

Entrepreneurship development centre in Nigeria's tertiary institution and students self-employment upon graduation

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Abstract: The need for employment creation in Nigeria did not arise until the mid-1980s, when the economy of Nigeria collapsed and youth and graduate unemployment became a major issue of the economy of the country, particularly the latter (Arogundade, 2011). Prior to this period, the focus was in occupying positions created by the colonial masters for the smooth running of their colonial administration as well as filling the positions that the colonial masters were vacating which was occasioned by the political independence gained by the country. In this way, both graduates and non-graduates were occupying vacancies so created (Alarape, 2008).

Keywords: Nigeria's tertiary institution, employment creation, political independence.

Introduction

The need for employment creation in Nigeria did not arise until the mid-1980s, when the economy of Nigeria collapsed and youth and graduate unemployment became a major issue of the economy of the country, particularly the latter (Arogundade, 2011). Prior to this period, the focus was in occupying positions created by the colonial masters for the smooth running of their colonial administration as well as filling the positions that the colonial masters were vacating which was occasioned by the political independence gained by the country. In this way, both graduates and non-graduates were occupying vacancies so created (Alarape, 2008).

However, by the mid-1980s unemployment had reared its devastating effect on the Nigerian economy. This was occasioned by various factors such as economic recession, production of jobless educational institutions' graduates, low labour absorbing capacity by companies, mass lay off of civil servants, embargo on employment in the civil service, unemployability of our educational institutions' graduates for lack of relevant skills, irrelevance of curricula offered in educational institutions, closure and relocation of some business enterprises and infrastructural deficits (Olufemi & Adebola, 2008; Oviawe, 2010; Idogho & Aniabor, 2011; Joseph, 2011; Shadare & Tunde, 2012).

The general household survey conducted by the National Bureau of Statistics (NBS) in 2011 put the unemployment rate in Nigeria as 23.9 percent. This is a very worrisome development to all stakeholders: the society, the unemployed and the government. Particularly worrisome is the rising rate of graduate unemployment among the unemployed labour force in the country over the years (Akintoye, 2008). For instance, the graduate unemployment rate rose from about 1 percent in 1974 to 4 percent in 1984; and between 1992 and 1997, it rose to 32 percent (Akintoye, 2008). In 2008, Yolooye reported that graduate unemployment rate had risen to 71.4 percent (Egunsola, Dazala & Daniel, 2012). Equally worrisome is also the alarming rate of unemployment among non-graduates. Oye, Ibrahim and Ahmad (2011) put the largest proportions (31-50%) of the unemployed in the country as being secondary school graduates with 40% of them representing urban youth ranging between 20 and 24 years. Another 31% of them fall within the age range of 15 – 19 years. In view of the above, the Federal government adopted several strategies and policies towards entrepreneurial development in Nigeria by establishing institutions and agencies, which provide variety of support services to entrepreneurs. The implication of these policies is the emergence of entrepreneurial development programmes (EDP) in tertiary institutions like Akanu Ibiam Federal Polytechnic, Umana with the aim of combating unemployment problem in the country (Alarape, 2008; Arogundade, 2011; Ekpoh & Edet, 2011).

Entrepreneurial development centre in itself is conceived as a programme of activities to enhance the knowledge, skills, behaviour and attitudes of students and groups to assume the role of entrepreneurs. The aim is to allow students to acquire these skills, knowledge and attitudes to enable

them take the role of entrepreneurs thereby creating jobs for themselves, since creation of employment also requires the establishment of new ventures (Ekpoh & Edet, 2011).

Some of the entrepreneurial development programmes aimed at combating unemployment problem in the country are run by various government agencies which include national economic empowerment and development strategy (NEEDS), small and medium scale development agency (SMEDAN), student industrial work experience scheme (SIWES), national directorate of employment (NDE) which provides vocational training for participants to acquire vocational skills in different trades, among other things; youth enterprises with innovation in Nigeria (YouWin) and subsidy reinvestment and empowerment programme (SURE-P), N-Power.

In order to inculcate entrepreneurial behaviour in the minds of students while in school and by extension, reduce the rate of unemployment further in the economy, the federal government of Nigeria through National University Commission (NUC) and National Board of Technical Education (NBTE) directed the introduction of entrepreneurship education and creations entrepreneurship centre in tertiary education institutions during the 2007/2008 academic session (Nzelibe, Yusuf, Ozigbo, Mohammed & Ayuba, 2010).

Furthermore, OECD entrepreneurship and small and medium enterprises (SMEs) outlooks asserts that SMEs and entrepreneurship are more recognized worldwide to be the very source of dynamism, innovative and flexibility in advanced industrialized countries as well as emerging and developing economies. Accordingly, they are seen as being responsible for most of job creation in OECD countries and make important contributions to innovation, productivity and economic growth. Indeed, Akinlua and Akintunde (2008) further buttress this statement by asserting that these small scale businesses employ more workers than their large scale counterparts.

