

A Conceptual Review of Entrepreneurship Education, Small and Medium Enterprises and Employment Generation in Nigeria

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Abstract

In recent years, Nigeria and other developing nations have recognized the urgent need to strengthen their economies to address issues like unemployment and poverty. To tackle these challenges, they've been actively pursuing various initiatives, with a notable focus on entrepreneurship. Entrepreneurship education has emerged as a key strategy in this endeavor. By raising awareness and providing training in entrepreneurship, countries like Nigeria aim to empower their citizens with the skills and mindset needed to create their own employment opportunities. This approach represents a shift away from the traditional reliance on securing jobs through formal employment channels. Nigeria's recent efforts have seen the integration of entrepreneurship education into the curricula of higher education institutions. This proactive step ensures that young people are equipped with essential entrepreneurial skills right from the outset of their academic journey. By embedding entrepreneurship into the educational system, Nigeria hopes to cultivate a culture of innovation, creativity, and enterprise among its youths. The overarching goal is to encourage the establishment of small and medium enterprises (SMEs) by providing aspiring entrepreneurs with the necessary tools, knowledge, and support. These enterprises play a crucial role in driving economic growth, creating job opportunities, and ultimately reducing poverty. By fostering an entrepreneurial ecosystem, Nigeria seeks to harness the potential of its youth population, turning them into job creators rather than job seekers.

Keywords: Education, employment generation, entrepreneurship, Nigeria and small and medium enterprises.

1. Introduction

Entrepreneurship involves identifying opportunities in the environment and using creativity and innovation to turn them into viable products or services, ultimately generating value and wealth for both individuals and society. Its role in providing income for people, whether they reside in rural or urban areas and whether they are formally employed or not, is crucial for economic development globally. Entrepreneurship serves as the backbone of economic progress by creating jobs, generating wealth, and instigating societal changes, especially in developing

nations. By fostering new ideas and resourceful ways of utilizing resources, entrepreneurship helps prevent unemployment by continuously generating business prospects (Umemezia, 2018)

There has been a notable surge in unemployment rates across various regions worldwide, particularly in many developing nations, with young people being disproportionately affected. Consequently, both governmental and non-governmental entities in Nigeria have devised strategies, often supported by agencies like the Small and Medium Enterprises Development Agency (SMEDAN), the National Poverty Eradication Programme (NAPEP), the Raw Materials and Development Council (RMADC), the National Directorate for Employment (NDE), the National Office for Technology Acquisition and Promotion (NOTAP), among others, to address the adverse impacts of unemployment among Nigerians (Emmanuel, 2019; Akhuesonkhan, Raimi & Sofoluwe, 2019).

The original text delineates the inception and objectives of initiatives and strategies tailored for small businesses, designed to tap into citizens' economic potential and promote self-employment. These efforts also aimed to empower both men and women, facilitating their involvement in economic progress and integrating them into the national economy, thus paving the way for broader societal transformation (Ekpoh & Edet, 2018). To tackle unemployment, especially among recent graduates, the Nigerian Federal government extended its efforts by introducing entrepreneurship education in tertiary institutions. This entailed mandating the National Universities Commission to integrate entrepreneurial studies into university curricula (Aja-Okorie & Adali, 2019).

Entrepreneurship education, an integral aspect of the national educational framework, seeks to cultivate the mindset, knowledge, competencies, and managerial skills essential for job creation. It aims to equip undergraduates with the mindset of potential entrepreneurs, ready to create employment opportunities post-graduation rather than solely seeking jobs. Thus, it's crucial for any responsible government to embed entrepreneurship education within the education system and allocate necessary resources for its effective execution. A robust entrepreneurship education stands as a potent instrument in combating unemployment and poverty. This study aims to delve into a conceptual review of entrepreneurship education, small and medium enterprises and employment generation in Nigeria.

2. Entrepreneurship Education

Entrepreneurship education encompasses a holistic academic framework aimed at equipping students with vital skills, competencies, knowledge, and values essential for identifying, launching, and managing new business ventures (Omolayo, 2020). This educational approach revolves around the entire process of generating ideas and bringing them to fruition. Drucker (1985) characterizes it as practical behavior. The primary goal of this educational initiative is to foster entrepreneurial skills and qualities in learners, thereby boosting their effectiveness in the business sphere (Ogundele, Akingbade & Akinlabi, 2019).

