



Issues and Challenges
in Entrepreneurial
Education in Nigeria

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**ISSUES AND CHALLENGES IN
ENTREPRENEURIAL EDUCATION IN NIGERIA**

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REQUIRED INFORMATION FOR ENTREPRENEURSHIP DEVELOPMENT

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Introduction

Information aids decision making and is a fundamental ingredient of every human activity. In an entrepreneurial sense, information helps to clarify business objectives and enhances chances of success. It is a veritable tool that reminds the entrepreneurs of the functional areas of their enterprises. The following constitute the nature and types of information required by entrepreneurs.

Technical Information

Every business requires planning at different stages. The planning process is a non-terminal activity as it is required throughout the life of any business. The technical information needed for any project include:-

- Facility design and layout
- Products/service to be offered
- Assessment and inventory of tools required
- Assessment and inventory of input (raw material and semi-finished goods)

Financial Information

Financial information is probably the most ignored and poorly assessed by entrepreneurs. Ironically, it is the pivot of all other considerations for setting-up businesses of any type or size. It is the financial resources that mobilize other input requirements and forms the basis for management decision making.

Good financial information will provide reliable platform for entrepreneurs to determine the amount of investment fund for the proposed business, and mode of financial procurement. Funds are critical for the actualization of business dreams. They are required for the purchase of all inputs to the business e.g materials, equipment and machinery, tools, hiring of human resources, and for providing initial working capital until break-even point.

Business Cash-Flow Planning is therefore key for providing the financial information required at different stages of a business until the business starts generating profit or return on investment. The cash-flow requirements of a business must be prepared by experienced and knowledgeable persons preferably in the proposed area of business investment to capture the entire spectrum of costs with associated cost of capital, investment risks and unforeseen contingencies (e.g market changes, political instability, new legal requirements, consumer behavior, etc). Thus, cash-flow forecasting is a veritable tool for the financial planning of businesses. Failure to plan the financial requirement adequately and reasonably would obviously mark the early stage fall of the business enterprise.

Marketing Information

Product or service marketing is fundamental for the long-term survival of a business. In an open market economy, competition is inevitable as it creates opportunity for business to improve the quality of their products or services. It is a platform for businesses to craft superior marketing strategies that would internalize their products in the minds of the consumers among competitors in order to capture a reasonable chunk of the market share for the product or service.

Knowledge of the market segment in which the product or service has the most opportunity to thrive on a sustainable basis is important, so that the product development and marketing strategy would be channeled in the direction of comparative advantage.

New Technologies for Product Development

Production systems are dynamic in nature and tend to follow the pattern of industrial revolution taking place in the global arena. For entrepreneurs to be successful in today's world of digital manufacturing, they must have knowledge of recent advances in the core technologies employed in their product manufacturing. Inability to follow this trend may put the entrepreneur at a competitive disadvantage as the investor would probably be producing at a higher cost and lower quality. This situation would eventually grind the business to a halt. It is therefore necessary for entrepreneurs to strive as much as possible to take advantage of emerging technologies that would improve their efficiency and product competitiveness.

Legal Information

Every business irrespective of nature, size or location is expected to operate under legislation. The legitimacy of the business must not be compromised. Business registration approval would not be granted for businesses that fall short of the laws of the country and other international legal business protocols. Approval for business registration would not be granted for businesses with proposals for banned products or illegal services. The entrepreneur is also expected to know the requirements of the Corporate Affairs Commission (C.A.C) with respect to business registration for companies and enterprises. They are also expected to know all relevant documents required by the registrar of companies before incorporation, of company is granted. The trademark and copyright laws of Nigeria must be well known to the entrepreneur in addition to other business operation requirements. The products of the proposed business would also impact on the natural environment, as such, the entrepreneur is expected to understand and comply with laws relating to Environmental Protection and undertake Environment Impact Assessment (EIA) as a pre-requisite for business approval and sustainability.

Information and Communication Technology

Businesses have gone global. It is no longer fashionable to operate enterprises in an enclosure as that would only serve a limited purpose and may also be unable to cope with international competitiveness. The globalised business community needs to know at the touch of a button the range of products or services an entrepreneur provides. The internet facility provides a robust opportunity for expanded product marketing and information platform. Information on

investment resources of businesses can be obtained from the internet; be it material requirements, Equipment/technology, manpower planning, financial data etc. There are now specialized softwares on manufacturing, business planning, risk management, and accounting.

These ICT resources if properly deployed by entrepreneurs will showcase information necessary to plan, establish and operate a business successfully.

