



Towards Making Entrepreneurship Education as an Effective Tool for Youth Unemployment Reduction in Nigeria

Musa, Philip Oche

Department of Public Administration
Federal Polytechnic
Ilaro, Nigeria
E-mail: musaphilipoche@gmail.com

ABSTRACT

Entrepreneurship is the process of bringing together creative and innovative ideas and management and organizational skill in order to combine people, money and resources to meet an identified need and thereby, creating wealth. This paper examines the role of entrepreneurship in primarily generating employment opportunities for the youth and the growth of Nigerian economy. The work analyzed that entrepreneurship education is bound to reduce youth unemployment, increase per capital income and economic growth. The methodology for this paper was content analysis of official documents, articles and other written sources. The work discovered that there is massive unemployment of Nigerian Universities' graduates and the cause is traceable to the disequilibrium between labour market requirements and lack of essential employable skills by the graduates. The work among other things recommended a curricular integration of education centered on entrepreneurship and community development, that which teach entrepreneurship and creativity at an early age. And concluded that the myriads of social, political and economic challenges of the country would be historical reference if entrepreneurship education is well promoted.

Key word: Economic Growth, Entrepreneurship, Entrepreneurship education, Management and Unemployment.

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1. INTRODUCTION

Nigeria like most developing nations of the world is faced with myriad of problems and realities which include poverty, unemployment, conflicts and diseases. These situations pose great challenges to the very existence of individuals in most developing nations thereby, calling for the training of educated men and women who can function effectively in the society in which they live in. The National Universities Commission (NUC, 2005), reiterates that there is massive unemployment of Nigerian Universities' graduates in the country. This problem is said to be traceable to the disequilibrium between labor market requirements and lack of essential employable skills by the graduates (Diejonah and Orimolade, 1991; Dabalen, Oni and Adekola, 2000). The increasing number of those who are not gainfully employed or adequately educated in the country, remain preys as political tools of violence as it has been seen in the history of violence occurring in the country over a period of time. The country has depended much on oil as its major source of revenue for years, administrations over time also fails to recognize that the future of the country may very well depend on the economy of its people(the youths), which is possibly the only untapped, ill harnessed, most lucrative resource of the country. If it remains this way in the next ten years, putting into consideration the effect of increased poverty, lack of employment, poor educational system, it is unpredictable what the result will be.



Before the advent of colonial government in Nigeria, unemployment was a rare phenomenon because people were highly entrepreneurial and productively engaged. This speaks volumes for our traditional Nigerian economy. It is on record that Yoruba and Hausa ethnic groups are great entrepreneurs in pre and post independent Nigeria. The Igbo ethnic groups also were recognized internationally for their culture of entrepreneurship and enterprise development (Dana, 1995).

Arguably, successive administrations in Nigeria introduced formal education which enabled people to have the opportunity to be employed in the Public Service after graduation. As such, the system destroyed self-reliance self-employment and entrepreneurial skill of Nigerians as they became permanently dependent on the colonial masters for “white colour jobs” (Nicks, 2008, Raimi, 2010). This led to massive unemployment and craze in the contemporary times for “all-ready-made jobs.” It is in this respect that this study seeks for the development of entrepreneurship in order to sustain the economy which will eventually lead to high level unemployment reduction. The work equally examines how entrepreneurship could help to reduce significantly youth unemployment in Nigeria and how its education could be more relevant in the management of the Nigerian economy.

2. LITERATURE REVIEW/ CONCEPTUAL FRAMEWORK

2.1 Conceptualizing Entrepreneurship

Entrepreneurship has been defined by various professions to mean many things since the middle age (Igbo, 2006). The entrepreneur has been seen as an actor, innovator or a developer of technology. However, the summary of what entrepreneurship means will reflect the individual definer’s point of view. For Inegbebor (1987), entrepreneurship is the willingness and ability of an individual to seek out investment opportunities, establish and run an enterprise successfully. The entrepreneur is essentially a person who owns or controls a business through which income is carried. Esomomu, (1998), defined entrepreneurship as the effective manipulation of human intelligence, as demonstrated in a creative performance. The National Directorate of Employment (NDE) (1989) in Onyebueke and Ochonogo (2002) sees entrepreneurship to be an art which involves recognizing a business opportunity, mobilizing resources and persisting to exploit that opportunity.