Garavan and Cinneide (1995) define entrepreneurship education as a methodical approach to aiding individuals in understanding and developing the abilities, skills, knowledge, attitudes, and values necessary for addressing various challenges in business management, from inception to maturity. Its purpose is to inspire students and provide them with the requisite skills and knowledge to excel in entrepreneurial ventures across different environments (Minniti, 2020). The emphasis lies in nurturing entrepreneurial drive and capabilities among young people while tackling the obstacles associated with conceiving and growing entrepreneurial ventures (Izedonmi & Okafor, 2020).

According to Osuala (2020), entrepreneurship education in Nigeria empowers young people with the knowledge and abilities needed to encourage creativity and innovation, preparing them for careers in small and medium-sized enterprises. This education also teaches risk management, promoting self-sufficiency and autonomy while addressing industry workforce demands. Additionally, it acts as a driver for both rural and urban economic development and national industrialization. While not compulsory, undergoing entrepreneurship education provides a significant advantage for aspiring entrepreneurs, increasing their chances of success. It aligns with goals aimed at improving society's social, economic, and political welfare. Ekankumo and Kemebaradikumo (2018) emphasize that effectively implementing these objectives can produce highly skilled graduates capable of creating jobs and fighting poverty in Nigeria by establishing their own businesses or SMEs.

3. Entrepreneurial Education and the Growth of SMEs

Entrepreneurship is widely recognized as a key catalyst for advancing economic advancement, serving as a crucial factor in promoting economic progress and expansion. Studies consistently highlight the considerable influence of entrepreneurial endeavors across different aspects of the economy, notably in generating employment opportunities and empowering underrepresented groups like women and those living in poverty (Adetayo, Oke & Aderonmu, 2015, referencing Oluremi and Agboola, 2018).

Small and Medium Enterprises (SMEs) are pivotal because they significantly contribute to economic growth through profit generation, sales enhancement, and investment returns. In countries like Nigeria, where robust economic development faces challenges, the shortage of skilled entrepreneurs capable of innovating and creating markets is a major obstacle. Therefore, entrepreneurship is widely acknowledged as crucial for driving economic progress and prosperity globally. Entrepreneurship education, as highlighted by the Asian Productivity Organization (2007), is essential for nurturing the knowledge-based human capital needed for sustained economic growth and effective business operation. Competitive advantage for organizations doesn't just rely on management expertise and technical skills but also on entrepreneurial insight and adaptability to internal and external business dynamics.

Skills represent demonstrable forms of knowledge, affirmed through practical demonstration or performance, and obtained through structured education and training (Perks & Smith, 2020). Entrepreneurial education supports the acquisition and utilization of these skills, as well as the cultivation of abilities and conditions essential for individuals to reach business objectives. Fundamental education, coupled with ongoing investment in practical training or the development of entrepreneurial capabilities, is therefore crucial for significant progress. Education readies individuals for broader life objectives, while training prepares them for executing specific duties. According to Ladzani and Van-Vuuren (2016), the ever-changing business landscape necessitates continuous training for small and medium-sized business managers/owners to reduce failure rates, enhance profitability, and foster expansion.

Proficiency in entrepreneurship is essential for the growth and longevity of small and medium-sized enterprises (SMEs). Entrepreneurial education, championed by successive governments, is a dependable pathway for acquiring and nurturing this proficiency. This type of education involves a range of organized activities designed to enhance individuals' abilities, understanding, behaviors, and mindsets required for taking on entrepreneurial responsibilities (Tijani-Alawiye, 2020).

4. Entrepreneurial Education, SMEs and Employment Generation

Critics have pointed out shortcomings in the Nigerian education system, especially within universities, where graduates often lack the skills needed for employment. This discrepancy between what employers seek and what graduates offer has led to significant unemployment rates and, in some cases, social unrest among young Nigerians (Onuoha, 2018). To address this issue, the Federal Ministry of Education took action by integrating entrepreneurship education into the curricula of colleges, polytechnics, and universities nationwide starting from the 2007/2008 academic session. This initiative was coordinated through regulatory bodies such as the National Commission for Colleges of Education (NCCE), the National Board for Technical Education (NBTE), and the National Universities Commission (NUC) (ILO, 2020; Gabadeen & Raimi, 2019). Consequently, entrepreneurship development has become a mandatory component for all students in tertiary institutions across Nigeria, regardless of their chosen fields of study (Yahya, 2018).

