

# FUNDING: A PANACEA TO THE DEVELOPMENT OF ENTREPRENEURSHIP IN NIGERIAN TERTIARY INSTITUTIONS

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## **Abstract**

This paper delves into funding of Nigerian tertiary institutions as an impetus to the development of entrepreneurship. It adds that the programme is a veritable instrument for youth and adult empowerment to gain self-employment after graduation from the relevant institutions. In this regard, erratic electricity power supply, poor corporate governance in the country's democratic set up, large-scale corruption in low and high places, etc., have been recognized as the main obstacles that are continually standing against adequate funding of tertiary institutions' programmes to actualize entrepreneurship. Therefore, actualization of funding has been recognized by many professionals as the only instrument necessary to improve the training of students in entrepreneurial skills by way of procuring laboratories, classroom spaces, equipment, tools, gadgets, etc. The paper has also made suggestions for improving the much needed funding through corporate governance and accountability of politicians and personnels responsible for economic efficiency.

## **Introduction**

The issue of purposeful funding of education programmes in Nigerian tertiary institutions has continued to generate a lot of concern to many educationists, planners, professionals, etc., and it is the only way to encourage entrepreneurship skills development of youths so as to achieve gainful employment after graduation.

For many decades now, education has been recognized as the greatest process for social change and the upliftment of good standard of living of human beings, from the primitive level to that of an advanced one. It is for this reason "man has continued to improve upon himself by eliminating the non-essential behaviour and attitudes of wastages by effective use of hands, body and brain simultaneously. Entrepreneurship plays a significant part in employment generation in any country. It is very popular in advanced countries especially in the United States of America (USA), Japan, Germany, Britain, France, Italy, Canada, just to mention a few. This is why such countries do not play with it, hence, they are still spending huge sums of money to encourage it.

USA is a typical example of a nation that encourages entrepreneurship. It is on record that President Franklin Delano Roosevelt, the only president who had ruled America for three consecutive times, from 1933 to 1945, was a great leader and disciple who used the instrument of government to set the pace of employment generation through small-scale businesses and management for the American people. Authors like: Peter Drucker (1976), Nwachukwu (1990), Davies (2000) Saraydarian (2000), Stoner, Freeman and Gilbert (2003), Wehrich and Koontz (2003), et cetera, have provided the relevant insights into the importance of employment generation in the modern world as justified by the following facts:

1. More than 36 million Americans work for organizations with fewer than 100 employees.
2. Out of the two million businesses formed in 1991, 20% were one-person or two-person entrepreneurs, and the increase has been very significant.

With the enabling environment set by the American government, the present "giant" companies once started with small stores like the origins of Wal-Mart, AT & T and General Motors (GM). Wal-Mart started as a single store which Sam Walton opened in 1962 in Rogers, Arkansas. AT & T, a telephone business also started in 1876 by Alexander Graham Bell, who was a teacher. While General Motors (GM) was founded by Alfred Sloan in New Jersey, after graduating from Massachusetts Institute of Technology, Boston.

On the other hand, Nigeria's environment has not been favourable to encourage an unprecedented growth and development of small-scale businesses. Davies (2000) opined that entrepreneurial and leadership skills have been the major problems that are confronting the black race in the world, hence the problems are not peculiar to Nigeria alone. They further asserted that African leaders (in whatever capacities) are very selfish, self-centred, individualistic, and they busy themselves

looking for escape-goats from among their neighbours because they do not want constructive criticisms. The black people also generally hardly form business partnerships which can last for about twenty years.

In this regard, youths and adults should endeavour to learn the virtues of entrepreneurial and leadership skills in order to aid employment generation and self-reliance after graduation. Entrepreneurship skills are very useful to beneficiaries of tertiary education programmes. These qualities stimulate the beneficiaries to have self-confidence, be bold, courageous, honest and display some responsible roles in order to enable them establish and sustain their businesses and become self-employed and even employ others in their specialized areas.

In this vein, Nigerian tertiary education system has a role to play in training potential entrepreneurs. This is very vital because entrepreneurship enhances self-reliance or self-employment as justified by the examples given above in USA. This skill will eventually culminate in operating a business successfully in any discipline of Nigerian tertiary education programmes. Self-employment is very important to the teeming Nigerian youths and adults because government jobs are no longer easily available. This is the reason why all forms of education programmes have a duty in modern Nigeria to prepare graduates or other individuals for self-employment, hence, entrepreneurship skills are very important.

