

Entrepreneurship Education and Employment in Nigeria

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Abstract

One objective of education is to ensure that the learning needs of the young people as well as the old are met through equitable access to appropriate learning and life skills. This study, therefore attempted to examine the relationship between entrepreneurship education and employment in Nigeria. Data for the study were obtained mainly from the headquarters of Universal Basic Education, Abuja, the 1999 Constitution of the Federal Republic of Nigeria, bulletins of National Educational Research and Development Council, UNDP's Human Development Report (2002), Joint Admissions and Matriculation Board, and National Bureau of Statistics. It is revealed that schools in Nigeria are characterized by outmoded operational processes and management structures which are incapable of producing graduates with the capacity to generate creative ideas and to turn such ideas into satisfying ventures. The paper therefore, recommends curriculum review in order to develop entrepreneurship skills and culture in the youth and in the adults and to keep space with the present reality. A conclusion is made that if entrepreneurship education is properly implemented and all the associated advantages harnessed, the high level of unemployment in the country will be drastically reduced. In this regard, all higher educational institutions in Nigeria should actively embrace and sustain the spirit of the emerging entrepreneurship. Entrepreneurial development in Nigerian higher institutions of learning can begin by encouraging the students to replicate the products that have been invented elsewhere in any part of the world while effort is then made to create what the world will also copy from them. The entrepreneurial climate should be made favourable so that the entrepreneurship in Nigeria can evolve from the present stage to the level where the world will have cause to patronize the country's products. This can be attained through curriculum reforms that promote the inculcation of the generic skills.

Keywords: Job Creation, Education, Unemployment, Employment, Developmentalist, Entrepreneurship.

1.0 Introduction

The importance of education in the development activities of any nation cannot be overemphasized. Education is generally acknowledged as the panacea for socio-economic development in any country. Indeed the development of education sector is sine-qua non for the development in all other sectors of the economy. In the same line of reasoning, Sule, (2004) stresses that education is a sure pathway to liberation of the mind and the improvement of socio-economic development in any nation.

In line with the principle above, many governments and international agencies are constantly making serious efforts in both developed and developing countries to develop the education sector. Although a number of achievements have been made in this regard in Nigeria, a lot still needs to be done to meet the ever increasing demands and challenges posed by rising unemployment amongst its people. Under the present circumstances the need for education as a driver of development has become self-evident and inescapable. When people are poorly trained or are without skills, then education has failed to serve effectively as a growth driver (Obandan, 2013).

In the United Nations Development Programme (UNDP) Report on Nigeria 2000/2001, it is observed that 70% of Nigerians are in abject poverty while massive unemployment of people and the under-utilization of the resources are the order of the day. The UNDP Report places Nigeria amongst the countries of the world that recorded the least achievement in the upgrade of the welfare of their citizens (UNDP, 2002). The situation is even worse today that the country is in economic recession. This study, therefore, attempted to assess the relationship between entrepreneurship education and employment in Nigeria.

2.0 An Overview of the Concept of Employment and Unemployment

According to Gbosi (2005: 20), employment is defined as, when collectively specified or not collectively specified, the total number of persons 15 years and above who are employed in civilian occupations. With this, Gbosi is agreeing that employment is associated with those who are, at least, 15 years of age. However, this definition fails to give the upper age limit for those who may be considered employed. According to National Bureau of Statistics (NBS, 2015), a person is considered employed if he or she is engaged in the production of goods and services, thereby contributing to the Gross Domestic Product (GDP) in legitimate manner, which is a component of the national account and receives any form or amount of money for that activity. The Bureau goes further to state that for a person to be considered employed, he or she must work full time, i.e. at least, 40 hours, on average, a week. This is a more comprehensive definition.

