

# **BASIC AND CONTEMPORARY ISSUES IN ENTREPRENEURSHIP**



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## **Chapter 23**

# **ENTREPRENEURSHIP EDUCATIONAL PROMOTION: A TOOL FOR NATIONAL SELF-RELIANCE**

**Adekeye, D. S.**

### **Introduction**

There is a big challenge for Nigerian youths. Not only the youths, even the adults face a lot of challenges. The pathetic situation in Nigeria today is that after struggling to graduate at the 'normal' or 'abnormal' time, you go out to serve the nation only to experience irregularity in the payment of your stipends. Upon the completion of service, you get back home to join the unemployment market—and this can go on for only God knows how long. Your aged parents find it difficult to get their gratuities and equally find it more difficult to access their pensions. We are all familiar with what is currently being referred to as the 'Pension scam' in Nigeria.

Haftendorn and Salzano (2003) submit that "66 million young people are unemployed and even higher numbers are underemployed. Overall, the unemployment rate of young people is two to three times higher than for adults." They argue further that "a generation without the hope of a stable job is a burden for the whole society" and that "the economic investment of governments in education and trading will be wasted if young people do not move into productive jobs that enable them to pay taxes and support public services".

Although the fight against youth unemployment is part of the Millennium Goals set by the heads of state and federal governments, the question that should readily come to mind is: "Which of the MDGs has been achieved in Nigeria?" Not to waste time, the answer is: None.

It should be noted from the outset that different countries are integrating entrepreneurship and enterprise education into different levels of education through a variety of modalities and at different speeds, depending on the availability of expertise and resources. There is no single pathway or approach and no single intervention that can be expected to deal with the whole range of problems facing young people. Though not all the students will eventually move to self-employment, such projects will be effective in providing a better understanding of enterprise culture, in supplying students with skills for use in companies, and in improving their knowledge of enterprise and entrepreneurship through practice.

Consequently, youth entrepreneurship programmes are promoted in schools and communities across the world and on the Internet.

## **At Secondary Level**

In many developed nations, at secondary level, many interventions are designed to impart a spirit of entrepreneurship and teach business concepts through team-based, experiential learning. Entrepreneurship and enterprise can be integrated throughout the curriculum, as an optional subject or as an after-school activity. Activities in the classroom are based on managing a project and are often presented through the simulation of how an entrepreneur operates when setting up and running a small business, as distinct from operating in a large company, where individual roles and responsibilities are clearly designated.

## **At Technical and Vocational Education**

In the area of enterprise education, students obtain direct experience in applying their technical knowledge in a commercial environment, or participate in creating and developing a real company that markets its own products.

## **At University Level**

It is an established reality that universities around the world supply highly skilled manpower to the public sector, commerce and industry. For instance, several universities in Nigeria, like their counterparts in Western Europe, now offer entrepreneurship courses at undergraduate and graduate levels. Many have established Centres for Entrepreneurship to engage in training, research and development, consultancy and information dissemination and provide follow-up services for students. At the Obafemi Awolowo University, this unit is being run under the Center for Industrial Research Development (CIRD).

## **Common Features**

In spite of the broad differences in economic, social and cultural contexts for entrepreneurship and enterprise education across regions and countries, there are nevertheless some similarities in the way that these programmes at different levels of education have been conceived and are delivered. The key to promoting entrepreneurial initiative is in engaging the imagination of students, that is, in assisting them to think of developing their own business ideas, by showing them, at least in part, what it could be like to establish and run their own businesses.

A common theme running through entrepreneurship and enterprise education programmes, irrespective of socio-economic context, is that they are often delivered within the framework of partnership arrangements and coalitions at both national and international levels.



## **Socio-Economic Context Affecting Youth Entrepreneurship**

### **Cultural Influence on Entrepreneurship**

It is not an overstatement that the national cultural attitude influences the entrepreneurial activities of the population of a country or a region.

Entrepreneurship involves life attitudes, including the readiness and the courage to act in the social, cultural and economic context.