Tijani-Alawiye, (2004), defines entrepreneurship as the process of increasing the supply of entrepreneurs or adding to the stock of existing small, medium and big enterprises available to a country by creating and promoting many capable entrepreneurs who can successfully run innovative enterprises, nurture them to grow and sustain them, with a view to achieving broad socio-economic development goals. Binks and Vale, (1990), defines entrepreneurship as an unrehearsed combination of economic resources instigated by the uncertain prospect of temporary monopoly profit. Entrepreneur is also defined as the instigator of entrepreneurial events for so long as they occur.

Furthermore, entrepreneurship is the process of creating some new or different values by devoting the necessary time, assuming the accompanying financial, psychic and social risks, and receiving the resulting rewards of most personal satisfaction (Ossai 2008). It is the process of bringing together creative and innovative ideas and coping them with management and organizational skill in order to combine people, money and resources to meet an identified need and thereby, creating wealth.

Shepherd and Douglas, (1997) observe that the essence of entrepreneurship development is the ability to envision and chart a course for a new business venture by combining information from the functional disciplines and from the external environment in the context of the extraordinary uncertainty and ambiguity which faces a new business venture. Acs and Szerb (2007), opined that entrepreneurship revolves around the realization of decision to commercialize them by starting a new firm. The reasoning is what Thornton, (1999), calls demand and supply perspectives of entrepreneurship discourse.



An entrepreneur is someone who brings things like money, materials and labor together in new business, productive process or improved organization to ensure business success by perhaps creating something new. Act of creating or innovating usually requires exceptional determination as well as acumen, initiative and creativity which need not be innate or inborn but must be fuelled by the desire to “outcompete” others, excel or to change a stagnant situation (Imaga, 2002).

For Uzoma, (1998), entrepreneurs are those who found their business from the scratch and dint of hard work and idea – getting - ability. Although, each of these definitions or description views entrepreneurs from a slightly different perspective, they all contain similar notions, such as risk-taking, organizing, creating wealth, initiative and newness.

These common elements can be rephrased in the manner done by Dollinger (2006), as:

- Creativity and innovating
- Resource gathering and the founding of an economic organization.
- The chance to gain or increase under risk and uncertainty.

Simply put, entrepreneurs are those who have insatiable desire for accomplishment of anything that fascinates their minds (idea) which requires single mindedness and an obstinate refusal to give up; even when the situation looks impossible. They are those who see visions and translate their visions into economic and commercial activities that are capable of enhancing the well-being of the citizens. Indeed, they are persons with over-riding will to engage in economic and commercial activities that are of benefit to the society, without regard to the difficulties that are encountered.

2.2 The Conceptualizing of Unemployment

Every economy is characterized by both active and inactive populations. The economically active refers to populations willing and able to work and include those actively engaged in the production of goods and services, and those who are unemployed are regarded as inactive. The concept of unemployment is perhaps ambiguous. The term unemployment could be used in relation to any of the factors of production which is idle and not being utilized for production. However, with reference to labor, there is unemployment if it is not possible to find job for all citizens who are eligible and able and willing to work.

According to **Fajana, (2000)**, unemployment refers to a situation where people who are willing and capable of working are unable to find suitable paid employment. In other words, unemployment of labor occurs in the economy if there are people who are capable of working and who are qualified by age, law, custom and other factors to work but who cannot find job. Hence, the degree of unemployment varies from country to country. Unemployment is one of the macro-economic problems which every responsible government is expected not only to monitor and regulate but possibly eradicate.



The higher the unemployment rate in an economy, the higher the poverty level and associated social challenges. **Fajana, (2000), Alao, (2005)**, identify the following types of unemployment.

