

# Entrepreneurship Education and Small-Scale Business Management Skill Development among Students of Auchi Polytechnic Auchi, Edo State, Nigeria

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## Abstract

The study investigated the extent to which the entrepreneurship education introduced in tertiary institutions in Nigeria as part of Federal Government initiatives, has imparted in students, the management skill development needed to set up small-scale businesses, using Auchi Polytechnic, Auchi as a case study. A sample of 300 final year students were selected using the random sampling technique. The study tested a hypothesis of no relationship between exposure to entrepreneurship educational experience and managerial skill development among the respondents. The Pearson correlation analyses used in the test showed that there is a positive correlation between the variables, i.e., entrepreneurship education and managerial skill development ( $r = 0.349$ ;  $p < 0.05$ ). It also found that students who received instruction in entrepreneurship education showed a greater desire to set-up small-scale businesses after graduation ( $r = 0.379$ ;  $p < 0.05$ ). The study thus concluded that the entrepreneurship education introduced into the curriculum for tertiary institutions had made some appreciable impact on the students. It thus recommends an intensification of the programme of instruction for entrepreneurship education among Nigeria's tertiary technical institutions.

**Keywords:** Entrepreneurship education, Small-scale business, Management, Skill development, Self-employment

## 1. Introduction

Promoting small-scale business management skill development through entrepreneurship education is directly related to improving general living conditions and human rights. Entrepreneurship education prepares individuals not only to be gainfully employed but also to be self-employed and be employer of labour. The programme is however designed to make beneficiaries look beyond white-collar jobs. Entrepreneurs have the ability to spark new ideas and develop new products and services that create new businesses. The entrepreneur is not a man of ordinary managerial ability but one who introduces something entirely new.

The role of entrepreneurship in the economic development of any nation is so crucial that it cannot be over-emphasized. The economies of African countries are no doubt characterized by a growing population and a general decrease in formal employment. Full employment guarantees stability, security and balanced economic development. However, this full employment cannot be fully realized under the public sector-driven economy, hence the need for entrepreneurship education. Entrepreneurship education as introduced in tertiary institutions in Nigeria by the Nigerian Federal Government, is expected to inculcate in students the practical skills and experience needed to be self-employed and be self-reliant, through the management of small-scale businesses. To this end, technical training institutions like Polytechnics and other training providers must empower their trainees with the needed entrepreneurial skills that will enable them to be self-employed and to fit into the modern world of work.

However, there have been arguments or controversies as to whether or not the entrepreneurship development introduced into the curriculum of Nigerian tertiary institutions, is enough to impart in students, the needed

small-scale management skills that will enable them to set up their businesses after graduation. This study is an attempt to resolve these controversies.

### *1.1 Literature Review*

According to Stevenson and Jarillo (1990), entrepreneurship is the process by which individuals pursue opportunities without regard to resources they currently control. The word entrepreneur derives from the French words 'entre', meaning "between", and 'prendre' meaning "to take". The word was originally used to describe people who "take on risk" between buyers and sellers or who 'undertake' a task such as starting a new venture (Bolton and Thompson, 2002). To Hisrich, Peters and Shepherd (2008), entrepreneurship is the process of creating something new with value 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.

The learning process relating to entrepreneurs is of great importance. According to Deakins (1996):

we do not understand how entrepreneurs learn, yet it is accepted that there is a learning experience from merely establishing a new enterprise. The learning process that is involved in business and enterprise development is poorly understood, yet programmes have been devised and interventions are made in business development... There is now a need for refocusing research away from emphasis on picking successful entrepreneurs or picking winners, to identifying key issues in the learning and developmental processes of entrepreneurship.

Entrepreneurship is globally accepted to be critical to economic growth and development in an emerging economy such as ours. It is a veritable tool for the improvement of the life and quality of citizens in any given nation. It is seen as the driving force behind employment. Therefore, imparting in students the small-scale management skill development through entrepreneurship education in Nigeria's tertiary institutions could be a panacea for the growing unemployment in Nigeria. To Idomeh, Ainabor and Okolie (2008), the growing importance of the role of entrepreneurs in a country's economic growth and development has stirred up both developed and developing countries to formulate policies that would promote its development in their economies. It is in line with this that the Nigerian Federal Government as part of its initiatives, directed that entrepreneurship education be introduced into the curriculum of Nigerian tertiary institutions,

It is pertinent to note that countries like Japan, Taiwan and Korea became highly industrialized mainly due to their strong and deep entrepreneurial culture. This underscores the fact that in this era of globalization, a vibrant industrial sector that is governed by competent entrepreneurs will help the nation's economy to be largely export-competitive.

