

Entrepreneurship Training In Global Economic Crisis: The Nigerian Experience

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Abstract: *In this period of global economic crisis, many business organizations have collapsed while many others are on the brink of collapsing. Many of those companies flourishing before have now laid-off their workers as financial activities are in low ebb. Loans are highly difficult to secure from the banks for business activities as most banks are merging with others to avoid collapse. Many white collar jobs are heading extinction. This paper therefore, presented issues in entrepreneurship training in Nigerian and also stated its roles in this time of global economic crisis. It suggested entrepreneurial development studies as tool for sustainable economic growth and development in the country. The paper reviewed literatures on relevant concepts and suggested among others that entrepreneurship training should be taken serious in Nigerian higher education institutions since it equips learners to be self-employed and entrepreneurs capable of contributing to Nigeria's economic growth.*

Keywords: *Entrepreneurship, Entrepreneurial Development Studies, Self-reliant, Economic growth,*

I. Introduction

All over the world, the emphasis now is on skills acquisition that'll enable people to be independent of the government's white-collar jobs, which are not readily available. One may be right if she/he refer the 21st century as a century of globalization, liberalization, competition, privatization and deregularization. Attentions have now shifted from education that was brought by the colonial masters, which centred on reading and writing to that education that focuses on technological developments, innovations, skills acquisition and self-employment. Any nation, which cannot empower its economic growth through entrepreneurial development programmes, must be ready to face the consequences as only the fit shall survive.

Nigeria needs not to depend on imported technologies but need to start with the development of her own technologies and continuously improve upon them. In developing nations, there have been various cycles of negative communications between monetary markets, products, markets, trades and now labour markets. Job losses direct to lower expenditure, which lowers industrial confidence, leads to fewer investment and consequently results to more job losses (Onwuchekwa, 2013). Salazar-Xirinachs (2009) noted that indicators that the global slump is getting poorer in developed economies include the fact that the financial markets continue under stress, asset values continue to fall, credit disruptions also continue constraining domestic spending and curtailing production and trade.

The global economic crisis had spread to have been felt by both the developed nations. Salazar-Xirinachs (2009) confirmed that the crisis affected developing countries astonishingly, quickly and strappingly through manifold channels. These multiple channels according to Onwuchekwa (2013) includes reduced trade flows, decline in commodity prices, reduced liquidity and tightening of credit markets among others. Dike (2009) noted that in Africa, the main drivers of development seem to be gone or seriously disrupted commodity prices, capital inflows and payment flows are all in decline. Throughout Africa and other developing regions of the world, stock market indices are down significantly as many countries are suffering capital outflow risk and most banks having difficulties in securing lines of credit to the African private sector (Onwuchekwa, 2013). All these problems arose because of global economic crisis and Nigeria has been highly affected.

II. Global Economic Crisis and Effects on Nigeria

Global economic crisis is a situation in the world when there are problems concerning money and its management (Onwuchekwa, 2013). Salazar-Xirinachs (2009), stated that it is a time of low inflow of money in the society. There is cash liquidity in trades, banking, aids and all aspects of our economic endeavours. Dike (2009) stated that the crisis which was noticed in the United States of America in late 2008 has since become a major concern for political leaders and institutions around the world as the impact has gone beyond the borders of the United States of America. He also found out that financial instability is largely caused by inconsistent monetary and fiscal policy, politician's spending and unsustainable macro-economic policy, weak financial system and instructions, poor structure of international markets.

In Nigeria, the global economic crisis slowed down economic activities as it has affected productivity, business activities by reducing domestic and international demand for goods and services. It has pushed up unemployment as many establishments are shedding off their workers; it has also affected global oil prices, exchange and interest rates. The impact of the crisis has resulted in the decline of commodity prices, capital inflows and remittance flows. Onwuchekwa (2013) also noted that the decline in remittances has direct negative effects on households given that they are directly used for covering basic needs such as food, education and health.

