportunities, increased per capita income, improved standard of living, increased foreign earnings through export and international operations, and economy diversification, all of which demonstrate basic components of a developed economy.

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