In the past, high unemployment rate was alien to graduates in Nigeria. Where this high rate of unemployment was prevalent then was among people without basic education (Akintoye, 2008). The study put persons with and without primary school education as people who were largely affected by unemployment in the 1970s. The study put people with this educational status at between 76.8 and 80.6 percent of the unemployment in 1974 and 1978 respectively among the unemployed labour force; showing that non-graduates do experience unemployment problem. At this same period, graduate unemployment accounted for less than 1 percent of the employed labour

force in 1974 but rose to 4 percent in 1984 (Akintoye, 2008). This trend, however, has since changed. Graduate unemployment rate has been rising astronomically from that time onwards. For instance, between 1992 and 1997, it rose to 32 percent; that is about 700 percent above and over the figure of 1984 (Akintoye, 2008). By 2008, Yolooye reported that the graduate unemployment rate had risen to 71.4 percent (Yolooye cited in Egunsola, Dazala & Daniel, 2012). The implication of this is that for every 10 graduates in Nigeria, 7 of them are unemployed among the unemployed labour force.

In order to get jobs, therefore, relevant skills must be acquired to carry out such jobs. However, Akutson and Udeh (2015) drew attention of how relevant skills acquired lead to the creation of millions of small businesses which create employment. From the foregoing, it is discovered that the unemployment rate is high among both non – graduates and graduates. It is in view of this rising rate of unemployment that this study seeks to find out if vocational skills actually lead to self-employment.

Conceptual review of entrepreneurial development can be traced to entrepreneurship itself. The word entrepreneurship has been defined by various professions to mean many things since the middle age (Igbo, 2006 cited in Oviawe, 2010). Inegbehebor (1998) cited in Oviawe (2010) defines entrepreneurship as the willingness and ability of an individual to seek investment opportunities, establish and run an enterprise successfully. More so, entrepreneurship can be defined in terms of risks. In this case entrepreneurship can be considered as an act of starting a company, arranging business deals and taking risks in order to make a profit. Furthermore, entrepreneurship can be seen as the effective manipulation of human intelligence to develop a new venture or apply a new approach to an old business (Esomonu cited in Oviawe, 2010). Oviawe (2010) further notes that the definition of entrepreneurship according to the National Directorate of Employment (NDE) involves the recognition of business opportunities, mobilization of resources and persistence to exploit the opportunity.

Consequently, entrepreneurship can also be viewed in terms of its investment ability, as Bird and Jehnek (1998) cited in Izedonmi and Okafor (2010) defined entrepreneurship as the intentional creation or transformation of an organization for the purpose of creating or adding value through organization of resources. Wale-Awe (2010) sees entrepreneurial development as the task of

increasing the supply of man power capable of undertaking business creation. The emphasis is basically on developing new entrepreneurs for the purpose of initiating and growing small scale enterprises.

The characteristics of entrepreneurial development can be traced to entrepreneurship which helps in successful entrepreneurial ventures. These characteristics include desire for achievement, focus of control, risk taking propensity, pro-activeness, tolerance and security (McLelland, 2006 cited in Izedonmi & Okafor, 2010).

Indeed, self-employment and its subject concept show that self-employment can be defined differently in different countries on the basis of tax regulations, social security contributions, unemployment, sickness and disability benefits, the rights to social security and, finally, the responsibility for their work (Startiene et al, 2010).

Self-employment can also be seen as an act of generating ones income directly from customers, clients or other organizations as opposed to getting income from employment. It is an act of generating income through profits (Kruger, 2004 & Bangane, 1999). This researcher is of the opinion that self-employment is a form of employment where an individual engages in productive activities for a reward. Experts have divergent views on the decision to become self-employed. While some see education playing a positive role in one becoming self-employed, others see education as playing a negative role. Small business owners are self-employed, such as managers of small enterprises that manage franchises or retail outlets. Individuals that have skills turn such skills into self-employment, such as is done by plumbers and dentists (Lucskiw, 1998 in Kruger, 2004).

However, some experts such as Lucskiw, (1998) cited in Kruger(2004) and Stevenson and Gorugbeck (1999) in Salami (2011) argue that entrepreneurship cannot be synonymous to self-employment as not all business managers are entrepreneurs, since they cannot innovate. Moreover, Lucskiw (1998) says entrepreneurs are found in corporate organizations and not only in sole proprietorship/small businesses. Hence, entrepreneurship cannot be limited to only one-man business enterprises.