The global economic crisis ushered in dramatic shifts in the economic landscape, with direct implications for education at all levels, and more broadly for social development. The economic crisis has negative effects on the progress of getting children into schools in Nigeria; this is because government do not have money to build more classrooms, train and hire more teachers and improve the quality of learning at all levels of education; parents also find it very difficult affording the cost of sending their children to schools. The economic crisis caused the governments to spend less on quality education and the resultant effect is our youths leaving schools in search for means of survival. This is where skills acquisition plays its leading roles. Only students who acquired entrepreneurial skills at school will be able to survive the crisis, become entrepreneurs, contribute to and also benefit from the economic growth and development process in Nigeria (Inclusive Growth).

The global economic crisis has shaken economic activities in Nigeria, in a development that is acknowledged as the severest since the Great Depression. The emergent crisis has undermined economic growth, trade, investment and credit, creating a deep concern in the global community. While indications now point to recovery of some industrial economies, most developing economies continue to suffer social and economic consequences of the global turmoil. Low-income countries, which rely on primary commodities as the major source of government revenue, are at the core of the global economic crisis. In the case of Nigeria, dwindling oil prices has undermined government's fiscal capacity to deliver critical social services, with serious consequences for the nation's development agenda.

III. Entrepreneurship Training and Entrepreneurship Development

Every economy is critically dependent on its human capital/ technical resources for effective decision making, implementation of policies and programmes. The highly developed world economies are backed by sound human capital development culture. One of the most pressing challenges confronting a growing economy like Nigeria's is the limited availability of sector-specific skills and the need to develop human capital by establishing a base of capable professionals and entrepreneurs. To ensure the realization of youth empowerment, which will enhance economic growth and development, there is need to improve on the present quality of curriculum delivery in the entrepreneurial development studies in Nigerian Institutions of higher learning. There should also be an appreciable rise in the level of funding of entrepreneurial development studies by the various tiers of government.

Entrepreneurial development study is offered in Nigerian Universities and other institutions of higher learning as course of study. It was introduced by the federal government of Nigeria with the aim of equipping the learners with professional skills in a particular trade and to support personal and social development. Most of these schools offer the course as a general wide course, while some offer it as an elective or optional course of study for their students. This form of education is almost different from the education that is centred on how to read and write, which is not properly and adequately tailored towards the needs of the labour market; which also means that firms are unable to hire the skills they need. Combined with the inability of many economies to create sufficient jobs, it has resulted in increasing the educated unemployed. Entrepreneurship training has the ability to train the learners to be employable graduates in the labour markets Okolie et al, (2014).

Entrepreneurship development through education has been receiving attention globally. Several attempts have been made through researches, mounting of entrepreneurship development research centres for the purpose of developing entrepreneurship spirit and culture. In this regard, Fasehun (2013) stated that effort has been intensified to mobilize and enhance entrepreneurship activity, which will consequently benefit individuals, government and the society at large. Poverty and unemployment are among the major developmental problems that face every developing economy in the 21st century. In an attempt to produce skilled manpower, federal government of Nigeria is paying serious attention to entrepreneurial skills through the belief that unemployment problems can be solved by promoting small business enterprises. It must be made clear that for enterprises to be started and sustained, people with entrepreneurial skills are highly needed. Olatunji (2004) shows that many technical college graduates in Nigeria who opted to be self-employed through small scale enterprises could not succeed. They concluded that lack of entrepreneurial management skills in their vocation orientation is instrumental to the failure. Olatunji (2004) agrees with the above findings when he concludes that graduates who may wish to be self-employed are deeply sceptical to establish on their own for

lack of capital or entrepreneurial skills, he also asserts that it is these situations that inhibit the survival of the few existing enterprises around.

Entrepreneurship development programmes facilitate development of human resources for self-employment by setting up small scale industries (Fasehun, 2013). The quality of performance of the entrepreneur determines whether resources would grow rapidly or slowly and whether the growth involves novelty where new products and production techniques are developed. The difference in economic growth rates of countries of the world is largely due to the quality of entrepreneurs in the countries. Production factors of land, labour and capital are said to be dormant or indolent without the entrepreneur who organizes them for productive ventures.