- **Seasonal Unemployment:** This is an unemployment experienced as a result of seasonal variation in the activities of particular industries caused by the inherent nature of such industries. Seasonal oriented industries are bound to give rise to seasonal unemployment.
- **Residual Unemployment:** This is an unemployment caused by personal factors such as old age, physical or mental disability, poor work attitudes and inadequate training.
- **Frictional Unemployment:** This is an unemployment caused by industrial friction in which jobs may exist, yet, the workers may be unable to fill them either because they do not possess the necessary skill, or because they are not aware of the existence of such jobs. The employable may remain unemployed on the account of shortage of raw materials or mechanical effects in the working of plants, or mostly as a result of innovation. Such people include local farmers who use hoes and machetes before the introduction of modern equipment, and typists who are displaced by computers.
- **Structural Unemployment:** This type of unemployment occurs when there is a change in the structure of an industry or the economic activities of the country. This type of unemployment is due to the deficiency of capital resources in relation to their demand.
- **Open Unemployment:** This is the type of unemployment where there are categories of young men and women who are roaming the streets looking for jobs, but there are jobs for them to do but refused to do the job(s) they see because of certain reasons best known to them.

2.3 Causes/Types of Unemployment

These and more are the different types of unemployment. According to Killick (1981), there are different causes of unemployment experienced in the society today, which gave rise to the different types of unemployment thus:

1. Use of Capital Intensive Method of Production

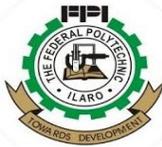
The usage of capital intensive method of production has made most people not to be employed. This is because the advancement in technology has reduced manual workers and the total numbers of employees. So, the usage of modern machines has thrown the people who use manual equipments out of job (Killick, 1981).

2. Slow Rate of Economic Growth:

In Nigeria, most people in government positions have industrial and other business interests abroad, leaving their country vacantly. These groups of people failed to embark on constructive economic projects that will help people to be employed, rather, they decided to be crying in the media that foreigners should come and invest in their country, when they have refuse to invest on their own (Killick, 1981).

3. Neglect of Merit in Favor of Mediocrity

It is obvious today that conducting an interview or job advertising is just a partial fulfillment or protocol to be observed in any employment condition. Those who are qualified to do the work are not given the work. And this has created mistrust on the part of government. This is because of high level of corruption, ethnicity, favoritism and federal character principles (Killick, 1981).



4. Poor Educational Planning

Nigeria obtained her educational curricular from the colonial masters and some of them no longer suit the nation. There are some courses done in the Nigerian University today that do not address the problem of Nigeria any longer. Nigeria has refused to plan her education sector in such a way that it can train people in technical courses so that, they can come out and be self-employed. This has led to the increase of unemployment in Nigeria because people are not trained in the educational foundations that encourage self-reliance. It was only in recent time that entrepreneurship got introduced in higher institutions in Nigeria (Killick, 1981).

5. Value Placed on Political Appointments and Political Powers in Nigeria

In Nigeria, people place more interest on politics, waiting for political appointments or rather contesting for political positions. Nigerians have forgotten that political position is a call to serve. They take it as a call to loot. Nobody wants to get money, "small-small" (Killick, 1981).

2.4 Roles of entrepreneurs in the Nigerian economy

The role of entrepreneurs in economic development involves increasing per capital output and income, initiating and constituting change in the structure of business and society; this change is accompanied by growth and increased output. Entrepreneurship facilitates the use of local raw materials and other resources. Being relatively labour intensive, enterprise creates substantial employment opportunities at low capital cost and being resilient, flexible, can better adapt to unexpected changes in the economic and financial environments. In agreeing with this, Okonkwo (1993) contended that the industrial future of Nigeria depends critically on the twin pillar of a stable macro-economic environment based on a foundation of proactive partnership between government and the public sector. Paying of more taxes which enables government to provide basic amenities, mobilize savings and investments, dispersal of industries, competition globally and earning foreign exchange for the economy (Onuoha, 2005).

Stimulation of indigenous entrepreneurship in developing country like Nigeria is made possible. Private individuals or groups are afforded the opportunity to manage the businesses with minimal resources requirement. Chuta (1984) maintained that investment in small businesses help to transform traditional sector. It modernizes the people's perception of life and introduces the use of machines instead of manual labour. Again, the skills of men are modernized and synchronized with developments in the new industrial sector. Another function of entrepreneurs in Nigeria's economy is creation of employment. The Nigeria of today, government cannot provide 100% employment for the citizens; entrepreneurship has helped many to be gainfully employed. It helps to reduce unemployment problem in the country i.e., the root of all socio-economic problems. It leads to wealth creation.