### **Meaning of Entrepreneurship**

Entrepreneurship is the process of bringing together creative and innovative ideas and coping with the management and organizational skills in order to combine people, money, and resources to meet an identified need, and thereby, create wealth. It may be undertaken by one person or a group of persons. Davies (2006:19) opined that creativity and management of economic efficiency are provided by entrepreneurial skills which combine strengths, skills and competence to produce goods or services. Entrepreneurship also enhances self-employment or self-reliance. Due to the dwindling economic situation and the resultant massive unemployment of both youths and adults in Nigeria, the Federal Government has emphasized the need for every Nigerian citizen to strive for self-reliance through self-employment. This is why the Federal Government of Nigeria established the National Directorate of Employment (NDE) which eventually established the entrepreneurship programme. The major aim of this programme is to encourage and train graduates of universities, polytechnics, colleges of education and secondary schools to take up self-employment ventures. As a result of this awareness, there is now a growing small-scale enterprise in Nigeria. Also, some universities have started entrepreneurship training and development so that undergraduates could be intimated with the tools for self-reliance or self-employment.

### **The Meaning of Funding**

In this regard, funding, according to Aghenta (1995:196), is a critical thing to consider if Vocational Education is to meet the continually changing needs of a nation's workforce. Hence, The research works of Mangum (1974), Evans and Herr (1978), Adesina (1990), Osagie (1992), Adedoyin (2001) and Nworji (2005), etc., continued to advocate for stronger and better vocational and technical education programmes to reduce the high indices of unemployment and to equip citizens with saleable skills that are needed in the job market. Therefore, progress of Vocational and Technical education is built on strong economic base because, it usually involves more use of expensive equipment and a lower student-teacher ratio.

When funding of tertiary education programmes in Nigeria is viewed against what is obtainable in the United States of America, there is no match at all because, the American government, according to Aghenta (1995), nourishes adequate funding of all vocational education programmes through a wide range of federal support, which have been constantly empowered through Acts of Congress in 1917, 1929, 1934, 1936, 1946, 1963, 1968, 1972, 1976 and 1984 (Barlow (1974) and Sorensen (1984).

Past Nigerian administrations, whether civilian or military, have played games with the public by making budget gestures that are designed to give favourable impression that they were doing all they could to achieve education policy plans when actual provisions of adequate finance was lacking. What is central to the various administrations is that they just facilitated the passing of budgets, decrees and bills to fulfill constitutional requirements only to waste the funds through 'white elephant' projects that are characterized with: *corruption, indiscipline and disorderliness*, hence, the practical side of funding easily fizzle out into the oblivion.

Hornby (2006) explained that word "fund" means "the amount of money that has been saved or has been made available for a particular purpose." Funding can be directed and backed with the political will towards improving good delivery systems in the development of Vocational and Technical education programmes in Nigeria, otherwise, it becomes a mere promise and lying propaganda. Viewed by politicians, funding is the practical implementation of what has been budgeted for by physically bringing out the money from the treasuries to actualize it, and it ought to be backed by patriotism, honesty, responsibility and accountability.

### Qualifies of Entrepreneurship

Entrepreneurship provides the following qualifies which are necessary for self-reliance:

(a) **Leadership:** Ugiagbe and Umunna (2002) stressed that leadership is a means to directing, and an entrepreneur should be able to exercise this quality. A leader's actions are used to help a group to attain its objectives. Leadership, therefore, is the ability of an entrepreneur to induce subordinates to work towards the goal with confidence and keenness. Also, leadership implies that the leader or entrepreneur accepts responsibility for the achievement of the business objectives, and it is essential for trust and cooperation from both the entrepreneur and workers. There are types of leadership in Nigeria: Personality, Hereditary and Selfless.

**Coordination:** Coordination and leadership are intimately bound as each affects the other. One cannot achieve coordination without effective leadership. Together, they ensure that all efforts are channeled effectively towards the right goal. Coordination is the process whereby the effort of a group is synchronized so that the desired goal is achieved. Coordination problems are essentially those of communication. Difficulties lie in horizontal and vertical communication, and when it involves human beings, problems could be numerous.

(c) **Moral Discipline:** This is a quality that also is provided by entrepreneurship skills which encourage self-reliance or self-employment. Morale concerns the state of a person's feelings and attitudes. It is the collective attitude of workers towards each other including their work and management. When morale is high, work is done willingly, and with less supervision; where it is low, work is done with poor quality, and problems arise, e.g., when there is a high labour and absenteeism. Also, morale will be high when individual interests are sacrificed to the interest of the business. If morale is good, team spirit will be good, and this is achieved where all members of staff know that every one is working to achieve the goal of the business, thereby, obey internal authority. On the other hand, if some staff are aware that other members are only interested in personal success rather than that of the business, morale will be low and team spirit will be low.

Discipline is based on cooperation and can also be obtained by rewards as well as by punishment but usually, punishment is expected if accepted behaviour is not upheld. Disciplinary action should contribute towards improved behaviour. More importantly, an entrepreneur should not break rules himself. A good example is essential.

(d) **Communication:** This is another necessity for entrepreneurship and self-reliance.