Entrepreneurial qualities or behaviour include:

- i. creativity and curiosity;
- ii. motivation by success;
- iii. willingness to take risks;
- iv. ability to cooperate;
- v. identification of opportunities;
- vi. ability to be innovative and tolerate uncertainty.

Cultures that value and reward such behaviour promote a propensity to develop and introduce radical innovations, whereas cultures that reinforce conformity, group interests, and control over the future are not likely to show risk-taking and entrepreneurial behaviour (P. A. Herbig and J. C. Miller 1992). In Nigeria, for instance, the issue of patriarchy greatly affects the participation of women in certain enterprises.

However, the cultural difference is not the only reason that people become entrepreneurs. There are two types of entrepreneurs: those voluntarily pursuing an attractive business opportunity and those who are engaged in entrepreneurship out of necessity, because they can find no other suitable work. Young people seeking work, particularly in the developing world, fall mainly into this "necessity" group.

Entrepreneurial education has to be an integrated part of national curricula in primary, secondary, vocational and higher education. Focusing on awareness-raising programmes at education institutions and start-up programmes for youth allows governments to influence the cultural attitudes towards a positive perception of entrepreneurial activities. The ILO Recommendation No. 18910 indicates how these cultural attitudes could be influenced.

Nigeria, like all other ILO member states, should adopt measures, drawn up in consultation with the most representative organizations of employers and workers, to create and strengthen an enterprise culture which favours initiatives, enterprise creation, productivity, environmental consciousness, quality, good labour and industrial relations, and adequate social practices which are equitable. The following should be considered:

- 1) pursuing the development of entrepreneurial attitudes, through the system and programmes of education, entrepreneurship and training linked to job needs and the attainment of economic growth and development, with particular emphasis being given to the importance of good labour relations and multiple vocational and managerial skills needed by small and medium-sized enterprises;

- 2) seeking, through appropriate means, to encourage a more positive attitude towards risk-taking and business failure by recognizing their value as a learning experience, while at the same time recognizing their impact on both entrepreneurs and workers;
- 3) encouraging a process of lifelong learning for all categories of workers and entrepreneurs;
- 4) designing and implementing, with full involvement of the organizations of employers and workers concerned, awareness campaigns to promote respect for
  - a) the rule of law and workers' rights, better working conditions, higher productivity and improved quality of goods and services;
  - b) entrepreneurial role models, and award schemes, taking due account of the specific needs of women and disadvantaged and marginalized groups.

The main characteristics that influence the labour market and the entrepreneurship situation in a country are:

- enterprise culture,
- institutional context,
- policy framework,
- outreach of the social network,
- education and skills level,
- enterprise promotion,
- strength of the economy and its sectors

## **Socio-Economic Context by Category of Countries**

### **Industrialized Countries**

*The policy of industrialized countries favoured in general market economy and private sector development:*

These countries are characterized by the following nine features: (1) a high-tech, (2) export-oriented production sector, and (3) a large service sector—both dominated by private enterprises of medium and small size. Agriculture in terms of employment is insignificant.

(4) The social protection and labour market measures are well developed. (5) Reduction of unemployment has highest political priority. (6) Unemployed persons can obtain financial support, benefit from retraining measures, and apply for support and loans for start-ups, etc. (7) Active labour market interventions facilitate the re-integration of unemployed into the labour market. Social transfer payments can even be higher than minimum wages. (8) Education and skills level is high due to compulsory school attendance, a large high school and university system, and a modern vocational training system. (9) Entrepreneurship development and enterprise creation is facilitated in many ways. There is buying power for goods and services and a variety of promotion programmes and training facilities through Chambers of Commerce, Chambers of Crafters, business associations, government-subsidized programmes, start-up financing



and many others. There is also tough competition that prevents many potential starters from taking the risk of becoming an entrepreneur.

### **Developing Countries**

On the other hand, developing countries are characterized by the following five features: (1) extreme poverty, (2) high demographic pressure, (3) dominant agriculture sector and (4) little integration in the global economy, and (5) corruption.

Schooling is not generalized and vocational training centres are insufficient in numbers and quality. In most countries like Nigeria, youth unemployment can be classified into two groups: primary school leavers not selected for secondary school education and secondary school leavers who are unable to gain employment in the formal sector.