Entrepreneurship education plays a crucial role in shaping the career paths of college students, as highlighted by Kolvereid and Moen (1997) and Peterman and Kennedy (2018). Many academics advocate for its inclusion in academic curricula. Nwangwu (2007) supports this notion, arguing that graduates who possess relevant entrepreneurial skills are better equipped to identify and capitalize on business opportunities. Similarly, Fayolle (2020) and Bhandari (2020) note the beneficial effects of entrepreneurship programs in cultivating students' interest in and pursuit of entrepreneurial ventures. Soutaris, Zerbinati, and Al-Lahan (2020) confirm that such programs instill attitudes and behaviors conducive to entrepreneurship among young individuals. In terms of sustainability, Daku and Oyekan (2018) suggest implementing various educational and support initiatives to equip Nigerian youths with the skills and mindset needed

for self-employment. They stress the importance of well-trained educators, supportive learning environments, government backing, and parental involvement in promoting entrepreneurship education.

The effective establishment of an entrepreneurial culture in Africa requires thorough training involving various participants, including educators and learners (Njoroge & Gathungu, 2019). This method recognizes the substantial impact of the educational framework, which goes beyond traditional academics to deeply influence youth development (Njoroge & Gathungu, 2019). Schnurr and Newing (1997) stress the significance of fostering an entrepreneurial mindset in students, highlighting their innate qualities like enthusiasm, vigor, and resourcefulness. These attributes are crucial for successful entrepreneurship and should be nurtured through entrepreneurship education (Schnurr & Newing, 1997; Adejimiola & Olufunmilayo, 2019). Research suggests a strong link between learning about entrepreneurship and the desire to become self-employed (Emmanuel, Dazala & Daniel, 2019; Ekpoh & Edet, 2019). Agu and Chiaha (2019) discovered that entrepreneurship education provides students with valuable skills for employment, improving their prospects in the job market. Properly designed entrepreneurship education is seen as a powerful tool for tackling poverty, creating jobs, promoting gender equality, and achieving educational goals (Akhuemoukhan, Raimi & Sofoluwe, 2019). Anam, Iba, and Aregbe (2018) confirm a notable connection between entrepreneurial education, job creation, and poverty alleviation.

5. Entrepreneurship Education in Nigeria: Issues and Challenges

Entrepreneurship education faces numerous hurdles in Nigeria, greatly impeding its noble goals. Chief among these challenges is the issue of inadequate funding. Like many endeavors in the country, the entrepreneurship education initiative suffers from a lack of financial resources, which prevents it from acquiring the necessary infrastructure, facilities, and equipment crucial for delivering hands-on entrepreneurial education. This problem is exacerbated by large class sizes resulting from high admission rates, overwhelming departmental staff and stretching available resources to their limits. Upon completing the entrepreneurial program, many young graduates find themselves without government support or access to financial institutions for loans or credit to start their businesses. This lack of assistance, stemming from deficient policy frameworks, hinders entrepreneurial growth in the country and dims the hopes of numerous graduates aiming for self-reliance after their training. Those who embark on entrepreneurship with personal savings or help from family often find themselves ill-equipped for the high-risk business landscape, putting their survival and progress at risk (Maina, 2018).

Furthermore, entrepreneurship education within Nigerian tertiary institutions is hindered by inadequately designed curricula and poor execution. This shortfall prevents the realization of entrepreneurship initiatives' goals in Nigeria (Garba, 2020). To effectively achieve these objectives, a well-structured curriculum is essential. However, existing curricula, already burdened with heavy loads before the integration of entrepreneurship education, can only

allocate limited credit hours for it. Consequently, entrepreneurship education often receives insufficient credit hours and lacks depth in content, contrary to the National Universities Commission (NUC) guideline of 6 credit hours (Agbonlahor, 2016). This departure from standards undermines the effectiveness of the curriculum, which should ideally include phased content integration to facilitate progressive knowledge enhancement and problem-solving activities. Despite the practical nature of entrepreneurship education, students are predominantly exposed to a theory-centric approach, depriving them of firsthand experience with real-world business challenges (Onyeachu, 2008). This gap between educational objectives and practical application is a prevalent issue in the Nigerian education sector.