Entrepreneurship has tremendous impact on the economy and on the society. In 2002, a report by the Global Entrepreneurship Monitor stated that "the national level of entrepreneurial activity has a statistically significant association with the national level of economic growth (Barringer and Ireland, 2006).

Thus, knowing its merits and contributions to economic development, there is need to teach and encourage entrepreneurship among students at all levels of education in order to stimulate the spirit of resourcefulness among the youth. According to Adavbiele and Imeokparia (2006), the training on entrepreneurship will help to check the imbalance in the educational system, which seems to be producing the wrong mix of manpower stock. The production of graduates from various disciplines without monitoring the manpower needs of the nation coupled with poor state of the Nigerian economy are identified as largely responsible for the high rate of unemployment.

Uwameiye (1994) argued that though graduates of vocational and technical education may possess the skills necessary for a better chance of success in self-employment, they may have tough times in succeeding in business because they have not been exposed to entrepreneurial culture. They require a lot of exposure in theoretical and practical terms. To Adavbiele and Imeokparia in their study, the students revealed that they were not enterprising enough to set up their businesses. The study further revealed that despite the students' claim that they were skilled practically to enter into this venture, their responses showed that they are afraid to be involved in risk-taking, which signified that they had no entrepreneurship education. It is on the basis that this study seeks to find out whether entrepreneurship development as taught in Nigerian technical institutions like Auchi Polytechnic, Auchi, has imparted in students the needed skill development to set up small-scale businesses after graduation.

However, Ayeduso (1997) stated that since skill development takes time to acquire, the vocational students should be exposed even from their first day at school to activities concerned with the establishment and operation of business enterprises, which include among other things, the identification of investment opportunities, promotion and establishment of business enterprises, aggregation of the scarce resources required for production and

distribution, organization and management of human and material resources for the enterprise, risk-taking and innovations, will be meaningful, if students are exposed early enough.

#### 1.1.1 Research Questions

1. Does entrepreneurship education impart in students the needed small-scale business management skill development?
2. Would you want to set up small-scale business after graduation?

#### 1.1.2 Hypotheses

- 1) That there is a significant relationship between entrepreneurship education and small-scale business management skill development.
- 2) That the teaching of entrepreneurship development creates in students the strong desire to be self-employed.

#### 1.2 Methodology

The instrument used for data collection in this research was questionnaire. The population used for the study is final year students of Auchi Polytechnic, Auchi. Out of the population, a sample of 300 was selected using the random sampling technique. The questionnaire was administered to the respondents under the condition of anonymity. The researchers made questionnaire anonymous by deliberately omitting such sensitive questions like name of the respondent because of its usefulness to research. According to Hollander and Blair (1954), the usefulness of anonymity in research rests on the fact that it presents the individual with a relatively unstructured stimulus situation in which respondents may with equanimity and without being consciously aware of the process, bring forth feelings that might naturally be repressed through social pressures and other forces. The same view was opined by Oppenheim (1978), when he stated that “anonymity is often crucial in obtaining frank and revealing responses.

#### 1.3 Data Presentation/Analysis

The major issues addressed by this study are the extent to which entrepreneurship education has exposed the respondents to small-scale business management skill development. Secondly, whether the teaching of entrepreneurship development has created in them the desire to set up small-scale businesses? In order to address these issues, respondents were required to express their feelings. The tables below present a summary of their reactions.

Data in table 1 show that 295 respondents, about 98.3% stated that entrepreneurship education exposed them to learning experiences needed to set up small-scale businesses. It therefore means that almost all the respondents agreed that they were armed with the skills and experiences needed to set up small-scale businesses, having undertaken entrepreneurship education. This opinion is however contrary to that highlighted by Uwameiye (1995) that there are constraints to self-employment as owners of businesses are faced with problems of competition in business, exorbitant finance required to set up business and inadequate training.

The data presented in table 2 summarize respondents' reactions to the level of satisfaction with the teaching of entrepreneurship development as a course. 248 respondents representing 82.6% said they were satisfied with the teaching of entrepreneurship development, while only 17.3% expressed their dissatisfaction with the teaching of entrepreneurship programme.

Data in table 3 show that 216 respondents (72.0%) were of the opinion that entrepreneurship education as introduced in tertiary institutions in Nigeria has made impact on them while 84 respondents (28.0%) said that the programme did not make impact on them.