### **Importance of Entrepreneurship Education**

Entrepreneurship education stimulates young people to think about entrepreneurship and the role of the business community in economic and social development. Students also get an opportunity to analyse the changes taking place in their countries and are encouraged to consider self-employment as a career choice.

### **National Government Policy**

Nigeria has not really created clear and comprehensive policy frameworks to promote youth entrepreneurship and self-employment. Instead, we find elements of education and training policy at different levels as they relate to the world of work and the world of business. Increasingly, the concern of governments is to foster a spirit of enterprise and promote self-employment as an important part of their efforts to reduce youth unemployment.

Government should design awareness-raising programmes at primary- and secondary-school level designed to familiarize pupils with the philosophy of entrepreneurship by developing beliefs, behaviours and motivation that will have a long-term effect; they are expected to exert a positive influence on enterprise culture. Such programmes integrated in vocational training curricula and university courses will prepare the ground for entrepreneurship as a career option.

Enterprise education refers to the learning directed towards developing in young people those skills, competencies, understandings, and attributes which equip them to be innovative and to identify, create, initiate, and successfully manage personal, community, business and work opportunities, including working for themselves.

The University of Durham (United Kingdom) suggests that there are a number of different objectives and outcomes that can be achieved.

- Firstly, and most universally, enterprise education can be a path towards developing enterprising skills, behaviours and attitudes through any curriculum subject at every phase of education to provide a wider preparation for autonomy in life, including work, family or leisure.

- Secondly, it can provide insight into and help young people understand *about* the entrepreneurial and business development processes through business education in secondary schools and in further and higher education, allowing young people to work more effectively in a flexible labour market economy or working in a small business.
- Finally, it can develop awareness of, and capability for, setting up a business now or sometime in the future. This approach can be used in vocational and professional education.

An important part of stimulating the imagination in this way is the process of “learning-by-doing”, or experiential learning, which nurtures the personal qualities, characteristics and attitudes of successful entrepreneurs. The learner reflects on personal experience and relates it to the theoretical aspects, creating a dynamic relationship. Repeated cycles of learning from classroom experiences are the essence of the entrepreneurial way of learning.

### **Developing countries**

Entrepreneurship courses at university level are much less widespread in developing countries. While the content of the courses which do exist is usually similar to that on offer in Western countries, the sophistication of the tools varies according to the resources available.

### **Youth Programmes for Specific Target Groups**

#### **At-risk and Marginalized Youth**

The Youth Outreach Programme (YOP) in Australia, for instance, recruits and trains local mentors to work intensively on a one-on-one basis with young people to help them identify their own potential, build personal and career goals, and develop links to support services. Special consultants work with young people on individual problems when needed, providing drug and alcohol counseling.

In Azerbaijan, the Center for Youth Starting Business was established in February 2001. The main goal is to bring young people together and assist them in acquiring a basic knowledge of business before actually launching their own venture. In South Africa, the Centre for Education and Enterprise Development (CEED) is a not-for-profit organization established in response to the problems faced by black youth in the communities south of Durban, which have minimal resources for young people. Programmes initially focused on life skills and vocational guidance. However, as the needs of youth in both the community and the broader environment changed, CEED shifted its focus to unemployment issues in urban areas. In an attempt to increase young people’s access to training and the SME sector, CEED has established branches in the Durban Metro Region, in the Ugu Region and Uthungulu Region.

In Nigeria, the National Directorate was established by the National Directorate of Employment Act 1989. Its organs are the Director-general (Sections 6 to 8), the Board (Section 3), the National Advisory Council (Section 4) and the State Advisory



Committees (Section 5). The objectives of the Directorate are not directly aimed at women, but can serve women's interests. According to Section 2, they must:

- a. design and implement programmes to combat mass unemployment;
- b. articulate policies aimed at developing work programmes with labour intensive potential;
- c. obtain and maintain a data bank on employment and vacancies in the country, with a view to acting as a clearing house to link job seekers with vacancies in collaboration with other government agencies; and
- d. implement any other policy as may be laid down, from time to time, by the Board.

