ENTREPRENEURSHIP EDUCATION: REDISCOVERING ENTERPRISE AND CHALLENGES FOR THE NIGERIAN EDUCATED YOUTH

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Abstract

The rediscovery of small businesses or enterprise in tackling economic downturn and unemployment is in itself a challenge that most governments around the world are battling with. This paper intends to develop a concept that introduces small business groups or clubs in secondary and tertiary institutions and should be closely supervised by the lecturers or teachers and mentored by renowned business gurus, voluntarily. This work would simply observe people, attitude, institutions and the know-how on creating wealth via entrepreneurship. In this respect, perhaps the informal/illiterate entrepreneur is creating wealth and leading the Nigerian business sector in a rediscovery of business as an enterprise, and also the rediscovery of business as a process limited only by the boundaries of our individual youth determination, intelligence, imaginative power, energy, and focused power. This paper would consolidate on existing knowledge and good practices in entrepreneurship education around three focus areas that covers the lifelong learning process of an individual: youth, higher education and social inclusion. It also outlines specific approaches that are needed for each one of these areas as well as opportunities, challenges, and practical recommendations.

Keyword: Redefining entrepreneurship education, redirecting innovation, creative, skillful and youthful energy into new business ventures

Entrepreneurship is an inner mindset of an individual to start a business venture or do business differently from the status quo. Entrepreneurship education seeks to provide students/individuals with the skills, knowledge, and motivation to encourage entrepreneurial success in a variety of settings.

For the sake of this paper, entrepreneurship education would be restricted to a practical business group or club. The argument still lies on the great profitability of illiterate entrepreneurial against a literate youth unwilling to venture into any form of innovative products. Entrepreneurship and education are two such extraordinary opportunities that need to be leveraged and interconnected to develop the human capital that would be required to building the societies of the future. Entrepreneurship is the engine fuelling innovation, employment generation and economic growth. Only by creating an environment where entrepreneurship can prosper and where entrepreneurs can try new ideas and empower others that ensure that many of the world’s issues will be addressed. As the definition is diverse, most of times they lead to the same opinion, as Kuratko and Hodgetts (2004) puts the opinion forward,

Entrepreneurship is a dynamic process of vision, change, and creation. It requires an application of energy and passion towards the creation and implementation of new ideas and creative solutions. The essential ingredients include the willingness to take a calculated risk – in terms of time, equity, or career, the ability of formulating an effective venture team; the creative skill to marshal needed resource and fundamental skill of building solid business plan and finally, the vision to recognize opportunity where others see chaos, contradiction, and confusion. (Kuratko and Hodgetts, 2004).
The definition above put into simple words by Drucker (2001) thus: “Most of what you hear about entrepreneurship is all wrong. It’s not magic; it’s not mysterious and it has nothing to do with genes. It’s a discipline and like any discipline, it can be learned.” The primary position of this paper is to form a model that could be adopted leading to a business group or club that will be financially supported by the students themselves, while they would be directed on how to channel, create innovative and saleable products or service based on present environmental needs. Entrepreneurship education is critical for developing entrepreneurial skills, attitudes, and behaviours that are the basis for economic growth. Access and exposure to entrepreneurship within the educational system as stipulated above would be an important aspect as they are the outreach to target audiences outside of traditional educational system. It is clear that education plays an essential role in shaping attitudes, skills and culture – from primary school level to tertiary institutions. Entrepreneurship education provides a mix of experiential learning, skill building, and most importantly, mindset shift. Certainly, the earlier and more widespread the exposure to entrepreneurship and innovation, the more likely students will become entrepreneurs in one form or another at some stage in their lives.

The idea of one being entrepreneurial is quite unclear as per its economic viability and definition. In a number of countries around the world, the role of entrepreneurs is unclear and can be viewed negatively. In some countries, entrepreneurship is not often rewarded but rather penalized. Cultural attitudes vary, of course, and we must not over generalize. Having said that, we see entrepreneurial behaviour currently most praised and supported in the US, the United Kingdom, Norway, Poland and the Baltic republics (and other former Eastern bloc countries) China, South Korea, Nigeria, Ghana and other parts of West Africa – to name some leading examples (though not uniformly even in these countries). However, in many parts of the world older generations still view entrepreneurship more skeptically and sometimes with hostility. (Theil, 2008)

