

# ENTREPRENEURSHIP DEVELOPMENT: A SINE QUA NON FOR BUSINESS EDUCATION GRADUATES IN AN UNEMPLOYMENT RIDICULED ECONOMY

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## ABSTRACT

*Education sector today is being threatened by unemployment syndrome. Graduates these days roam the streets of major cities and urban areas searching for non-existing white collar jobs. This national economic problem has no waiver for any discipline. In light of this scenario, this paper tries to picture the business education graduates as being capable through entrepreneurship development to apply and utilize the knowledge, attitudes and competencies they have acquired in their programme of study. In so doing, the paper equally analyzed unemployment problems in business education and further reviews entrepreneurship development potentials of business education graduates. Finally, it tried to bring to the fore, basic personal qualities of the business education graduate entrepreneurs and then the conclusions and recommendations.*

## **INTRODUCTION**

An entrepreneur is one who undertakes to start and conduct an enterprise or business, assuming full control and risk. He is one who originates, organizes, funds and manages business, thus handling and averting where possible, some of the risk inherent in the business. Entrepreneurship is derived from a French word “entrepreneur”, which stands for a person who undertakes and develops a new enterprise at some risk, failure or loss (Oduma, 2012). In this direction, Odah (2019) noted that an entrepreneur is a human bulldozer that turns a stumbling block into a stepping stone. That is, he ventures into a business not minding the risk involved and is able to exploit the environment and make profit.

Risk taking is assuming responsibility by the entrepreneur for any change, unforeseen contingencies and loss that may occur in a planned enterprise. An entrepreneur takes the responsibility of mobilizing resources, servicing and paying loan interests, pay rents for offices and mobilizes these resources and manages them in the course of running his new venture. In doing this, he incurs debt and faces the risk of failure. The uncertainties involved in any new venture are deterrents for taking up investment, diversifying, and expanding of an enterprise. Risk taking is one of the main functions of art of the entrepreneur (Oduma, 2012).

Entrepreneurs possess characteristics which give them fortitude to continue despite obstacles and cope effectively in ever-changing situations (Ekanem, 2014); they possess the willingness to take risks while others stand and talk, are able to identify opportunities to which others are blind, and have optimum confidence in themselves well beyond that of others. In line with this definition, Mbam (2018) noted that an entrepreneur is a person who sees a business opportunity, obtains the needed capital, knows how to put together an operation successfully and has the willingness to take personal risk of success or failure. Thus, being an entrepreneur is more than a job or career; it is a life style, and certain principles may influence your career strategy as an entrepreneur.

Entrepreneurship development is, therefore, a realistic option or alternative to the current unemployment and skills mismatch phenomenon between business education and the labour market. Every business education graduate has all it takes to successfully exploit business opportunities to change his/her personal lives and that of the society he or she belongs.

### **Unemployment ridiculed economy**

Unemployment is a state of joblessness and or idleness of one with labour requirements, potentials, skills, attitudes and competencies. Unemployment is a phenomenon that

arises when members of a nation's labour force are unable to obtain their goals of participating in gainful occupation due to a situation in which supply of labour significantly exceeds demand for it (Okafor, 2019). In the context of declining growth and receding global economies, the employment situation in Nigeria has become very critical.

Prior to the discovery of oil in commercial quantity in 1956, the mainstay of Nigeria economy was agriculture, which contributed up to 87% of its revenue and earnings from exports. Separately, Olukoju and Udo in Paul (2015) affirmed that agricultural cash crops such as palm oil, cotton, cocoa and much later, rubber, groundnut, palm kernel and Bennie-seed, formed the main source of revenue, exports and foreign exchange for the Nigerian government in both pre-colonial, colonial and immediate post colonial era before oil. The Nigerian economy, then, generally recorded tremendous self-sustaining growth and expansion; revenue from agriculture was appropriately used to build landmark social and economic infrastructure, providing basic services like education, health, water and electricity supply, all before oil became the mainstay (Paul, 2015). Additionally, cottage industries sprang up to service the booming agricultural sector and thereby provided vast employment to Nigerians and non Nigerians alike. Paul asserted that

there was no jobless person (or better put, unemployed person) in Nigeria during this period because everybody had jobs to do in the farms including civil servants. Oluwasanmi in Paul (2015) did not disagree with this assertion as he stated that agriculture provided 95% of the food needed to feed Nigerians, contributed 64.1% of the country's Gross Domestic Product (GDP) and employed over 70% of Nigerian population prior to oil exportation.

Fast forward to oil discovery of 1956 and the boom of the 1980s, Nigeria economy began an abysmal descent to dungeon. The boom will be later termed “doom”. Kokori (2010) in Paul (2015) decried that the advent of oil in Nigeria marked an unfortunate turning point in the nation's history as it led to the emergence of a crop of lazy citizens who lost the initiative to be productive; the country then became a dumping ground for imported goods as cheap dollars flowed ceaselessly from petroleum. With no articulate vision on what to do with the boom, our appetite for foreign goods as a way of indicating class and status was taken to an all new but mad level and on top of it, agriculture was neglected until it fizzled out of its once place of pride in our economy. This new found but misinterpreted “status” fueled rural to urban migration in search of nonexistent white collar jobs. Consequently, not only did unproductive population in the urban

areas increase, there was also an unbearable force on the available infrastructure. Idle mind and hand are the devil's workshop, they say. It was not so much a surprise as pockets of lawlessness and social menace such as pickpockets, armed robbery, cultism/gangsters, prostitution, hooliganism and touts began to grow in our streets and public places.