Highlight on some International Business Information Support Services

Potential entrepreneurs can develop concepts into commercially viable business ideas by consulting .

1. Enterprise Ireland is Ireland's enterprise development agency. The agency assigns business development advisors to enable prospective entrepreneurs develop their business ideas into workable plans.
2. The country has a proactive 'National Policy and Advisory Board' for Enterprise, Trade, Science, Technology and Innovation known as 'Forfas'
3. The Investment Development Agency (IDA) is responsible for attracting new investments from overseas into Ireland.
4. The country's department of enterprise, trade and employment major role is to develop and implement Irish enterprise policy. It is also reputed for providing statutory information and advice in business development.

Identifying the Sources of Information Required for Entrepreneurship Development

Industrial Data:

Data obtained from governmental agencies and trade associations often include percentage mark-ups, stock turnovers, cash discounts etc. These information are useful to the entrepreneur in comparing a business to other similar businesses.

Employee and Customer Information

Entrepreneurs often ask questions to employees engaged in a business and this source of first hand information is useful in taking decisions at appraisal stages of a business. The employees often show a sense of recognition of their skills and expertise and as such are delighted to provide factual data and advice to the entrepreneur's enquiries.

Customers who consume products or utilize services provided by a business are also willing to comment about goods or services they consume. These sources of information are very valuable to entrepreneurs in their assessment of business characteristics, requirements, challenges and implications.

Trade Journals and Magazines

It is common place to see entrepreneurs subscribe to related business journal and magazines. These provide contemporary information and latest research publications in the area of business. The magazines provide a platform for goods and equipment marketing.

The Library

A lot of Governmental Agencies and Non-Governmental Organizations (NGO's) make publications and these are available in most public libraries as information resource to entrepreneurs and general readers. Also, the circulation sections of the reference libraries of most tertiary institution of learning provide a good learning resource on businesses.

Other forms of library include those of large corporations and research institutes. Generally speaking, the numerous books, reports, journals, mimeographs contain vast quantity and a diversity of information that could help to improve entrepreneurs knowledge in specific businesses.

Training Programmes

Human capacity development programmes in areas of business planning and development abound. Entrepreneurs can take advantage of the knowledge acquired from these informal learning platforms to develop their managerial and general business skills. The Centre for Management Development, (CMD) Lagos and The Nigerian Institute of Management (NIM) has over the years, provided annual Manager Training and Development Programmes that help to grow businesses.

The Internet

This information super-highway provides a cutting-edge platform to conduct research on any type of business. It has an immeasurable potential of providing contemporary information on specified topics of interest. The common search engines include Google, Bing, and Amazon, etc. The Electronic Mail (e-mail) facility is also in Valuable in reaching organizations or persons with dedicated internet websites for the academic or

business enquiry.

Membership Based Organisations

The Manufacturers Association of Nigeria (MAN) is a good example of Membership-based organization that undertakes responsibilities including but not limited to the following:

- i. Implementing new technology
- ii. Conducting research
- iii. Organizing manpower development and training for members, disseminating information on current development and international best practices through special reports, magazines and newsletter.

Business Owners Direct Experiences

This is a very important source of information for entrepreneurs. It provides a direct account of operators experiences on a business in terms of prospects and challenges of a business from the business operators perspective. The information provided by this source is reliable as most businesses share common characteristics. However, the competitive nature of some businesses tends to dampen entrepreneurs willingness to volunteer information freely.

Organisations and Agencies Involved in the Promotion And Development Of Entrepreneurship

Entrepreneurship has become a very important concept in job creation the world over. It is a tool for the development of a nation's small and medium enterprises especially in the informal sector of the national economy. It bridges the gap created by inability of formal sector in providing job for the populace. It empowers the private sector into productive

endeavor by creating value in the form of goods or services. The Nigerian Government like most other global economies through deliberate policy enactments has set-up quite a number of agencies aimed at emancipating entrepreneurship by providing institutional support for it to overcome challenges associated with business operation. In sum, entrepreneurship is a tool that stimulates national development through creativity and innovativeness. It is also the productive deployment of managerial skills in business enterprises.

Governmental policies encourages, supports, funds the promotion and development of entrepreneurs through Small and Medium Enterprises (SME's). It is the SME's that provides the base for employment creation, retention of the middle-class that is hitherto going into extinction. The SME's also encourage of indigenous technology, utilization of local raw material, and conservation of foreign exchange.