The multidimensional benefits entrepreneurship provides to society need to be illuminated. In addition, there is a need for clarity on the definitions of entrepreneurship. A definition by Stevenson stated it as “The pursuit of opportunity beyond the resources you currently control”. (Stevenson, 1983, 1985, Stevenson and Jarillo, 1991)

Entrepreneurship is a process that results in creativity, innovation and growth. Innovative entrepreneurs come in all shapes and forms; the benefits are limited to start-ups, innovative ventures or new jobs. Entrepreneurship refers to an individual’s ability to turn ideas into action and is thereafter, a key competence for helping young people to be more creative and self-confident in whatever they undertake. (European Commission, 2008)

There are many other words used as substitutes for entrepreneurship including enterprise, innovation, small business, growth companies, and so on. To fully capture and understand the entrepreneurship phenomenon, we need to take a broad and inclusive view; otherwise the important components and trends will be missed. In the words of Rania Al’Abdullah that the “Society needs to encourage people to practice at believing the unbelievable, using imagination, courage and tapping into the inner entrepreneur”. (World Economic Forum, 2009, p. 16) A typical diagram as shown below depicts the flow of entrepreneurship.
Entrepreneur – this is circled around the individuals’ thought process, ideals, creative thinking and the general innovative mindset of an individual or a group of persons.
Entrepreneurship – this is a stage where the ideals, creative thoughts and the mindset to be innovative is processed into reality, formation, beginning, growth, death or regrowth of the firms’ life circle.

Entrepreneurial – the attitude, skills, and behaviour of an individual or a group of persons involved in the discovery or invention, the reality of the project, the human advantage and business gains to be achieved.

Entrepreneurial Ecosystem – this is the combination of other stages, the individuals’ education as they form important aspects of the person (formal or informal), government policies as it regards funding, grants and supports of a new innovation (international, national, regional, and local), individuals and intermediary (entrepreneurs, champions, foundations, Non-governmental organizations (NGO), and others), and importantly multistakeholders who would partner in business to manufacture more of the invention (entrepreneurs, SMEs, high growth companies and multinations).

Theories of Entrepreneurship
According to the present day theory, an entrepreneur is one who is innovative. This theoretical position however slightly differs from the view of Kirzner (2000) who suggests that the process of innovation is actually of spontaneous "undeliberate learning". Thus, the necessary characteristic of the entrepreneur is alertness and no intrinsic skills other than that of recognizing opportunities. While some are of the view that there are special skills in a person that makes the person an entrepreneur, Leibenstein (1995) opined that an “entrepreneur must be dominant and be a gapfiller, i.e. have the ability to perceive where the market fails and to develop new goods or processes that the market demands but which are not currently being supplied.” Thus, entrepreneurs must have the special ability to connect different markets and make up for market failures and deficiencies.
Though ideally, an entrepreneur has to be innovative, it may not be possible in many situations. For instance, in the case of a developing or underdeveloped economy like Nigeria, nothing new is produced rather than imitation of the products supplied by other countries. Production based on imitation is cheaper and does not involve any special capital or investment. In Marshall's analysis (1920), (one of the older theories of entrepreneurship) as mentioned by Burnett (2000) “a successful entrepreneur is one who produces for the market as a merchant as well as able to see fresh opportunities for supplying new and different goods or services that either will meet the demand or improve the plan of producing.”

The next theory is the Discovery Theory which is characterized by the idea that entrepreneurial opportunities exist independent of the perceptions of entrepreneurs, just waiting to be discovered. In contrast, Creative Theory holds that these opportunities are created by the actions of entrepreneurs. Led by Alvarez and Barney (2002, 2004) of the Fisher College of Business at Ohio State University, researchers explored these two theories of entrepreneurship and their implications for the actions of entrepreneurs. They stated that these two theories are complementary and can be applied effectively to entrepreneurial activities. However, these theories also generate different predictions as to when specific actions will be more effective in enabling entrepreneurs to form these opportunities. When entrepreneurs operate in a discovery context, a variety of specific actions are likely to be relatively more effective and when they operate in a creative context, a different set of entrepreneurial actions is likely to be more effective. For example, when exploring the entrepreneurial action of leadership, in a discovery context it would be best for the entrepreneur to depend on his own expertise and experience for providing leadership. However, if operating within a creative context, it would be better for the entrepreneur to lead, based on his charisma. The two theories are important in explaining and predicting entrepreneurship.