Entrepreneurship education in Nigeria could benefit greatly from a shift towards practical learning methods like real business projects, expert talks, industry visits, and insights from successful entrepreneurs, especially during students' school years. While the United States exemplifies this approach, engaging business leaders to teach and share experiences, Nigeria predominantly focuses on theoretical aspects, neglecting practical elements such as internships, entrepreneurship clubs, and workshops. This imbalance not only undermines the functionality and relevance of the education system but also hinders the country's industrialization efforts. Additionally, outdated learning materials exacerbate the issue, as many textbooks fail to address the specific challenges of Nigeria's business environment, further limiting the effectiveness of entrepreneurship education in the country.

Delayed implementation of entrepreneurship education has posed a significant barrier to economic growth in Nigeria. Unlike developed countries such as the United States, where entrepreneurship education has roots dating back to 1947, Nigeria initiated this education much later. It would have been beneficial for Nigeria to adopt entrepreneurship education at the primary school level, following successful models implemented by other nations. Additionally, Nigeria grapples with a scarcity of qualified instructors to teach entrepreneurship. Often, business administration professors are tasked with teaching entrepreneurship courses at higher education institutions. However, for entrepreneurship education to yield desired results, it necessitates instructors who have undergone specialized training in the field and are fully committed to the program.

6. Theoretical Framework

6.1 Human Capital Development Theory

The delayed introduction of entrepreneurship education poses a significant obstacle to Nigeria's economic advancement. While countries like the United States embraced entrepreneurship education as far back as 1947, Nigeria has been slow to adopt similar initiatives. Integrating entrepreneurship education into the primary school curriculum, as done in other nations, could have been advantageous for Nigeria (Agbonlahor, 2016). Furthermore, Nigeria faces a shortage of qualified instructors proficient in teaching entrepreneurship. Often, business administration professors are tasked with delivering entrepreneurship courses at universities. However, for optimal outcomes, entrepreneurship education requires instructors with specialized training in

the field who are dedicated full-time to the program (Agbonlahor, 2016, citing Zhuo and Haixia, 2019).

7. Conclusion

Small and Medium Enterprises (SMEs) play a crucial role in providing job opportunities, fostering capital growth for individuals, generating tax revenue for the government, and contributing to economic development by expanding industries and producing essential goods. As a result, it's essential to instill a culture of self-employment from an early age. Thus, there's a necessity to introduce entrepreneurship education in all levels of schooling, including primary, secondary, and tertiary education. Several nations are currently endorsing entrepreneurship education programs aimed at instilling in their citizens favorable attitudes toward self-employment, identifying viable business opportunities, fostering a desire to start businesses, honing skills for effective enterprise management, and promoting the establishment of new ventures and entrepreneurial initiatives. Despite Nigeria being among these countries, implementing entrepreneurship education in schools, it has not reaped the expected benefits. Similar to other aspects of economic development, the necessary groundwork hasn't been adequately laid for this promising program to yield its intended results. Many fundamental prerequisites for its successful initiation and continuation remain unfulfilled.

8. Recommendations

- i. The Nigerian government ought to revive various agencies tasked with fostering entrepreneurial growth, particularly those facilitating funding, to ensure that the aspirations instilled in students are not just upheld but ultimately realized.
- ii. Employing sufficient entrepreneurship educators and researchers across government training centers in Nigeria is crucial for fostering a culture of entrepreneurship, enhancing business knowledge, providing access to resources, promoting research and innovation, driving job creation and economic growth, and enhancing global competitiveness. By prioritizing entrepreneurship education and research, the government can unlock the full potential of its citizens and propel the nation towards sustainable development.
- iii. Entrepreneurship education should ideally commence as early as secondary school level. Introducing entrepreneurship education at an early stage will accelerate the cultivation of an entrepreneurial mindset and serve as a swifter path towards industrialization and economic progress in Nigeria

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