The data presented in table 4 show that 264 respondents representing 88.0% indicated their willingness to set up small-scale businesses after graduating. This opinion is contrary to the study carried out by Adavbiele and Imeokparia (2006) in which the students revealed that they were not enterprising enough to set up their own businesses. The study further revealed that despite the students' claim that they were skilled practically to enter into this venture, their responses showed that they are afraid to be involved in risk-taking, which signified that they had no entrepreneurship education.

From table 5, the data presented show that 236 respondents representing 78.7% said they would prefer to be self-employed after graduation. The implication is that majority of the final year students who undertook entrepreneurship education showed a great desire to be self-employed while 64 respondents (21.3%) preferred paid employment.

#### 1.4 Analytical Tool/Testing of the Hypotheses

Data collected to test the hypotheses were coded for computer analysis. The Pearson correlation analyses were run to determine relationships among the variables in the hypotheses. The study tested a hypothesis of no relationship between exposure to entrepreneurship educational experience and managerial skill development among the respondents. The study also tested a hypothesis of no relationship between the teaching of entrepreneurship development and the students' desire to set up small-scale businesses after graduation.

As a general rule, the 'r' value is said to be **significant at 0.05 level** of significance.

#### 1.5 Findings

The Pearson correlation used in the test showed that there is a positive correlation between the variables i.e entrepreneurship education and managerial skill development ( $r=0.349$ ;  $p < 0.05$ ). Thus, the 'r' value showed that entrepreneurship education as a variable, accounted for 0.349 percent of variation in management skill development. This implies that the entrepreneurship education as offered in Nigeria's tertiary institutions, has made appreciable impact (0.349%) on students in terms of small-scale business management skill development. This is statistically significant at 0.05 level of significance.

The study also found that students who received instruction in entrepreneurship education showed greater desire to set up small-scale businesses after graduation ( $r=0.379$ ;  $p < 0.05$ ). The 'r' value showed that the teaching of entrepreneurship development as a variable, has explained 0.379 percent of variation in students' desire to set up small-scale businesses after graduation. The implication is that the teaching of entrepreneurship development has impacted positively (0.379%) on the students, as they expressed the desire to set up small-scale businesses. This is equally statistically significant at 0.05 level of significance.

#### 1.6 Conclusion

The study examined the level to which entrepreneurship education has imparted in students the management skill development needed to set up small-scale businesses. It was found that there is a positive correlation between the variables tested i.e entrepreneurship education and management skill development. The study also revealed that students who received instruction in entrepreneurship education showed a greater desire to set up small-scale businesses after graduation. The study therefore concluded that the entrepreneurship education introduced into the curriculum for tertiary institutions had made some appreciable impact on the students

#### 1.7 Recommendations

Based on the study, the following recommendations are hereby made for the promotion of entrepreneurship education in Nigeria:

First, the paper recommends an intensification of the programme of instruction for entrepreneurship education among Nigeria's tertiary technical institutions.

Second, it recommends that all stakeholders, governments at all levels, non-governmental organizations (NGOs) and corporate bodies should help to train individuals in entrepreneurship and also empower them to set up their own businesses. This no doubt, will reduce unemployment and poverty in Nigeria.

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Table 1. Percentage scores of respondents on exposure to learning experiences in entrepreneurship education

N=300

Response	Frequency	Percentage
Yes	295	98.3
No	5	1.7
<b>Total</b>	<b>300</b>	<b>100.0</b>

Source: Computed from survey data, 2010.

Table 2. Percentage scores on the level of satisfaction with the teaching of entrepreneurship development

N=300

Level of Satisfaction	Frequency	Percentage
Very satisfied	72	24.0
Satisfied	127	42.3
Fairly satisfied	49	16.3
Unsatisfied	33	11.0
Very unsatisfied	19	6.3
<b>Total</b>	<b>300</b>	<b>100.0</b>

Source: Computed from survey data, 2010.

Table 3. Percentage scores of students' reactions on the impact of entrepreneurship education

N=300

Reaction	Frequency	Percentage
Yes	216	72.0
No	84	28.0
<b>Total</b>	<b>300</b>	<b>100.0</b>

Source: Computed from survey data, 2010.

Table 4. Percentage scores on students' willingness to set up small-scale businesses after graduating

N=300

Response	Frequency	Percentage
Yes	264	88.0
No	36	12.0
<b>Total</b>	<b>300</b>	<b>100.0</b>

Source: Computed from survey data, 2010.

Table 5. Percentage scores of students' preference for self-employment after graduation

N=300

Response	Frequency	Percentage
Yes	236	78.7
No	64	21.3
<b>Total</b>	<b>300</b>	<b>100.0</b>

Source: Computed from survey data, 2010.