Another theory is the Knowledge Spillover Theory of entrepreneurship by Acs Zoltan, Audretsch, Braunerhjelm, and Carlsson (2006). According to the proponents of this theory, entrepreneurship is an endogenous response (Sandri, 2007) to investments in knowledge made by firms and non-private organizations that do not fully commercialize those new ideas, thus generating opportunities for entrepreneurs. In the knowledge spillover theory, the attributes of the individual are considered constant and the focus of this theory is on the variations in the context. It emphasizes how the knowledge context will impact the cognitive process underlying the entrepreneurial choice model. The result is a theory of endogenous entrepreneurship where (knowledge) workers respond to opportunities generated by new knowledge by starting a new firm. The theoretical position is that the entrepreneurs are not necessarily made, but are rather a response to high knowledge contexts that are especially fertile in spawning entrepreneurial opportunities. (Rajshree, Audretsch and Sarkar, 2008)

**Innovation and Entrepreneurship**

In the earlier sections, creativity and its importance for entrepreneurship have been spelt out. Many consider creativity and innovation to mean the same, but there is a host of difference between the two terms. The nature and definition of creativity is broad, complex and multi-faceted. Creativity can take many forms and can be found within a variety of contexts. It is embodied by individuals with a broad range of personal characteristics and backgrounds. Creativity is the confluence of three components: knowledge, creative thinking and motivation. A creative idea when put into execution is innovation. Innovation could be thought of as harnessing the creative energy and moving those great new ideas through a defined set of processes to an ultimately valuable conclusion. A person may have the creativity trait but until that idea is put into action, it does not become an innovation. Thus an entrepreneur not only has an idea but puts it into action. Implementing his ideas in the business therefore establishes the entrepreneurship qualities within themselves.
Innovation means a new way of doing something and may refer to incremental, radical, and revolutionary changes in thinking, products, processes, or organizations. Invention is different from innovation, in that it is an idea made manifest, whereas in innovation, an idea is applied successfully (Mckeown, 2008). In the case of an entrepreneur, the product or item he has invented will also substantially differ from the existing one. The goal of innovation is positive change and those who are directly responsible for application of the innovation are often called pioneers, teachers and mentors in their field. Furthermore, unless the innovations are aligned with the goals of the business group or club formed, the impact of innovation will not be felt. As pointed out by Taylor and Schroeder (2003), “innovation should be such that it should also cut costs and maximize productivity.” In recent years, globalization has spurred the phenomenon of "mass innovation bringing about rapid and disruptive changes in companies and has resulted in the democratization of innovation. In the process it is releasing untapped energies of people that could solve world's most difficult problems.” Younger and smaller groups formed in these schools could leverage on innovative breakthroughs, to create wealth and find newer solutions. According to Day (2007), “companies can avoid lackluster growth by better understanding the risks inherent in different levels of innovation and achieving a balance between--using two terms he has coined--BIG I innovation and small i innovation.”

An entrepreneur has to find a balance between the 'BIG I' and the 'small i' as many business groups may not be able to sustain 'BIG I' targets. In some areas they could use 'BIG I' and in some areas 'small i'. Looking back, the concepts of 'BIG I' and 'small i' together have been used effectively in countries like China whose industries have been envied in the West more for their tenacity than their ingenuity. The Chinese have established a multi-year framework to become more innovative and, therefore, competitive. So has Singapore. Finland has merged its top business school, design school and technology school to create a multi-disciplinary "University of innovation". Day and Schoemaker (2008) are of the view that for some companies,

The economic crisis can actually provide an innovation platform. In addition to having brilliant technology and manpower, they feel that it is important to have competent management on the business side which will help develop the best model for fostering innovation. For this, an entrepreneur is required who can give up old fashioned, linear approaches that rely on outdated methodology and address the company's growth gap, work out many models of exploration thus venturing into hitherto unexplored areas that would reap greater benefits. Such an entrepreneur would not also be worried too much about the risks involved or failures that may arise in the process.