Communication is where people in an organization exchange information regarding the operations of the enterprise. It is the inter-change of ideas, facts, and emotions by two or more persons by the use of words, letters, memos, and symbols. Communication is vital because it entails the right use of words in expressing intended ideas.

(e) **Enthusiasm and Common Sense:** An entrepreneur is full of enthusiasm and common sense after establishing a business of his own and now looking forward to increasing his earnings and enjoying the freedom of self-employment. Enthusiasm and common sense, therefore, enhance the pleasures of new business which self-employment bestows. This would encourage him to organize his time at work so as to aid him to perform his job according to plan.

(f) **Competence and Skill-based Hard Work:** Competence and skill-based hard work are the pivots on which the success of an entrepreneur rests. They make the business to flourish and grow by

leaps and bounds. An entrepreneur that is not skillful and competent at work cannot stand the test of time. In Nigeria today, youths should endeavour to do their work with competence and this will greatly enhance national development.

**(g) Time Management:** This is very vital for the entrepreneur when using time management system. A target is set for the work to be accomplished. In some cases, time tables are prepared in order to allow for task accomplishments. This would eliminate unnecessary piling up of work and wastages.

**(h) Keeping Financial Control:** An entrepreneur should be able to keep his accounts accurately because many businesses fail due to lack of proper financial control. The entrepreneur should do the following:

- i. Spending of money should be reviewed every month and try to reduce over-spending in some areas.
- ii. Analyze all accounts every quarter by calculating the ratio of current assets to current liabilities.
- iii. Review annual accounts and device ways of saving money for the enterprise.
- iv. Stress could pose some problems for some entrepreneurs. They would worry over success or failure, lack of customers or not being able to cope with financial pressures, and these could result to some ill-health. To avoid this, an advice could suffice as follows: \*\* Provide for break every day, at least 30 minutes (but not exceeding 60 minutes) for lunch. \*\* Relax for about 20 minutes at the end of each day without interruption. \*\* Avoid womanizing; keep to your partner only. \*\* Always get plenty of exercise. \*\* Eat a balanced diet. \*\* Plan well to avoid troubles.

### **Ingredients Which Support Entrepreneurial Practices in a Country**

The ingredients which support entrepreneurial practices in a country are as follows:

**(a) Regular/Good Electricity Power Supply:** This is a very important ingredient. It is the power that moves all machines, tools, instruments, gadgets, equipment and the like that aid optimum production of goods and services as demanded by the society. Good quality electricity supply is a veritable power behind job creation and reduction of unemployment of youths and adults in all nations.

In a situation where there is persistent failure in electricity power supply, every machine, equipment, instrument, raw materials and the human resource become idle. When a stand-by generator is used in place of electricity power supply, the production of goods and services are at zero point and become very expensive, and would result in wastages. This is the reason why employment generation for youths and adults is always a mirage.

**(b) The Culture of Hard Work and Dedication to Duty:** In Nigeria, the culture of hard work and dedication to duty is fast disappearing in every facet of our national life. It is now being replaced by the culture of fanciful living and pride. This is a major hindrance to the development of Vocational and Technical education in Nigeria. Poor attitude to work does not encourage economic and industrial development. It is hard work that gives birth to future industrial growth. An Italian adage states that "Each man is the architect of his own fortune." By the same token, when individuals, societies, groups, etc., encourage hard work and dedication to duty, then, the road to industrial development will be wide open. No international races can develop Nigerian economy for Nigerians: it is only Nigerians that can develop the country for themselves through dedication duty and hard work.

**(c) Wiping Out Corruption from Our National Life:** Egbochuku (2003) explained that true entrepreneurship does not encourage corruption in any form. This is why corruption, which has taken a wild dimension in Nigeria, should be wiped out. When entrepreneurship is given the enabling environment to wax strong at all levels of our education systems, corruption will be gradually eliminated, and development will come in. This is why the present-day government should cultivate the political will to wipe out corruption from our way of life by setting good or examples for the

masses. All hands must be on deck to fight against corrupt leadership at all levels in Nigeria.

**(d) Contentment and Industrial Development:** This is another aspect which should be incorporated into entrepreneurship so that people be contented with what they have at any given time. Vices such as self-aggrandizement, materialism and self-centredness, which are agents of exploitations at the expense of the masses, should be minimized to the barest minimum. When men and women with the technical "know-how" are sincere in implementing the various programmes in Vocational and Technical education, economic and industrial development will spring out. On the other hand, most Nigerians nowadays, are no longer really interested in how best to contribute to the development of the nation, but they have become much interested in how to "get-rich-quick" without hard work. Therefore, there is need to correct this attitude so that the value of the philosophy of self-reliance, self-improvement and national development, which is the centre-piece of the National Policy on Education (2004), could be achieved.