Entrepreneurship and entrepreneurship training has several definitions but for the purpose of this paper, entrepreneurship is defined as the pursuit of opportunity regardless of resource currently controlled (Achmore, 1989). In other words, it is the pursuit of opportunities beyond the resources one can control. An opportunity in this regard as noted by Banjoko (2013), is first identified, labour is put in, consequently, fruits of one's labour are harvested. Entrepreneurship can be described as creative and innovative response to the environment. Such response can take place in any area of human endeavour such as in building, woodwork, agriculture, education, social work and services of all types on the formation of small scale business unit within the informal sector. According to Ashmore (1989), entrepreneurship is about growth, creativity and innovation and innovative entrepreneurs come in all shapes and forms. Achado (2004) stated that entrepreneurship is the process of creating something of value by devoting the necessary time and effort assuming the financial, psychic and social risk and receiving the resulting rewards of monetary and personal satisfaction and independence.

Entrepreneurship training on the other hand, is identified by the International Labour Organization (ILO) (2002) as an area of study that includes those attitudes and skills essential for responding to one's environment when conceiving, starting and managing a business enterprise. Banjoko (2013) noted that these business units have potentials for creating new jobs, increasing output and improvement in general standard of living. Fifty percent of total urban employment in Nigeria can be accounted for by jobs created in the small scale enterprise sector. According to Olateju (2013), entrepreneurship training deals with the skills of business ownership and management. To Oyenuga (2005), it is the dynamic process of dream, change and creation and implementation of new thoughts and creative solutions. Nwoye (2007) stated that entrepreneurship training refers to training and other support services incorporated within a structured programme designed to assist individual and group interested in becoming entrepreneurs and starting small trade.

Effectual entrepreneurship training programme in Nigerian higher education institutions will give many graduates lots of opportunities of starting small scale businesses while waiting to be employed in one's field of study. The entrepreneurship training must be focused on training students to acquire skills even in areas outside their school curriculum for graduation in their respective departments. Baldwin (2002) pointed that entrepreneurial skills students can acquire during training to enable them to be self-reliant include marketing skills, financial resources skills, self-motivation skills, time management skills, administrative skills, innovative skills, professional skills, practical skills etc.

IV. Challenges of entrepreneurship training in Nigerian Institutions

The entrepreneurship training in Nigerian higher institution is facing the following challenges:

- **Inadequate facilities and equipment:** for Nigerian system of education to graduate entrepreneurs capable of contributing towards economic growth and development, there is high need for supply of machines, equipment and materials for entrepreneurship training. Nwogu (2011) opined that tight spaces in workshops can militate against innovations involving practical work that require a large number of students. The inadequacy in teaching and workshop facilities according to Inyiagu (2005), has contributed to the diminution of the quality of graduates in Nigeria.
- **Lack of Staff training:** The training of educational staff is ordinarily a continuous exercise to ensure reliable improvement in the quality of their outputs. The training is in two-fold: training to obtain minimum prerequisites to teach and continued professional training. Both types of training can be acquired either locally or overseas. According to Ekemede, (2005) usually, local training within the nation is cheaper than overseas training but more strenuous because of inadequate facilities, literature and distractions arising from the need to meet the necessary demands. Overseas training requires a lot of foreign exchange but the enabling environment exists to achieve success in a record time.
- **Low level of Technical and Industrial Development:** The primary concern of entrepreneurship training is to prepare people for occupations in business and industry. However, in a country where business and industrial activities are at low rate, most products of entrepreneurship end up in occupations for less than they bargained for. They take up jobs as artisans, accept low paying jobs or occupy jobs that are un-related to what they are trained for. As a result of the low level of business and industrial activities, entrepreneurship training cannot prepare everyone for jobs and expect them to be

employed even though they surely will be employable. This situation is challenging in the sense that it must accept the added responsibility of producing individuals who would prove to be the tonic needed for business and industrial development. When this is done, there will be a high demand for entrepreneurs to work so as to improve the economy. The primary concern of entrepreneurship programme is to prepare people for occupations in business and industry or to be self-employed after acquiring skills in a particular trade. However, a country where business and industrial activities are low, most graduates end up in occupations for less than they bargained for. They either take up jobs that are not related to their field of works or roam the streets in search of white-collar jobs. The industry relation is highly needed so that the students will be able to visit the industries for their required and necessary practical under the guidance of the teacher.