According to Badamosi (1999), as cited by Amupitan (2011:28), unemployment refers to a state where able-bodied, qualified men and women are available for and willing to work but get no job to do. In congruent with this is the submission by Collander (2001), also cited by Amupitan (2011:27), that unemployment occurs when people are looking for jobs but cannot find one. In the words of Njoku and Okezie (2011) as cited by Amupitan (2011) unemployment in Nigeria is defined as the proportion of the labour force that was available for work but did not work in the week preceding the survey period by, at least, 39 hours. In line with this, the International Labour Organization (ILO) defined the unemployed as numbers of the economically active population who are without work but

are available for and seeking work, including people who have lost their jobs and those who have voluntarily left work (Aiyedogbon and Ohwofasa, 2012:270).

The NBS (2015) defines unemployment as the proportion of those in the labour force (not in the entire economic active population nor the entire Nigerian population) who were actively looking for work but could not find work for at least 20 hours during the reference period to the total currently active (labour force) population. This means that one is unemployed if he or she did absolutely nothing at all or did something but not for up to 20 hours in a week.

In an economy, the unemployment rate is the number of persons unemployed expressed as the percentage of the total labour force. The total labour force is the number of people employed plus the number of people unemployed within the ages of 18 - 60 years (Idada et al, 2014).

According to Osumah and Osaghae (2008), the level of unemployment rises when the inflow (the newly absorbed) exceeds outflows (persons getting new jobs or quitting the labour force altogether). The different categories of unemployed persons are: sacked people or redundant ones (job losers); temporarily laid off but eventually being retired by the same organization; while some people voluntarily quit their present jobs. Besides, inflow to unemployment can also come from people not previously in the labour force such as school leavers (Idada et al, 2014).

Unemployment occurs when people are without jobs and they have actively sought for jobs within the past four weeks (Okafor, 2011). Unemployment refers to a situation where people who are willing and capable of working are unable to find suitable paid employment (Fajana, 2010). unemployment is a situation in which people who are willing to work at a prevailing wage rate are unable to find jobs. It is one of the macro economic problems which every responsible government is expected to monitor and regulate. The higher the unemployment rate in an economy the higher would be the poverty level and associated challenges. Unemployment is one of the developmental problems that face every developing economy in the 21st century (Patterson, 2006) and Nigeria is not an exception. Its effect is felt more by the youths leading to youth unemployment and restiveness.

A published report from Punch Editorial of June 10, 2003 referred to a report by the National Poverty Eradication Programme (NAPEP) as saying that universities and other tertiary institutions in the country produce an average of 120,000 graduates each year while another 500,000 school leavers are turned out each year without hope of any job. The agency believes that 50% of the unemployed in the country are youths (The Punch Newspaper, 2003). The level of unemployment is a reflection of the state economy of the nation. It therefore means that youth unemployment is dependent of the overall status of the economy. Economic activity measured by Gross Domestic Product (GDP) growth is probably the single factor that most influences the chances of young people finding jobs. Low or negative GDP growth (economic recession) and low investments are direct causes in the shrinking demand for labour. The disenchantment and frustration of young people is largely due to mass poverty and unemployment and this has increased the number of aggrieved youth (Ibrahim, 2006). What is responsible for this state of affairs?

3.0 Research Method

The data were obtained from the following sources; Universal Basic Education (UBE) Office, Abuja, the 1999 Constitution of the Federal Republic of Nigeria, bulletins of National Educational Research and Development Council (NERDC), UNDP's Human Development Report (2002), Joint Admissions and Matriculation Board (JAMB), and National Bureau of Statistics.

4.0 Results and Discussion

In their various studies (Echebiri, 2005), (Ayinde 2008) and (Okeke, 2011) identify the main causes of youth unemployment in Nigeria to include:

- i. Growing Urban labour force: The rapidly growing urban labour force arising from rural-urban migration is a major factor that contributes to youth unemployment. The rural-urban migration is usually explained in terms of push-pull factors. The push factors include the pressure resulting from man land ratio in rural areas and the existence of serious unemployment arising from the seasonal cycle of climate. The factors are further exacerbated in Nigeria by the lack of infrastructural facilities which makes the rural life unattractive.
- ii. Rapid Population Growth: Going by the 2006 census in Nigeria, the nation's population was put at 140,431,790 and projections for the future indicate that the population could be over 180 million by 2020, given the annual growth rate of 2.2 percent (National Population Commission, 2009). With this population, Nigeria is the most populous nation in Africa. It is argued the high population growth rate has resulted in rapid growth of labour force which is far outstripping supply of jobs.
- iii. Outdated School Curricula: Some Scholars argue that as far as the formal sector is concerned, the average Nigerian graduate is not employable because he doesn't possess skills needed by the employers of labour. This is often attributed to the nations education system which is liberal bias. The course contents of most tertiary education in Nigeria lack entrepreneurial contents that would have enabled graduates to become job creators rather than job seekers.
- iv. Rapid Expansion of the Education System: This contributes to youth unemployment as expansion of the education system leads to an increase in the supply of manpower above the corresponding demand for it. For instance, Nigeria tertiary institutions turned out 131,016 graduates in 1996/1997 (Manning and Junanker, 1993). Presently with over 152 universities in Nigeria (federal, state and private) and the increasing demand for higher education, there has been the problem of suitable employment for graduates that are turned out every year. Ordinarily, this should not have been a problem but the reality is that the Nigerian economy is too weak to absorb this large number of graduates (Utomi, 2011).

4.1 Educational policy and entrepreneurship education

The history of Nigeria educational system could be traced back to the colonial period. The educational policy then was geared towards serving the interest of the colonialist in terms of

supply of manpower for their effective administration of Nigeria colony and protectorates (Aladekomo, 2009). The policy was aimed at producing Nigerians who could read and write to hold certain positions such as clerks, interpreters, inspectors etc, without any entrepreneurial or professional skills to stand on their own or even establish and manage their own ventures. The Nigerian industrial policy that came on board immediately after independence placed emphasis on the establishment of big companies while completely neglecting the development of small and medium scale industries (Aladekomo, 2009). The costly neglect invariably meant killing entrepreneurial spirit at the micro-level in Nigeria at the very beginning which is considered to be essential for economic growth and development. The pressing demand for white collar jobs for majority of graduates is an upshot of colonial educational policies.

However, in the mid-70s, the government, because of the perceived importance of small and medium scale industries to the economy decided to shift attention to small and medium scale industries.

The government took a step further by establishing some industrial centres and some institutions were set up to support the activities of entrepreneurs in the small and medium scale industries in the country. In the 1981 National Policy on Education, attempt was made by government to link the policy with the issue of self-employment. But then the main focus was only on primary and secondary education. The higher education policy was deficient in the sense that it failed to address the issue of self-employment at tertiary level. As stipulated in the policy higher education was expected to cater for production of high level manpower for the vacant positions in government or public offices and not for self-employment (Aladekomo, 2009).

The paradigm shift from the developmentalist to the entrepreneurial function of education means that the traditional notion of education as the engine-houses of the state enterprise should have changed. This is because, in the context of an evolving market-oriented, competitive and private-sector driven economy, corporate capitalism and globalization, education is expected to produce people that are versatile enough to acquire competitive positions as well as generate their own employment (Anyebe, 2014). However, the schools are often characterized by outmoded operational processes and management structures which are largely incapable of producing graduates with the capacity to generate ideas and to turn such ideas to profitable and emotionally satisfying ventures through perseverance and hard work.

4.2 Entrepreneurship Education and Employment Creation

Entrepreneurship education is an educational programme that provides the students with knowledge, skills and motivation needed to start up small and medium scale businesses. In other words, it promotes innovation, introduces new products or services and market strategies which help the student to become outstanding entrepreneurs. Kenton and Envin (2010) define entrepreneurship education as an educational discipline that prepares people especially youths to be responsible, enterprising individuals who become entrepreneurs or entrepreneurial thinkers that contribute to economic development and sustainable communities. In other words, entrepreneurship education is a programme that provides discipline to an individual to assume the responsibility and the risk for a business operation

with the expectation of making a profit. If this succeeds the entrepreneur reaps profits and if it fails bears the loss.

