

# Entrepreneurship Development through Education: The Nigerian Experience

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## Abstract

Entrepreneurship development is any society like Nigeria can achieve its desire objectives in sustaining and maintaining healthy economic condition through education. This is because education imbues in individual entrepreneur the spirit of sportsmanship and behavioural traits relevance to make an enterprise more productive. In view of this therefore, this paper discusses the conditions that can foster the development of entrepreneur in Nigeria, entrepreneur and professional skill, entrepreneurship and Nigeria economy and advances recommendations such as personal commitment and change in attitude towards business as it is obtained among their cater parts everywhere in the world, engagement of Nigerian entrepreneur on productive ventures instead of quick money yielding venture and a host of others. Also, an overview of Nigerian entrepreneur is equally expounded.

## Introduction

The desire of most developing countries like Nigeria is to have self-reliant economy especially as it concerns the production and distribution of goods and services. Entrepreneurship in this sense has been envisaged as the willingness and ability of individual entrepreneur to seek out an investment opportunity established and run as an enterprise. On the other hand, entrepreneur according to Osula (1993) is a person who has the ability to see and evaluate business opportunities by gathering the necessary resource and taking advantage of them to initiate appropriate action to ensure success. He maintains that the success of any entrepreneur depends on his willingness to accept responsibilities if he or she wants to pursue goals which are compatible with what he or she wants in life, and such goals which he or she pursues have to be profitable. Therefore, success in any business enterprise emanate from the actions of the entrepreneur rather than the actions of others as a result of his skill. Consequently, the need for individual entrepreneur to seek for any investment opportunity depends on his educational attainment and the possible use of such education to source for factors of production that could be possibly combined for optimum production.

In support, Oshagbemi (1983) points out that education is very essential for entrepreneur initiative because it propels the entrepreneur into optimum production by making him to combine least –cost factors of production in the production of goods and services. He maintains that education of entrepreneur enables the economy to be self-sustaining in all aspect of its productive activities, and ensures rapid economic growth and development. For this reason, to qualify as an entrepreneur one must be an originator and initiator of possible business ventures. The question however is, what can be done to uneducated entrepreneur to encourage them to initiate business ideas by the use of professional skills to produce goods and services that are profitable?

## Condition for Entrepreneurship Development

According to Yusufu (2003) to be entrepreneur one needs to possess behavioural traits which may be latent and can be developed through education. He further added that the trait could be manifested behaviour, which can be built upon through training. This means that an entrepreneur must have to meet certain conditions that will assist him or her to gain control of and able to combine resources in new ways that will be profitable.

In same vein, Todare (1995) opines that an entrepreneur is he or she who is ready to take risk, commit his finance and personal energy into the enterprise with the aim of achieving result. Following this assertion therefore, several conditions that leads to entrepreneurship development as identified by Chioma (1979) are classified as thus:

- Achievement motivation

A major requisite for successful entrepreneurship is achievement motivation. This means that to be a successful entrepreneur, there must be need and urge to succeed. The psychological motivation about what business an individual wants to undertake must be high. Hence, this urge encourages the entrepreneur to initiate and adopt new methods and techniques of production that will be profitable to business prospect.

- Innovation idea.

According to Ikpeze (1988) the challenges of any entrepreneur is usually the devised ways of becoming entrepreneurial. This attribute arise through innovation particularly in developing new techniques of production that may give rise to new production, and finding improvement to new system by improving qualities and reducing costs. Hence, an entrepreneur is conditioned to possess the character of putting

into practice new ideas that are creative.

- **Self-Actualization**

Entrepreneurs need self-esteem to succeed in any business. This means that he or she has to exert efforts and energy in taking decision with respect to raising money and providing necessary materials for the set objective. Accordingly, the ability to source for money and acquire technical knowledge and managerial skills to run the business depends on the entrepreneurs' personal efforts and initiative which are regarded as an important skill desirable for any entrepreneurs' success.

- **Business Directorship**

Not only does an entrepreneur establishes the business enterprise, but also operates it in order to achieve the rightful goals he or she specified. This process according to Chioma (1979) involves determination of task necessary to achieve the goals, allocation of resources for the performance of various tasks, coordinating the activities required in the process and motivating the personnel by providing leadership direction for the survival of business enterprise. This is true because it is physically impossible for the entrepreneur to be personally involved in the details of these activities. Therefore, the details concerning the running of any business enterprise may be delegated to employees while the entrepreneur concentrates on the activities that are critical to the success of the enterprise.