- **Poor Learning Conditions:** According to Inyiagu (2006), the conditions under which knowledge is imparted in most Nigerian institutions are experiencing poverty of training equipment, shortage of staff, inadequate funding, inability to provide variety of training programmes and equipment such that recipients turn out to both national development and entrepreneurs capable of reshaping the economic system in Nigeria.
- **Lack of Modern Equipment:** Most institutions according to Ekpeyong, (2005), lack modern equipment relevant to societal needs. And the equipment should be supplied for effective training to take place. Most schools use obsolete materials while some do not have equipments at all. The students now depend only on the theoretical aspects of the entrepreneurship training programme. Lack of practical works by the students due to lack of modern equipment will only leave the students in a state of confusion whenever they find themselves in any field of work after graduation.
- **Lack of funding:** Sometimes, the governments do not give proper attention to the institutions as required. Funds are given or provided latterly or sometimes not provided at all. This brings down the financial aspects of running the entrepreneurship training programmes.
- **Policy makers are non-entrepreneurship trained persons:** many administrators of entrepreneurship development training programmes at policy levels are non-entrepreneurship trained persons. And they do not seem to understand the whole issues in entrepreneurship training programmes when it comes to distribution of funds, practical works, and students' involvement with the industries for proper skills acquisition. As a result, entrepreneurship training is poorly funded in our institutions of higher learning. Hassan (2005) noted that in spite of all the programmes floated by various government of the country, the economy is still in shambles.

Need for effective entrepreneurship training in Nigerian higher education institutions

Effective entrepreneurship training is essential for the students because when they go out to the world of work, they will be very successful. It will also help to fight unemployment, poverty and over dependent on the governments' unavailable white-collar jobs in the society; because the graduates with saleable skills will be self-employed or reliant. Olateju (2013) opined that entrepreneurship training will provide students with the knowledge, skills and motivation to encourage entrepreneurial success in a variety of settings. It helps students to anticipate and respond to change in their society. The programme is designed to teach students skills and knowledge needed by the students to embark on any business after graduation Okolie et al, (2014).

V. Conclusion

Nigeria has suffered the problems associated with global economic crisis and is terribly lagging behind in preparing its labour force for the 21st century economy. The crisis has caused untold hardship in all ramifications of our economic life. Lots of companies and industries have folded and many of their staff rendered jobless and thereby increasing the number of graduate unemployed in Nigeria. Lack of relevant skills that enables these graduates engage in one business venture or the other is also a contributing factor to poverty and unemployment problems in Nigeria. This is where entrepreneurship training in Nigerian higher institutions plays its leading roles as it is very clear that entrepreneurship training is the engine for economic growth in Nigeria at this time of global economic crisis.

Policy implications

This paper will make attempts to suggest plausible solution to address the issues identified:

- Workshops should be organized for the administrators at the Federal and State Ministries of Education on the meaning, scope and nature of entrepreneurship training in Nigerian higher Institutions.
- Entrepreneurship training programmes should be well equipped, well funded and properly managed so as to produce entrepreneurs capable of creating small scale enterprises, create jobs and employ other youths.

- Non-governmental organizations and religious bodies should assist in establishing entrepreneurship development centers in Nigeria to empower the youths on skills acquisition.
- There should be political goodwill by governments in funding, implementing and sustaining entrepreneurship training in Nigerian higher institutions.
- The federal ministry of education should lay more emphasis on certificate/ examinations in implementing the curricula content of entrepreneurship training programme.
- Entrepreneurial discoveries and innovations should be linked up with industries for practical production.
- Standard organization of Nigeria and raw material development Council of Nigeria should assist entrepreneurs in product quality.
- Government should boost support for entrepreneurial training take-off tools and funds made available to more of the trained graduates/ manpower of entrepreneurship programmes.
- Promotion of micro, small and medium scale enterprises should be intensified and entrepreneurship development activities incorporated in Nigeria's industrial blue print by government.

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