Kudehinbus (2006) defines entrepreneurship as the process of creating something different with value by devoting the necessary time and efforts with the accompanied financial, psychological, and social risks and receiving the resulting rewards of monetary and personal satisfaction. Maimi (2003) says:

Entrepreneurship is a process of identifying, developing and bringing a vision to life. The vision may be an innovative idea, an opportunity or simply a better way to do something. The end result of the process is the creation of a new venture, formed under condition of risk and considerable uncertainty.

Also kuryi, (2006) defines entrepreneurship as a process through which individuals and groups pursue opportunity, resources and initiate change to create value therefore, considering all works cited entrepreneurship education generally provides creative skills and knowledge needed to start and grow a business. This means that it prepares individuals to create and successfully operate a business enterprise.

Entrepreneurship education contributes in many ways towards creating new jobs, wealth, and income generation for both government and individuals. Dickson, Solomon and Weavers, (2009) opine that entrepreneurship education has been recognized as an important and sustaining aspect of any economy. Entrepreneurship is very significant to the growth and development of economies (Keister, 2010). With this understanding of the vital role of entrepreneurship in economic development it becomes clear that attention is required to invest and promote entrepreneurship education. Entrepreneurship education is seen as a precondition for entrepreneurial development particularly in a place where its spirit and culture are lacking. It has been found out that there is a positive relationship between education and individual's choice to become an entrepreneur as well as the result and outcome of his entrepreneurial activity. It is said to be an important determinant of selection into entrepreneurship formation of new venture and entrepreneurial success (Dickson et al 2009).

Adejimola and Olufunmilayo (2009) maintained that education should be refined with a view to creating and enhancing the supply of entrepreneurial initiatives and activities. The bottom line here is to inculcate entrepreneurial spirit in the students through entrepreneurship education programmes. This calls for a more serious adjustment of policies and new curriculum in line with the demands of today. There is evidence to support a positive and significant relationship between education and entrepreneurial performance whether performance is measured as growth, profit or earning power of the entrepreneur. However, evidence linking general education to selection into entrepreneurship is ambiguous and cannot be classified as either positive or negative (Dickson et al, 2009). One can safely say that refocusing entrepreneurship education at higher education level would lead to youth employment. The introduction of entrepreneurship course in the country's higher education system is a welcome development and this should be extended to secondary and primary schools.

5.0 Conclusion and Recommendations

All tertiary educational institutions in Nigeria should actively embrace and sustain the spirit of entrepreneurship that has begun. Entrepreneurial development in Nigerian higher institutions of learning can take root by encouraging the students to replicate the products that have been invented elsewhere in any part of the world while effort is made to create what the world will also copy from them. The entrepreneurial climate should be made favourable so that the entrepreneurship in Nigeria can evolve from the present stage to the level where the world will have cause to patronize the country's products. In this regard, the Nigerian educational system needs to be planned and the following areas are in need of actions:

- Internal management processes and structures that eliminate waste, promote and reward innovations. This will involve instilling an inquiring, innovative and entrepreneurial frame of mind in students and staff.
- Curriculum reforms that promote the inculcation of the generic skills (communication, inter-personal skills, adaptability, IT-fluency, creativity and lifelong learning skills so valued in today's knowledge economy), while de-emphasizing narrow and premature specialization. This will involve regularly evaluating and continuously improving and renewing school programmes, practices, procedures, and systems.
- Aligning teaching, research and service functions with the needs of the immediate society – being practically involved in thematic and problem-oriented societal/human activities and generating/disseminating knowledge from these to enrich the world pool of knowledge.
- Schools in Nigeria would have to acquire the major tools of internationalization – ICT, which must become a 'management, learning, and research tool'. With appropriately developed ICT capacity, our universities would be reducing the time and space that have separated them for too long from the world epicentres of internationalization.

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