Metz (1992) observed that Nigeria's oil boom of the 1970s aside providing tax revenue to strengthen the central government and further expand its share of the economy, did little to enhance its political and administrative capacity rather it also increased incomes and the number of jobs that the government elites could distribute to their clients. This increased frustration and corruption in the land. The frustration has grown to give rise to a never seen level of youth restiveness and lawlessness as witnessed in the spate of kidnappings, killings, agitations, emboldened acts of terrorism by non state actors, etc, going on in the country today, over which, unfortunately, government has no feasible solution.

The waste of the oil boom by the Nigerian government was such that in a few years after the boom and without any major natural disaster, the World Bank classified Nigeria, for the first time, as low-income country (like Chad, Bangladesh and Mali); poor enough to qualify for concessional aid from an affiliate, the International

Development Association (IDA). In 2016, according to Brookings Institution report, with about 87 million of her population living in extreme poverty, Nigeria overtook India as the World Poverty Capital; an infamous title it has maintained as about 93.9 million of its population of around 200 million living below poverty line in 2021 (Uzoho, 2021). This is in spite of the enormous natural deposits and potentials, human and material resources the country is blessed with.

Today, with a cash reserve ratio of 32.5%, inflation rate of 20.77%, 37% government debt to GDP, -2.80% current account deficit to GDP (which proves our strong import, low savings rate and high personal consumption rate as a percentage to disposable incomes), inflation rate of 15.5% (which is not favourable to small businesses and startups), youth unemployment rate of 53.40%, and a whopping general unemployment rate of 33.30% (not mentioning underemployment) (Trading Economy, 2022), it is clearly not in doubt that Nigeria's economy has, not only been ridiculed by unemployment but also in dire need of a rescue system. Thus, the need for the possession of adequate entrepreneurial skills and competencies by business education graduates to combat unemployment challenges in public and private sectors of Nigeria cannot be overemphasized.



### **Business education graduates and the unemployment challenge**

Business education is an aspect of educational process, which provides an individual with the pedagogical and business competencies necessary for teaching and practicing of business concepts, knowledge, attitudes and skills for personal use for entry into business world as an employer or employee and for participation as a business teacher (Ukeje, 2011). Business education is skill oriented, and so it is vocational. In line with its vocational and skill oriented nature, Nwosu (2013) noted that its primary purpose is to prepare individuals for employment in business environment and acquisition of knowledge, skills and attitudes relevant and adequate for employment in specific business occupations. The value of business education, therefore, is in its ability to adequately prepare and equip appropriate individuals in such a manner that they could fit into specific jobs or establish their own businesses upon graduation.

Graduates of business education here, refers to graduates of tertiary institutions possessing Bachelor of Science (B.Sc.), Higher National Diploma (HND), Nigerian Certificate in Education (NCE) or National Diploma (ND) in the fields of business education (such as business administration, accounting, secretarial studies or office technology and

management). Thus, the respective programmes of business education provide enough employable skills to their recipients. Business education, hence, is a sub-set of vocational education, which aligns with three of the Nigerian National Education aims and objectives (Uguru, 2010). They are:

1. The inculcation of the right type of value and attitudes for the survival of the individual and the Nigerian society.
2. The acquisition of appropriate skills, abilities and competencies, both mental and physical, as equipment for the individual to live in and contribute to the development of the society.
3. To give training and impact the necessary skills leading to the production of skilled personnel who will be enterprising and selfreliant.

The question then is, can business education graduates actually survive in unemployment ridiculed economy as is witnessed in the present Nigeria administration of the CHANGE MANTRA? The answer to this question is not far-fetched. Business Education is designed to provide or equip its graduates with employable and entrepreneurship skills, which will in turn enable them either to have paid employment or establish and manage their own businesses as a sine qua non for survival. Yabani (2012) stated that

it is the task of the higher education system to devise the best approach to guiding their graduates towards innovative and creative alertness in visualizing business opportunities and exploiting same using their skills and entrepreneurial knowledge. Oduma (2012) noted that if business education graduates are properly groomed under entrepreneurship development, they would be in better positions to overcome poverty, generate employment for themselves and as well create wealth essential for their living.

One of the main causes of graduate unemployment is lack of employable skills. Many graduates do not possess the requisite skills and competencies which employers of labour desire in industries. Consequently, the level of unemployment has further degenerated and thus led to escalation of crime, waste of human resource, threat to peace, and above all, social and psychological frustration of the graduate victims. The possession of adequate entrepreneurial competencies by graduates is a necessary tool, which our society demands in order to meet the challenges of un-employability in private and public sectors. There are dire needs for adequate manpower development in entrepreneurship development since unemployment has been attributed to lack of employable skills and competencies required in the world of work (Dada, 2013).