In recent years, some entrepreneurs have considered outsourcing innovation itself, the trend which is in product development and is called "Open Innovation," known also as "crowd sourcing." It entails collaborating with partners to solve business problems. For innovation to succeed, it has to be disruptive which means it should not only bring in the new but destroy the old. This can be seen in the information overload, which according to Kim (1997 a, 1997b) is “an incredible opportunity to innovate disruptively. Knowledge is being created at a far faster rate than any one human can ever hope to assimilate.” However every individual filters out vast stores of data and takes only that which is relevant and meaningful to the task at hand. At the same time, innovations are not limited to those involving high-end technology alone. Any new idea that generates commercial value is by itself the spur for a new Entrepreneur to plan a venture. Innovation and Entrepreneurship is a two-way relationship. The innovator innovates and gives an idea and the entrepreneur implements the idea into a commercial proposition. An Entrepreneurial culture drives the creation of wealth from knowledge and provides for further innovation. Entrepreneurship in turn helps generate new ideas for the economy, and creates a culture of independence, risk taking and confidence, more so amongst the emerging educational groups. These
Business groups that will be formed, mentored and supervised by both academics and captains of industries would graduate from information based, knowledge formation, into creation of products and services.

**Entrepreneurship Education for Youths**

Young people become entrepreneurs for the same reasons that adults do, sometimes out of necessity and sometimes, to capitalize on an opportunity. Examples of youth entrepreneurship range from the mundane to groundbreaking technologies like developing a new web technology or service. The advent of the digital age has helped reduce barriers to entry for younger people both because each successive generation grows up more digitally savvy than its predecessors, and because geographic barriers to business have been essentially eliminated. As global popular culture continues to be centered on youth, young people have been able to exploit their “native fluency” to score entrepreneurial success in music, video games, apparel and other industries. We are facing a transition, and we must take this opportunity to provide today’s students and entrepreneurs with the tools and the thinking required for the future. Collaborative technologies can fundamentally transform both how we teach and learn. John T. Chambers the chairman of Cisco network stated in his speech that, “We need to harness the power of the Internet and these new technologies for creating and sharing knowledge that will prepare students with the skills to compete in the 21st century”. (World Economic Forum, 2009, p. 24)

“Necessity” entrepreneurship may take the form of selling used clothing in flea markets or the like. Increased focus is needed on these activities, so that they can become viable long-term businesses or provide the youthful entrepreneur with seed capital for more complex and more rewarding endeavours. All human beings are inherently entrepreneurial, that is, entrepreneurial potential is in all of us, in the same sense that all humans are innately musical, linguistic and morally reflective. Risk-taking, opportunity recognition, competitive collaboration, and innovation are crucial aspects of self-expression. Surveys in many cultures indicate that youths specifically harbour strong if latent entrepreneurial tendencies. Unfortunately, the structures and delivery of mass education in most countries often thwart or throttle the natural entrepreneurial impulse in youths. In the past two decades, countries all over the world have begun to recognize the failure of their systems to educate young people to create, and not simply respond to, economic opportunities. There is a hunger to identify, analyze and implement practices that enable education to foster entrepreneurship at the early stages of an individual’s education.

Youth entrepreneurship involves engaging in socially useful wealth creation through the application of innovative thinking and execution to meet consumer needs, using one’s own labour, time, and ideas. The only difference is in the age of the entrepreneur. What differs between youth and adult entrepreneurship – given the inherently different levels of intellectual and behavioural maturity – is how entrepreneurship is taught and how it is learned.

**Range of a Learner’s Talent**

Entrepreneurship education celebrates each child’s entire range of talents and aspirations, and does not rely primarily on simplistic undifferentiated measures of human performance, such as grade-point averages, test scores or intelligence quotients. Entrepreneurship education rewards the diversity of approaches that emerge from individuals working to meet the needs of others. As the European Commission framed matters in a February 2 2006 Communication to the European Council: “Nurturing qualities such as creativity and a spirit of initiative helps develop entrepreneurial attitudes ... done through active learning based on children’s natural curiosity.” “Celebrate”, “reward”, “curiosity” and “creativity” are operative words: recent neurological research suggests that fostering and strengthening a positive outlook may lead to increased performance and a virtuous feedback loop.
Find, Train and Support the Right Teachers

Entrepreneurship education, to be successful, demands entrepreneurial teachers. Retooling for successful youth entrepreneurship education means selecting and promoting teachers who are able to engage young learners in the necessary experiential activities. Teachers may need training in either or both the experiential pedagogy and the business content. The training curriculum may be nearly as extensive as the underlying curriculum for students.