Empirical Studies

Ogwumike, Ogunbameru, Tinubu and Ahmed (2001) on challenges of entrepreneurial development in Lagos State of Nigeria, revealed that majority (19%, 21%, 32% and 28%) of the respondents affirmed this notion of challenges of entrepreneurial development in the state to include negative attitude of the people towards indigenous technology and product, poor funding, bad government policies and terrorism in the country respectively. Technology is at the heart of all aspects of entrepreneurship as majority (87%) of the respondents emphasis on lack of financial empowerment; namely basic skills (77%), carrier advancement (95%), machinery (70%), manpower (62%), availability of raw material (62%). The study concluded that the driving force to play-down challenges of entrepreneurship is a function of positive attitude towards innovation and other factors mentioned above.

Olaleye (2011) investigated the perceptions of students on the level of entrepreneurship in Osun State. Population of 1600 students in Osun state both from rural and urban areas was used. A questionnaire tagged “entrepreneurship education in Osun State” was used to elicit information from the respondents. Data was analyzed using simple percentages and one-sample t-test to find out different perceptions and the extent of entrepreneurship and. From the result of the analysis it was concluded that Students had different perceptions of the extent of entrepreneurship in the state. It was concluded that there is low extent of entrepreneurship in the state. Hence, it was recommended that government should create good business school for people and that upload graduation and completion of training bank should give out loans to students/people in order to enhance business not only in the state but the nation as a whole.

For instance, in Chicago, Crawford (2000) looked at the expectations of women in typical male jobs in leadership positions in Chicago, Illinois. The survey was carried out on 120 MBA students enrolled at the Kellogg Graduate School of Management at Northwestern University, and further restricted to those who have an average of four (4) years field experience. Two (2) sets of questionnaires were administered. The first was to find out whether women in typically female jobs are much more accepted when leading in a domineering style than women in typically male jobs. The second questionnaire addressed the issue of politeness, whether male subordinates found women to be less polite than female subordinates in a typically female setting. The study found that

politeness is not the only factor affecting how subordinates see their managers; and by placing a woman in a typically female job, she is brought closer to the communal stereotype and it is expected to mediate the effect of gender stereotypes in leadership.

Theoretical Framework

Kirznerian Opportunity Identification Approach

Kirzner, reporting in John and Storr, (2011) highlights opportunity identification as the decisive entrepreneurial moment. According to him, opportunities to earn entrepreneurial profit characterize markets. These opportunities exist because of over-pessimism and over-optimism that necessarily occur in the market as a result of the uncertainty that characterizes the action – in the – world (John & Storr, 2011). The alert entrepreneur discovers and embodies a “natural alertness”.

Accordingly, Kirzner is of the opinion that elusive notion of entrepreneurship is not encapsulated in the mere possession of greater knowledge of market opportunities. Alerts to information, not possession of information, is the essential entrepreneurial element in human action. Kirzner does not deny that entrepreneurial alertness must unavoidably express itself in the qualities of boldness, self-confidence, creativity and innovative ability, nor does he deny that people differ in their endowments of these psychological characteristics. He opines that the act of noticing the entrepreneurial opportunity is more significant than any other action associated with the entrepreneurs (John & Storr, 2011).

A number of scholars have defended Kirzner’s analysis. Among them are Shane and Sautet (2000). Shane looks for empirical evidence to corroborate Kirzner’s view that opportunity identification is paramount to process of entrepreneurship. Entrepreneurs who recognized business opportunities exploit a three – dimensional printing invention recognized these opportunities in an ideosyncratic fashion. Sautet (2000) insists that the entrepreneurs main function is in discovery overlooked profit opportunities; opportunities that exist because of previous errors and uncertainty.

Method

Research Design

Survey design was adopted in the study. This design was appropriate in the study because according to Osuala (2005), survey research focuses on people, the vital facts of the people and their beliefs, opinions, attitudes, motivation and behaviour.

Area of the Study

The study was conducted in all tertiary institutions in Akwa Ibom State. Akwa Ibom State is located in the South South region of Nigeria's geopolitical zone.

Population of the Study

The population of the study comprises of final year students in Akwa Ibom State Polytechnic, Ikot Osurua, Ikot Ekepen, Akwa Ibom State University, Ikot Akpaden and Obio Akpa, University of Uyo, Uyo, College of Education, Afaha Nsit, Heritage Polytechnic, Ikot Udotai, Uyo City Polytechnic.

Sample and Sampling Technique

The researcher used a purposive sampling technique to sample 398 for the study.

Instrumentation

Two research instruments were used for data collection. The instruments were a questionnaire titled "entrepreneurship development centre in "Nigeria's tertiary institution on students self-employment upon graduation Questionnaire" (NTISSEGQ)" and researcher's made achievement test in business studies tagged "Entrepreneurship education Achievement Test (EEAT)".

Validation of the Instrument

The questionnaire items were subjected to validation by research and entrepreneurship education experts.