Furthermore, utilization of resources is being accomplished. Resources that might end up to be idle in the hands of people are effectively mobilized (capital, skills etc.) and employed productively. More so, it also induces backward and forward linkages which stimulate processes of economic development in the country. It helps also to link up various sectors of the economy. It constitutes the market for Agriculture extractive and industrial outputs. Also, it helps in diversifying economic activities but also in saving foreign exchange for our country. It does not only help to reduce the concentration of economic power but equally stimulates economy by equitable redistribution of wealth, income and even political power in the interest of the country. It contributes to regional activity and cooperation. It promotes Nigeria's export trade, reasonable quantity of products or services from Nigeria are sold in other countries. Trade among member states of ECOWAS is expanding. Good trades Relationship (import and export) are being fostered due to the factor of comparative cost advantage.



According to Baumbach (1992) some of the economic contributions of entrepreneurs include

- Interdependence of business: No business is an entity on its own which does not interact. It must buy from other firms and sell either to different firm or customers in competition.
- Maintenance of competition: in a dynamic environment, particularly an age of rapid change due to globalization, competition can be the vehicle of change, through innovation or through improvement. Competition is needed to preserve a system of free and independent enterprise. Competitive capitalism insures freedom of enterprise which provides for individual creativity as well as a livelihood for a large segment of the population. Innovation is new idea generation, inventions, improvement are needed to remain in a global world. There is a Japanese proverb which says 'Fall seven times' It means innovation is required to remain competitive which are all needed to develop the economy.
- Rural-Urban migration: by providing employment for rural areas will reduce the incidence of urban migration.
- Better Standard of living: increase in demand and supply of large quantities of goods and services as a result of numerous economic activities will in turn result a better standard of living for the people (Osuala,1993).

Entrepreneurship as a distinct factor of production contributes to the economic development of an economy in many significant ways as mentioned above. The overall role of entrepreneurship in economic development of an economy is put as "an economy is the effect for which entrepreneurship is the cause.

3. ENTREPRENEURSHIP DEVELOPMENT AS A MEANS OF REDUCING YOUTH UNEMPLOYMENT IN NIGERIA.

Entrepreneurship is acquisition of skills and ideas for the sake of creating employment for oneself and also, for others. It also includes the development based on creativity. Entrepreneurship leads to the development of small, medium and sometimes, large scale business based on creativity and innovation. The success of this business in turn helps in developing the nation. It also reduces poverty rate with visible increment of employment rate among the youths. However, entrepreneurship requires training. Practically, entrepreneurship does the following roles in the development of any nation

Enhance Job Creation and Reduce Crime

Entrepreneurial programs if properly planned and executed, will ensure that the issue of self-employment and job creation will increase. Also, menaces usually visible due to youth unemployment and restiveness will be highly reduced. The current number of polytechnics, colleges and universities offering small business management and entrepreneurship development program has grown in Nigeria. Also, at present, the National Universities Commission (NUC) has made it mandatory that all the university students must offer course on entrepreneurship at GST level notwithstanding the course of study. Studies outside Nigeria revealed that countries like Zambia, Ghana and South Africa have low level of unemployment compared to Nigeria because of high level of entrepreneurship in the country. When Nigerians especially unemployed youth are mentored and provided the needed resources and enabling environment for business start-ups, they will economically be engaged thereby, shunning the illegal acts of hostage-taking, kidnapping, bombing and vandalism and homelessness (Akanwa,P. U. and Akpanabia, N. H., 2013).

Structural Change in Business and Society

Entrepreneurs and entrepreneurship play crucial roles in initiating and constituting change in the structure of business and society. Entrepreneurs dislike idleness and constancy. They welcome new things; entrepreneurs change the structure of business in the society and the resultant effect of the change is the growth of the economy. Nigeria's bane of economic growth could therefore, be attributed to the bane of exhibiting entrepreneurial spirits. The economic condition of any country is to an extent a mirror of the level of her entrepreneurial philosophical development.