**(e) People-Centred Development:** True entrepreneurship also encourages people-centred development. Many professionals in all walks of life believe that any development that is not people-centred or that has not taken care of the masses, is not yet on the road to an advanced economy and self-sufficiency in the provision of basic things of life like: electricity power supply, abundant food production for the people, unemployment reduction and the deliberate provision of infrastructural facilities, as is the case in the United States of America (USA), Canada, France, Germany, Britain, Italy, Japan, Denmark, just to mention a few. Therefore, Nigeria needs a new direction to found and implement her educational system so as to redress her inability to provide competent hands that support industrialization, to modernize the economy.

Finally, when the above qualities that support entrepreneurial skills are put in place to blend with the programmes of vocational and technical education, youths and adults would cultivate the right habit towards self-reliance and self-employment in Nigeria.

### **Problems Militating Against Entrepreneurship in Nigerian Schools**

In spite of the positive gains of entrepreneurship as the providers of necessary requirement for self-employment in vocational and technical education in Nigeria, there are numerous problems which militate against it. Some of them are as follows:

**(a) Epileptic Supply of Electricity Power:** This is a very big problem in Nigeria. There is a wide-scale power blackout in basically all sectors of the economy. Industries-medium-scale, small-scale and retail trade ventures and the like can hardly boast of constant electricity power supply to be able to produce goods and services. It is also affecting artisans, electricians, iron benders, saloon workers, poultry owners, business centre ventures, etc. which are known to employ a large number of young school leavers. There is still no hope yet in sight for the government to summon the right political will to install constant electricity power supply.

Moreover, poor electricity power supply is also one of the major problems hindering effective teaching and learning of vocational and technical education skills in tertiary institutions in Nigeria. Due to the fact that the course is an equipment-based one, irregular power supply has greatly inhibited their proper functioning.

**(b) Inadequate/Under-Funding of Nigerian Tertiary Institutions:** The issue of inadequate/under-funding is the greatest problem militating against Vocational and

Technical education in Nigeria. It requires huge resources because skills, knowledge and provision of equipment have to be maintained. Vocational and Technical education programmes require expensive equipment and machines for the recipients to benefit from it but government, over the years, has not provided enough funds to prosecute the programmes effectively. This has greatly delayed technical "know-how" in the country.

(c) **Shortage of Equipment/Facilities:** As a result of inadequate funding, there is an outright shortage of equipment and facilities in schools because huge capital outlay is needed to procure them to encourage teaching and learning

(d) **Population Upsurge:** Nowadays, there is an enormous increase in students' enrolment in our institutions and there is no corresponding increase in facilities to cater for the population. This is a particular reason why many students now learn "by rumour" instead of learning through normal learning methods. Learning by "rumour" refers to a situation of shortage of tables and desks in the classroom that could not accommodate students to receive useful lectures. Many of them have to stand by the windows and doors to listen to the teaching but have blurred understandings. At the end of lectures, those standing by the windows/doors would ask the ones inside to explain to them what the teacher has said. Some of them would say that they themselves did not get the "meat" of the lesson. This kind of situation encourages examination malpractice.

(e) **Students' Moral Laxity:** These days, there is a growing incidence in students' moral laxity in schools. Vices such as cultism, examination malpractices, gangsterism, hooliganism and students lackadaisical interests in skills acquisition, make it near impossible for proper acquisition of entrepreneurship skills in Vocational and Technical education in Nigerian institutions.

(f) **Wide-Scale Corruption:** As Nigerians have imbibed the culture of corruption including money laundry, over-invoicing, looting of treasury and others over the years, there is a corresponding abandonment of projects, epileptic approval of sub-standard work, and supply of inferior equipment and machines, including poor implementation of educational programmes.

(g) **Differences between Theory and Practical Work:** As a result of inadequate funding, there is a great difference between theory and practical work in different education programmes.

### **Recommendations**

From the foregoing, therefore, the following recommendations are hereby made:

1. The Federal Government of Nigeria should spear-head the funding of all educational programmes as a matter of urgency so as to grow out of the current impasse.
2. In view of the relevance of entrepreneurship to self-reliance, entrepreneurship development and competence, the programme should be sustained and the instructional standard upheld through regular and purposeful funding.
3. All stakeholders like all the tiers of government, communities, business organizations and philanthropists should increase funding of all levels of education in the country so as to bail the country from unemployment and poverty.
4. Nigerian citizens should shun all forms of corruption. This single factor is eating deeply into all economic fabrics of Nigerian economy.

### **Conclusion**

This paper has pointed out that funding is very relevant to proper education in Nigeria's economy, thereby, paying the way to laying the proper foundation for entrepreneurship education to take place in tertiary institutions. A lot of entrepreneurial opportunities will be opened to youths after graduation from the various Nigerian tertiary institutions.

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