Reliability of the Instrument:

Pearson Product Moment Correlation was used to determine the reliability coefficient of the instruments. Using the test-retest method, the instruments were administered twice to thirty (30) students that were not part of the study with two weeks interval between each administration. The reliability coefficient for the questionnaire and the achievement test ranged from 0.82 to 0.98, which showed that the instruments were highly reliable.

Administration of Instrument

The instruments were administered personally by the researchers to the respondents. This personal administration of questionnaire helped to minimise loss of questionnaire. The respondents were given enough time to complete the questionnaire before they were collected for analysis.

Method of Data Analysis

Data collected were processed using the Statistical Package for Social Science (SPSS). Research question was answered using (mean) descriptive statistics; while hypothesis was tested using the pearson correlations analysis at 0.05.

Objective of the Study

The specific objective is to:

To examine the influence the entrepreneurship development centres In Nigeria's tertiary institution on Students Self-Employment upon Graduation based on acquisition of vocational skills

Research Question

What is the influence of entrepreneurship development centres In Nigeria's tertiary institution on Students Self-Employment upon Graduation based on acquisition of vocational skills?

Hypothesis

To examine the influence of entrepreneurship development centres In Nigeria's tertiary institution on Students Self-Employment upon Graduation based on acquisition of vocational skills.

Results and Discussions

Research Question: What is the relationship between entrepreneurship development centres In Nigeria's tertiary institution on Students Self-Employment upon Graduation based on acquisition of vocational skills?

Table 1: analysis of the relationship between entrepreneurship development centres In Nigeria's tertiary institution on Students Self-Employment upon Graduation based on acquisition of vocational skills

S/ N	Students Self-Employment upon Graduation based on acquisition of vocational skills	SA (%)	A (%)	U (%)	D (%)	SD (%)
1	Entrepreneurship development programme helps one to be creative	26 (6.53)	23 (5.77)	17 (4.27)	15 (3.76)	11 (2.76)

2	Entrepreneurship development programme helps one to be innovative	15 (3.76)	13 (3.66)	13 (3.266)	11 (2.76)	12 (3.01)
3	Entrepreneurship development programme exposes one to entrepreneurship activities	21 (5.27)	16 (4.02)	18 (4.52)	14 (3.51)	12 (3.01)
4	Entrepreneurship development programme provides opportunity for one to develop oneself	19 (4.77)	9 (2.26)	18 (4.52)	11 (2.76)	13 (3.26)
5	Entrepreneurship development helps me to achieve my goal/ambition	27 (6.78)	23 (5.77)	12 (3.01)	12 (3.01)	15 (3.76)
	TOTAL	108 (27.13)	84 (21.10)	78 (19.59)	66 (15.82)	70 (15.30)

Field Survey, (2020)

Analysis of table 1 was significant due to the fact that 108 respondents representing 27.13 per cent strongly agreed on there is a perfect relationship between entrepreneurship development centres in Nigeria's tertiary institution on students self-employment upon graduation based on acquisition of vocational skills, this was followed by 84 respondents representing 21.10 per cent opted for agreed option, 78 respondents representing 15.82 per cent were undecided in their opinion, 66 respondents representing 15.82 per cent disagreed while 70 respondents representing 8.70 per cent opted for strongly disagreed.

Hypotheses Testing

Hypothesis: To examine the influence of entrepreneurship development centres In Nigeria's tertiary institution on Students Self-Employment upon Graduation based on acquisition of vocational skills

Table 2: One-Sample T-Test analysis of influence of entrepreneurship development centres In Nigeria's tertiary institution on Students Self-Employment upon Graduation based on acquisition of vocational skills

Variable	Test Value = 1					
	T	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Students Self-Employment upon Graduation based on acquisition of vocational skills	102.123	397	.000	5.296	5.19	5.40

Source: Author's computation (SPSS Version 20.0 IBM)

*Significant at 0.05 level; N= 398; T_{crit} 1.96

Table 2 presents the obtained t-value as 102.123. This value was greater than critical t-value (1.96) at 0.05 level of significant with 397 degree of freedom. This observation indicates that there is significant influence of entrepreneurship development centres In Nigeria's tertiary institution on Students Self-Employment upon Graduation based on acquisition of vocational skills. Hence, the null hypothesis three which assumed no significant difference was rejected.

Conclusion and Recommendations

Based on the data analysis of the study, the study concludes that entrepreneurship development centre in Nigeria's tertiary institution and students self-employment upon graduation. The study also recommended that entrepreneurial skills and workshop on how to find business ideas should

be integrated in school curriculum to encourage young people to start their own business. Policy actions in this regard would include but not be restricted to giving priority to mathematics and science education at all levels of education and offering incentives to science teachers, providing adequate financing for vocational/technical training, linking vocational and entrepreneurial training with job centres to ensure that the skills profiles supplied match demand.

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