- **Practical experience.**

Usually, the survival of any business enterprise depends on the knowledge and experience of the entrepreneur. Knowledge is gained through training, while experience is gained through sustained practice and exposure to an idea or action. Therefore, for an entrepreneur to succeed, he or she must have to combine his or her knowledge and experience in such a way that profit motivation is attained. This is usually done through humility, dedication, articulation of thoughts and drawing customers closer to him/herself to arouse their interest towards the business opportunity.

- **Clarity of Decision-Making**

Decision making in any organization determines the extent of success that could be achieved in that organization. For instance, clear decision making by an entrepreneur according to Yusufu (2003) portrays the level of achievement that the organization could attained in the production and distribution of goods and services. Any changes that could occur in the use of innovation approach in the production process may depend mostly on the decision of the entrepreneur in accepting or rejecting such change. However, clear decision making entails a thorough understanding and grasps about the nature and scope of best practice in the operational aspect of a particular enterprise so as to achieve the entrepreneurial objectives. In this case, the ability of an entrepreneur to make such clear decision depends on the managerial competence exhibited by him or her as the owner of the enterprise.

In view of the above, it is important to state that the success and survival of any enterprise generally depends on the approach such entrepreneur adopts in making sure that production and distribution of goods and services are easily carried out. Usually the purpose is meant to achieve maximum profit with respect to cost comparable to other goods and services produced elsewhere. This may be possible though the use of local resources and techniques in the production process. Consequently, such approach creates awareness to the entrepreneur and encourages the development of the enterprise. However, the concept of entrepreneurship is associated with the establishment and operation of the enterprise whether small or medium scale. The significance of such operation whether small or medium scale as specified by Osuola (1993) is determined by professional skills acquired by the enterprise.

### **Professional skills and Entrepreneurship**

Entrepreneurship and skills needed in an enterprise go hand in hand. This is why in developing countries emphases is placed on basic educational system aimed at creating efficient environment for the development of small and medium scale industries. Basic educational system according to Bhalla (1992) takes the leading role in the promotion of professionalism in different aspects of business. The effect of this therefore, ranges from quality control and accountability to financial prudence of any business. Hence for any business enterprise to strive successfully, professional training has to be vigorously pursued. This is because it helps the entrepreneur to create diverse ideas and equally assist him or her to cover a wide range of creativity in the production process. Accordingly, when defining ways of nurturing entrepreneurship and developing professional and technical skills in any enterprise it is important to give full consideration to the complexities of market development. Market rate issues basically fall into two categories. Via domestic market development and effective participation in the international market (Puke 2001)

- **Domestic Market Development.**

It is generally believed that in building small and medium scale business, the local market plays a key role. This is because small and medium scale enterprises are expected to satisfy home market through

effective distribution of goods and services produced by them. Usually, achievement of such objective involves identification of prospective consumers, Stimulating demand and provision of information services to the buyers (Asioda 1967). This is done through fair pricing decision, sales promotion and good publicity on how and where the goods are produced.

- Participation in International Market.

Usually, the participation of small and medium scale industries in international market is not an easy proposition. This is because most of the entrepreneurs find it difficult to compete with large or trading companies that have already been recognized internationally. Although, as stipulated by Garba (2010), active interactions of small and medium scale industries with large or small trading companies will provide them the opportunity of modifying their production process to international standard. Also the ability to harness market forces and develop business opportunities contributes significantly to the success of any enterprise. In this case, education is considered as the most striving opportunities if these mandatory entrepreneurial strategies are to be developed.

### **Entrepreneurship Development and Nigeria Economy**

Having realized the importance of small and medium scale enterprises as means of accelerating industrial development as well as the promotion of initiative of entrepreneurship in the development of export and generation of employment, a set of public policies were introduced to made the policies functional (Aboyede 1977). For instance, the first effort to promote entrepreneurship skills of small and medium scale enterprise in Nigeria came into being in the early fifties with the creation of the colony development loans board by the colonial administration. This body was succeeded by the federal loan fund for industry which came up as part of the technical assistance from United Kingdom for small and medium scale credit scheme (SAMSICE). Hence, the government policy on small and medium scale business or enterprise was first spelt out during the second national development plan of 1970-1974. The policy stipulation was that the government could increase indigenous ownership and participation in manufacturing, while active support is given to the development of small and medium scale industries. It was also during this period that government promulgated the Nigeria enterprise promotion decree, which reversed indigenous equity participation between 100-40 percent. The public policy was further specified during the fourth national development plan of 1981-1985 (Osuola 1993). This period also witnessed the initiation of import substitution and export promotion strategy meant to develop, and encourage small and medium scale industrialist in the country. In order to solve, resolve and dissolve the financial, managerial, technical and commercial problems which might confront or affect small and medium scale industries, the federal government introduced structural or institutional fiscal and financial measures in the countries, these include:

- The establishment of Nigeria bank for commerce and industry (NBCI) for the purpose of providing equity capital and funds by way of loan to indigenous entrepreneurial institutions and organization in the country. Also long-term investment funds for industries and commerce were provided.
- Negotiation for receipt of World Bank loan to provide core trained manpower and institutional structure capable of providing technical advice and credit to viable small and medium scale enterprise was launched. These incentives according to Osuola (1993) were made possible by ensuring that central bank credit guidelines to commercial and merchant banks were up held.

Structurally, at the apex of it all, the creation of small and medium scale industry division in the federal ministry of industry, which was responsible for the formation of policy, planning, supervision and execution were established. The state governments were also actively involved and collaborated with the division in the execution of the project. Accordingly, the division also engages in number of activities in line with the government policy for the promotion and development of small and medium scale enterprises in the country. These according to Adejimala & Olufunmilayo (2001) involve financial assistance to small and medium scale enterprises in the country. However, these encouragements and incentives were by itself not enough if it were not accompanied by individual requisites. Such as entrepreneurship and managerial skills, the demand for locally produced goods in the market and formation of association and network that will help facilitate the performance and functioning of individual entrepreneurs. In view of these, the following recommendation are proffered,

- Nigerian entrepreneurs like her counterparts in India, Taiwan, Singapore, and South Korea among others needs personal commitment through change of attitude towards business, dedication, professional training and reasonably well established knowledge in technical and scientific functions through existing educational system in the country. This is because commitment and professional training through education enable the entrepreneurs to be creative and innovating in the production of goods and services.
- Since most Nigerian entrepreneurs lack genuine collateral security that might assist them secure long-term loans from the banks, it means that finance is their major constraint. This situation is highly unhealthy for Nigerian entrepreneurship development. Hence, an alternative dialogue and stimulation of

regional and international co operations in enhancing competitiveness among different entrepreneurs in Nigeria is to be properly addressed. Also, periodic meeting among entrepreneurs and policy makers should be encouraged with the support of large companies.

- Consequently, managerial and technical training programmes of national directorate of employment (NDE) meant to train and retrain small and medium scale entrepreneurs should be expanded and made more viable to stimulate professionalism in Nigeria entrepreneurship development.
- The federal government should also undertake an exhaustive examination of the specific problem of small and medium scale enterprise through interdisciplinary study. Such studies when combine with indigenous capacities and pilot demonstration project could lead to the development of national programme and support services for enhancement of small and medium scale industries in traditional and domestic sector of the economy that have been neglected.
- Entrepreneurial engagement on ventures that are expected to yield quick money syndrome such as petroleum product distribution, transportation, hotel services and importation of goods and services leaving the productive sector untouched should be discouraged. Instead, such entrepreneurs should be encouraged to go into production of goods and services.
- Finally, Nigerian entrepreneurs should try to exploit new opportunities of industrial development by developing traditional tools and techniques for production of goods and services. Such opportunities if properly exploited could make the entrepreneurs participate effectively in international market.

### Conclusion

The study has attempted to reveal that education is very important for entrepreneurship development. This is because education enables the entrepreneur to initiate new ideas on the techniques of production that are least-cost in the production of goods and services. Conditions necessary for entrepreneurship development were equally addressed. Consequently, the study revealed that professionalism through basic education creates efficient environment for small and medium scale enterprises. However, Nigeria has already passed the first stage of industrialization based on import substitution and export promotion strategy in the consumer goods and services. Hence, the country is expected to be the threshold of major developments which can alter the structure of the economy and make an industrialized nation, but most entrepreneurs in the country seems to be money conscious, investing their money to quick money ventures instead of exploiting new opportunities. In view of this, it is essential for Nigerians to have proper industrial planning and programmes with adequate government policy to enhance the development of entrepreneurship programmes in the country.

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