### **Know about Business (KAB)**

#### *Entrepreneurship Education in Vocational and Technical Training*

The specific objectives of any entrepreneurship education in vocational and technical training package are to:

- create awareness of enterprise and self-employment as a career option for beneficiaries in vocational and technical training institutions;
- develop positive attitudes towards enterprise and self-employment;
- provide knowledge and practice of the required attributes and challenges for starting and operating a successful enterprise, particularly a small business;
- prepare beneficiaries to work productively in small- and medium-sized enterprises and more generally for an environment in which formal, full-time wage employment may be scarce or unavailable.

Experience from the Philippines on introducing entrepreneurship education at university level revealed the following difficulties:

- a) *Motivating students to enroll in the course:* The students perceived that faculty members do not themselves have the entrepreneurial spirit and that they are talking only from the books. Also, students had a negative attitude towards entrepreneurship education. They stated that entrepreneurship is not a profession; therefore, it should not be taken as a course in college/university.
- b) *Lack of entrepreneurship faculty:* Faculty members know the subject matter of entrepreneurship and some of the techniques, but their techniques are also limited because they have repeatedly used the same techniques over the years. There is a lack of creativity and innovation on the part of the faculty.
- c) *Lack of support from the faculty:* Entrepreneurship faculty members were full-time faculty members and were handling other subjects. They had no time to devote to the practical aspect of the entrepreneurship courses, such as developing materials. There was very strong dependence on textbooks, which were patterned after the American style of teaching.
- d) *Lack of commitment of faculty:* Few faculty members volunteer to undergo training-of-trainers courses.

- e) *Sequencing of entrepreneurship curriculum:* There was a need to look at the totality of subjects in order to determine the required prior skills and knowledge. For example, it was found that natural science subjects were offered when students were already in their third or fourth years. Students should have already followed their natural science courses before business planning and environmental scanning sessions, which consider environmental factors.
- f) *Contents of the subjects were not clearly designed:* Model syllabi were copied from textbooks and reference books.
- g) *Lack of teaching materials.*
- h) *Lack of capital to assist the students in starting a small business.*

In Nigeria, while these problems are present, a much bigger problem, “corruption” (*fardunism*), has negatively affected entrepreneurship education.

## **Recommendations**

### **Wider Policy Environment for Youth Entrepreneurship and Enterprise Creation**

There is no single pathway or approach and no single intervention that can be expected to deal with the whole range of problems facing young people. Though not all the students will eventually move to self-employment, the projects are effective in providing a better understanding of enterprise culture, in supplying students with skills for use in companies, and in improving their knowledge of enterprise and entrepreneurship through practice.

Creating favourable conditions for small enterprise development among young people begins with assessing the incentives and disincentives that economic policies may create, perhaps unintentionally, for smaller businesses. Small enterprises must be able to make a profit and be competitive. Education and training programmes should also be reformed in a way that creates a system of incentives to encourage the private sector to provide mentoring for young entrepreneurs as well as training and skills acquisition opportunities for young people.

Incentives might include tax breaks or tax holidays, wage subsidies, preferential purchase agreements, etc. Entrepreneurs and others from the business community (including university alumni) should be encouraged to have a broad involvement in teaching, as guest lecturers, subjects for case studies, mentors, and even entrepreneurs-in-residence.

Finally, in some countries, an area-based approach to youth entrepreneurship has been receiving particular attention from policy makers. In this context, entrepreneurship programmes at different levels of education would be more closely integrated into broader development frameworks and training strategies. For example, in transition countries, links can be established between vocational education reforms and the PHARE and TACIS Programmes.

**Secondary level:** Although not everybody can be an entrepreneur, certainly teachers, school administrators, staff and students can be trained to display the characteristics of successful entrepreneurs, so that the ultimate result is an enterprising school environment.



**University level:** Within universities, there are possibilities for developing entrepreneurship courses for graduate and postgraduate students in the science, engineering and medical faculties. However, moving towards a more entrepreneurial focus within conventional business school structures can encounter some obstacles, particularly the lack of lecturers with real experience of working as businesspeople in the commercial sector.

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