Among the many governmental agencies for the promotion and development of entrepreneurship in Nigeria are:-

The Small and Medium Enterprises Development Agencies of Nigeria (SMEDAN):- The primary objective of Small and Medium Enterprises Development Agencies of Nigeria is to facilitate the availability of all resources required for development of micro, small and medium enterprises in Nigeria. Small and Medium Enterprises Development Agencies of Nigeria came into existence by 2003. Its role among others include the compilation, review and update of existing regulations, economic policies, legislation and incentives affecting the operation of Micro, Small and Medium Enterprises (MSME) within a state.

Additionally, Industrial Development Centers (IDC's) was established to compliment the efforts of the Micro, Small and Medium Enterprises (MSME) by providing specialized services like entrepreneurial manpower development, project appraisal for loan application, and general managerial assistance to the Micro, Small and Medium Enterprises (MSME)

The Nigerian Export Promotion Council (NEPC):- NEPC came into legal existence by 1976 to revitalize the non-oil export sector of the national economy considering the over dependence in the oil and downstream sector. NEPC seek to grow the non-oil export sector and make it a major contributor to the National Gross Development Product (GDP) through deliberate policies or enactments that seek to emancipate economic development.

The Raw Materials Research and Development Council (RMRDC):- The council as an agency of the Federal Government was primarily established to promote the development and utilization of the enormous industrial raw materials available in the country. The RMRDC has many programmes aimed at encouraging research and development of indigenous resources that could be utilized in the establishment and growth of small and medium enterprises for national development through wealth creation.

Information Professionals:- This is a key source of access to all the relevant and pertinent knowledge or enlightenment the entrepreneur requires in various investment streams. Information professionals are specialists in information gathering in different fields. They work in various organizations like libraries, content management organizations, knowledge

resource centers, information centers or competitive – intelligent units.

It is the role of an information professional to educate entrepreneurs on how relevant information are accessed and utilized. Information professionals aiding the entrepreneurs in this era of extensive research by providing a better understanding of the overall process of entrepreneurship and the driving force of entrepreneurs (Bull and Gartner, 2001 Willard 1993; Hofer, 1991; by Grave).

Information gathered from the research are made available to the entrepreneurs in print and non-print format. Examples include- textbooks on entrepreneurship, academic journals on entrepreneurship; compendiums on entrepreneurship, newsletters, government publications, proceedings from entrepreneurial conferences, biographies or autobiographies of entrepreneurs. The information available to entrepreneurs is also in various audio-visual platforms; for example:- live broadcast-satellite, video conferencing, narrowcast television, video disc, hypermedia, computer discs, web television, interactive television instruction, audio-editing system, wind-up radio technology, etc. The three major sources of information in entrepreneurship are research based source, direct observation of practicing entrepreneurs, and speeches and presentations by practicing entrepreneurs (Kuratko, 2005).

Identifying the Role of Banks and Other Financial Institutions in Enterprise Promotion and Development

Banks and other financial institutions play a vital role in the promotion and development of enterprises in Nigeria. Commercial banks include United Bank of Africa (UBA) Plc, Union Bank, Fidelity Bank, Enterprise Bank, Keystone Bank,

First Bank, Guarantee Trust Bank (GTbank) etc. These banks accept deposits and grant short term loans and advances to their customers. Commercial banks also give medium term and long-term loans to business enterprises. Although the primary function of commercial banks are the acceptance of deposits and the granting of loans and advances, the secondary duties include transfer of money from one account to another, issuance of letters of credit, provision of facilities for foreign exchange, provision of safe custody vaults etc.

The Central Bank of Nigeria (CBN) is Nigeria's apex institution in the financial sector of the National Economy. In the exercise of its statutory role towards growth of the informal sector especially in accelerating the growth of emerging small-medium enterprises (SME's); the CBN established Entrepreneurship Development Centers (EDCs) to assist them with necessary interventions vide financing, training, consultancy in order to stimulate their growth on a sustainable basis.

The EDC's operate autonomously, though funded by the CBN. It conducts its activities through Implementing Agencies (IAs) which were appointed for an initial period of eighteen months to execute the pilot phase of the project. There are currently three EDCs in operation; ideally at least one is required in each of Nigeria's six geopolitical zones. The operational EDCs are:-

- a. Centre for Entrepreneurship and Development Research, University of Nigeria, Nsukka
 - b. African Leadership Forum, Lagos
 - c. Opportunities Industrialization Centre International, Kano
- The EDCs organize nationwide entrepreneurship training

programmes for teaming Nigeria graduates.

According to Ishaku and Adamu (2003) EDCs had between April 2008 to December, 2009 created 358 enterprises and counseled and trained a total of 40, 434 future entrepreneurs in addition to assisting 375 of their graduates to access N107.9million credit from financial institutions.