The Know about Business programme of the International Labour Office certifies teachers, as do other programmes abroad and Lagos Business School. Ultimately, teachers’ colleges (Nigerian Union of Teachers) will need to include entrepreneurship in the basic curriculum for aspiring educators, and they will need to partner on this topic with business schools.

As Stephanie Bell-Rose and Thomas W. Payzant explains thus:

Preparing today’s students for success and eventual leadership in the new global marketplace is the most important responsibility in education today… Entrepreneurship education is an important tool to achieving these objectives [and]… should be universally available to provide all students with opportunities to explore and fulfill their potential. (World Economic Forum, 2009, p. 33)

Opportunities and Challenges in Entrepreneurship Education for High Growth

In a global world, characterized by dynamic changes, complexity and uncertainty, universities and colleges face numerous challenges. The increasing national and international competition to win students, scientists, research funds and other sources of income as well as rankings and reputation, is of particular interest. These changes demand from universities and colleges an entrepreneurial orientation with increasing market orientation and a stronger self-reliance, which will be associated with considerable opportunities, but also risks.

In the future many institutions of higher education will be increasingly confronted with new challenges, such as recognizing and exploiting opportunities for cultivating a competitive profile, utilizing resources more effectively and efficiently, and improving learning processes for themselves and their stakeholders. In light of these dynamic developments and challenges, there exists a broad consensus that universities have to become more entrepreneurial (Gibb, 2005). However, opinions differ as to the definition of the term “entrepreneurial university.”

To understand why individual universities – for example, Stanford University and Arizona State University in the United States, and the University of Twente, the University of Strathclyde and the TU Munich in Europe – are identified as entrepreneurial universities, a more considered approach is required which takes into account diverse influencing factors inside and outside the universities. At the same time, universities and colleges in question must also be seen within the context of their own individual historic development and regional environment. For some years, individual universities have been following an international expansion strategy in the manner of entrepreneurs by, for example, founding their own campuses in other countries or entering into partnerships and strategic alliances. Institut Européen d’Administration des Affaires (European Institute of Business Administration - INSEAD), one of the leading French business schools, has used its trade name and established a campus in Singapore. Another example is the University of Nottingham, England, which established a campus in Ningbo, China (Yusuf, 2007).

Although it is not possible to carry out a detailed analysis of the success factors of individual universities in this report, the generally accepted view is that it is crucial for universities and colleges to
transform from administrative into entrepreneurial institutions. In a groundbreaking book “Creating Entrepreneurial Universities: Organizational Pathways of Transformation”, using examples of five European universities, Clark (1998) described how this transformation process can be managed with five central elements he considered essential for an entrepreneurial university (Clark, 1998). According to Clark, the core elements of an entrepreneurial university are: a strengthened steering core with a clear vision and mission, boundary spanning structures and mechanisms to interact with the “outside” world (external stakeholders), a diversified funding base (less state funding), inter- and multidisciplinary activity and an integrated entrepreneurial culture.

However, on the way towards becoming an entrepreneurial university, such elements may be initially lacking. It is a challenge for universities and colleges to become more entrepreneurial themselves, reflecting the business sector with which they must interface.

As the final element, Gibb underlined the personal entrepreneurial developments of students and staff. It can be argued that universities are entrepreneurial when they “accept wider responsibility for the personal development of students and staff, particularly with respect to future social, career and lifelong learning experiences” (Gibb, 2008).

In this sense, it is a challenge but also an opportunity for all university members to contribute to the development of student talents in the field of entrepreneurship. Moreover, the university itself becomes a learning organization open to learn from all stakeholders at all levels.

Conclusion
In conclusion, entrepreneurship and education are two sides of a coin. While there is a need for the innovations to occur which should be facilitated and even encouraged deliberately by teachers and entrepreneurs, it is equally important for them to create opportunities and environment to realize those innovations through business groups or clubs. There is no single factor, but a combination of factors such as market opportunity, family background in entrepreneurship, a new idea with business potential, the prospect of challenge offered by Entrepreneurship, as well as long cherished dreams and desire, that lead to successful entrepreneurship.

References


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