Provision of Resources to Large Firms

In every society, large firms look unto small scale firms for the supplies of their needed resources. The resources are physical, financial, human, time and informational. Large firms benefit a lot from small-scale firms established by entrepreneurs through entrepreneurship

Creation of New Technology

Entrepreneurs having the ingenuity of translating scientific inventions into the realm of human needs help to create new technologies. Technology as the best method or most efficient method of doing things is one of the hallmarks of entrepreneurship. As entrepreneurs pursue increased productivity and enhanced wealth, they conversely pursue efficiency. The pursuance of efficiency leads to the development of new technologies and new products and or new services. Every new technology reduces the values of the old ones, which it has come to improve upon. Therefore, entrepreneurial activities are bound to create new technologies, new products and services. It is real that the hallmark of entrepreneurial efforts is managing (swift), incessant and fundamental change.

Bridging the Gap Between Science and Market Place

Scientists working as individuals invented electricity, computer, transistor radio, television, camera and many others. These scientists are inventors whose inventions had no commercial value until entrepreneurs came in to knit social need and technology entrepreneurship and successfully find a way of introducing an invention into the realm of human needs. Nigeria like some other African countries still lags behind in science and technology because of dearth of entrepreneurial spirit and knowledge. American entrepreneurs have charged Americans scientists to invent wireless electricity at a price of ten billion US dollars. This is market driven and smirks of great business opportunities (Akanwa,P. U. and Akpanabia, N. H., 2013).

Provides Practical Application for Students

Training in entrepreneurship has been used by nations like Germany to set up unique engineering-oriented business programs in the university where their potential engineers are encouraged to seek out ideas and subsequently develop the promising ones from invention phase to commercialization. Similarly, entrepreneurship programs developed in some universities have graduated into business schools (Akanwa,P. U. and Akpanabia, N. H., 2013).



3.1 Ways of Promoting Entrepreneurship among Nigeria Youths

Nigerian youths tackle daily series of problems such as poverty, unemployment, conflicts and diseases. This problem therefore, will demand that the youths be empowered with creative problem-solving skills. The training of educated individuals who can function effectively in the society for the betterment of self and the society will require special attention as the system will be deliberately set to concern itself with the development of sound human capital required for national development.

Practically speaking, therefore, he/she must do the following:

- Ensure to receive deliberately instructions that provide certain specific skills needed for the development of human capital, use professional and entrepreneurs as instructors and mentors.
- Be part of a curricular integration of education centered on entrepreneurship and community development, that which teach entrepreneurship and creativity at an early age. All these translate to planned programmes to transform Nigerians.

Succinctly put, the improvement of human capital will translate in greater managerial capacity on emerging small and medium enterprises (SMES). SMEs that take advantage of advanced technologies will surely be more competitive. Small businesses should be encouraged to adopt information technologies such as electronic and wireless commerce to enhance their competitiveness. To him, establishment of banks, channelization of financial assistance, development and encouragement of a new class of professional and technical entrepreneurs, establishment of promotional agencies, and cooperatives should discover innovative schemes to catalyze the rural and cottage entrepreneurship, setting up of rural entrepreneurship development centers, and upgrading informal apprenticeships should be ways of promoting entrepreneurship in Nigeria.

The Nigerian youths therefore need to learn that life is partnership in which the individual strives to fulfill himself/herself with the active support of others. With the spirit of collaboration, inter-existence and the desire for collective survival of all, there will be a steady growth of development, mutual support and networking. With this, there would be need to transform them into confident, aggressive and purposeful individuals.



4. CONCLUSION

In Nigeria, entrepreneurship has been able to reduce the rate of unemployment through enhancement job creation and entrepreneurship training for youths to develop inner qualities for self and organizational improvement; they also learn the need to develop common sense creativity and wisdom. The young entrepreneurs must learn to overcome innovative barriers. Therefore, with the advent of entrepreneurship development in Nigeria, unemployment rate (which is the cause of the present kidnapping, Boko haram and other problems in our society) has been reduced and will soon become a thing of the past.

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