### **Entrepreneurship development in business education**

Entrepreneurship development is the solution to unemployment problem. In entrepreneurship development, business education focuses on creativity and innovation. The idea of creativity and innovation in entrepreneurship development among graduates of business education becomes imperative here because most often it becomes necessary to ask what business education students have been educated for. Creativity and innovation in business education underscores the imperative objectives of the discipline especially in this era of economic depression.

Creativity demands a mental process by which a person tries to see all the parts of a problem (Oduma, 2012). Peters (2011) upheld individual inventiveness and creativity as a desirable aspect of education that must be put into perspective. If business education graduates are really creative, it will enable them to turn the knowledge they receive in school into tools for finding solutions to economic depression and change the “change mantra” of the present administration in Nigeria.

On the other hand, innovation is the transformation of an idea into a new or improved saleable product or operational process in industry, commerce, or business in general

(Asuquo, 2012). It consists of:

1. Generation of new ideas
2. Application of knowledge to achieve a specific end
3. Refinement of existing models of goods/services for use
4. Restructuring of technology to suit the environment and generating new ideas in its application.

### **Business education graduate entrepreneur**

Entrepreneurship is not an easy task. The business education graduate entrepreneur must therefore, acquire and possess the key competencies such as:

1. Pro-activity-initiative and assertiveness,
2. Achievement oriented-ability to visualize, discover and act on opportunities,
3. Commitment to others - ability to offer goods or render services to others.

Equally, business education graduate entrepreneurs should demonstrate the following personality traits to crystallize his positive thinking for entrepreneurship development:

1. Self confidence
2. Risk taking ability
3. Flexibility
4. Need for achievement
5. Strong desire to be independent

### **6. Innovative behaviour**

A positive mental attitude stimulates the mind, awakens dormant powers (Oduma, 2012) and mobilizes all resources to cope with human needs and leads to the achievement of a person who says yes to life. Furthermore, the business education graduate entrepreneurs should develop personal competencies, that is, special skills/expertise through practice over a period of time. Some of such basic competencies necessary to arm the business education graduates for the job of entrepreneur include:

1. Conceptualizing/developing focus and vision
2. Resource management
3. Goal setting
4. Planning toward achieving set goals
5. Identification of an alternative option and
6. Problem solving

Graduate unemployment is a universal phenomenon. Entrepreneurship development is a tool for economic recovery and poverty eradication. Entrepreneurship development contributes significantly to economic recovery of governments and individuals; it pulls people (graduates and non graduates) out of poverty and places them on a balanced life expectancy. Entrepreneurship skills

acquired by business education graduates can place them above poverty line. By reason of their training, they ought to be job creators, employers of labour and agents of change in the society.

Business education graduates who possess entrepreneurship skills and competencies can engage in some entrepreneurial activities that will make them functional to contribute to economic development of the society. They can venture into small business like running of word processing and typesetting centers, data processing and storage centers, internet centres, computer training centres, weaving/barbing, masonry, bricklaying, upholstery constrictions, carpentry and joinery, house painting, interior decoration, soap making, radio and television repairs, computer repairs, gsm/phones repairs, tiles fixing, pop fixing and maintenance, buying and selling of phone accessories, printing and selling of recharge cards and lines, cake baking, confectionary, clothe designing and making, laundry, farming (pig, birds, fish, snails) and so on.

Engaging in any of the above mentioned entrepreneurial ventures will not only pull graduates out of poverty but will help them create jobs for others and contribute to economic development.

## **Conclusion**

Entrepreneurs most often start by creating or discovering a need (goods or services) and striving to provide such needs to the public. For an entrepreneur to thrive, especially in the face of today's excessive competition in small business development, there is need to keep pace with customers' changing tastes and needs and succeed in satisfying them. A thorough understanding of the entrepreneur's customers and the general business environment is essential if the entrepreneur is to serve them well. Thus, good customer or public relations provide excellent goods/services and helps to be a good caring entrepreneur with responsible business venture. Some of the strategies include identifying your public, your customers within the public, constant communication, sincerity, commitment and understanding the needs of your customers.

## **Recommendations**

The following recommendations were made:

1. The government through National Board for Technical Education (NBTE) should ensure adequate funding, provision of facilities and equipment, constant training and retraining of the academic staff in order to foster good acquisition of skills

development.

2. The Federal government of Nigeria should redress the National Economic Planning strategies and encourage further development and expansion of industries in the economy. This could be achieved through encouraging small and medium scale industries.
3. Federal government should ensure the establishment of Credit Guarantee Scheme (CGS) for business education graduates and entrepreneurs.
4. Federal government through the Ministry of Finance and Budget should ensure that exchange rate is balanced. This will encourage entrepreneurs to import and export goods and services.
5. To reawaken the present economic situation, the Federal Government should call for economic forum where exporters in Nigeria and exporters from outside will cross-pollinate ideas and revamp the economy.
6. Federal government should enhance security in the country to avert total economic shut down.