The Bank of Industry (BOI)

BOI is a Federal Government of Nigeria owned financial institution. It emerged out of the rationalization that occurred in some Development Finance Institutions (DFIs). The DFIs include Nigeria Industrial Development Bank (NIDB), the Nigerian Bank of Commerce and Industry (NBCI) and the Nigeria Economic Reconstruction Fund (NERFUND).

The Bank of Industry (BOI) has the following products and services:

- i. Equity Financing
- ii. Working Capital Finance
- iii. Management of Dedicated Funds
- iv. Business Development Services
- v. Medium and Long-term Loans
- vi. Lease financing, among others.

BOI finances the following types of projects:-

- a. Projects that involve conversion of local raw materials into finished products
- b. Projects of National Comparative advantages
- c. Businesses that offer least cost but with quality products that can meet both local and international competitiveness.

BOI has four major subsidiaries namely:-

- i. NIDB Consultancy and Finance Limited (NIDB Consult)

- ii. Leasing Company of Nigeria (LECON)
- iii. Industrial and Development Insurance Brokers (IDIB)
- iv. NIDB Trustees Limited (NTL)

There is a huge accumulation of SMIE's funds for which Bank of Industry accesses to finance its mandate with respect to entrepreneurship development.

Contributions of Government Agencies in Sourcing Information for Entrepreneurs

Several government agencies exist at the federal, state and local government levels in a collective effort to source vital information that would aid entrepreneurs to gain knowledge of investment opportunities in micro, small and medium scale enterprises. The Institution include industrial Development Centre's (IDCs), Raw Materials Research and Development Council (RMRDC), the center for Management Development (CMD); the Centre for Industrial Research and Development (CIRD). These governmental agencies and many others provide veritable information to teaming entrepreneurs to enable them access vital information in order to commence, grow and sustain their businesses. Information on funding requirements, equipment and manpower requirements, business plan development, enterprise capacity building and business sustainability are also provided by the agencies. The information is available in various modes – print, electronic CD's or internet websites.

Methods of Obtaining Assistance from Government Agencies

The nature of assistance provided by governmental agencies to entrepreneurs could broadly be classified by the

following roles Participatory

- (a) Facilitating
- (b) Regulatory

Agencies like the Federal Road Maintenance Agency (FERMA), Power Holdings Corporation of Nigeria (PHCN) among others help entrepreneurs to maintain support services by providing required access and power at the business premises. The agencies could be contacted by entrepreneurs for direct interaction on areas of collaboration for the growth and sustainable existence of their businesses.

Assistance could also be obtained from certain agencies whose services are facilitative. They provide specialized funding support and conducive operative environment for budding or experienced entrepreneurs. The following agencies play facilitative role to enterprises:

- i. Small and Medium Enterprise Development Agency of Nigeria (SMEDAN)
- ii. Bank of Industry (BOI)
- iii. The National Directorate of Employment (NDE)
- iv. The Industrial Development Centre (IDC)

Entrepreneurs should contact the afore mentioned agencies to initiate talks that would culminate in adding value to their businesses through facilitation. Further assistance is available from certain regulatory agencies like the National Agency for Food and Drugs Administration and Control (NAFDAC), Federal Environmental Protection Agency (FEPA) and the Standards Organization of Nigeria (SON).

The agencies provide assistance to entrepreneurs by availing them the following services:-

- i. Facilities Inspection
- ii. Facilities Approval
- iii. Laboratory Test of Product
- iv. Product Approval
- v. Product Quality Accreditation.

Aside from the participatory, facilitating and regulatory roles performed by government agencies, others have also been established to provide supportive services in the areas of Research and Development (R&D) and Funding. Such agencies include African Development Bank (ADB), United Nations Industrial Organization (UNIDO) and the World Bank.

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ENSURING QUALITATIVE VOCATIONAL AND TECHNICAL EDUCATION IN ACHIEVING ENTREPRENEURSHIP PROGRAMME IN NIGERIA

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Introduction

Over the years, Nigeria has been faced with many security and unemployment challenges. There have been the cases of communal ethnic, religious, demographic, cultural political or civil crisis, poverty which include unemployment and in recent times, human abductions and the Boko Haram saga. The result is that many lives have been lost, many investments and infrastructure destroyed and the relocation of many foreign investments to neighboring African countries.

Every dynamic society responds to the challenges of accelerated pace of technological innovation and growth. Economic and technological changes in engender corresponding changes in the world of work and the need for educators to provide preparatory and continuing educational experiences that fits the youths for the world of the work.

The desire of government the world over especially in developing countries like Nigeria is to build a better world in the