

# ENTREPRENEURSHIP DEVELOPMENT IN TECHNICAL AND VOCATIONAL EDUCATION: A PANACEA FOR ECONOMIC PROGRESS OF NIGERIA

BY

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## Abstract

*Countries all over the world, developed, developing and underdeveloped are faced with a downward economic spiral. Those that are not yet officially in recession (contraction in economic activity) are faced with slowdown in the rate of growth in their Gross Domestic Product (GDP). Whether recession or slowdown, both result in higher unemployment, corporate and individual bankruptcies. Thus deliberate action is required to stem or reverse such downward spiral otherwise economic activity declines. Further, as more unemployment means lower demand and then less production and more bankruptcies in a vicious circle. In this paper, effort has been made to examine the entrepreneurship training through Technical Vocational education (TVE) as an alternative measure to mitigate the impact of the global economic crisis. The paper further suggested ways in which government could motivate individuals towards entrepreneurship, among which are creating an enabling environment for individual to operate. Entrepreneurship training in TVE should be made compulsory in all levels of Nigeria educational system.*

## Introduction

It is observed that Nigeria is among countries hit hard by global financial meltdown resulting in high prices of basic foodstuffs and transportation source. As the global financial crisis continues to bite harder, awareness about the financial meltdown is low among Nigerians. A survey conducted by a Nigeria based company, Research and Marketing services limited (RMSL) in Bakare, (2009), shows that only 22 percent of Nigerians were aware of the global financial crisis, which they described as the largest economic recession since World War II. Some respondents from that survey described the global financial problem affecting all countries as having more money in circulation with low value and dip in stock prices.

Although they did not show explicit understanding of what caused the meltdown, it was evident that respondents had a general understanding of events that plunged the world into the financial crisis. The four major causes they mentioned were: poor economic management, mortgage burst in the United States of America, corruption and inflation. Some of the effect of the global economic downturn were rising prices of basic commodities, fall in the price of crude oil which negatively affects the federal government, revenue and rising unemployment rate as a result of factories and companies downsizing. Other effects of this problem mentioned on Nigerian economy were devaluation of Naira which continues to lose heavily against major currencies and dip in equity market and capital flow reversals.

The shockwave of the crisis has served to alert for the need for serious economic reform, which points to the fact on the need to think about what kind of economy to build when the dust settles. No doubt history provides many examples on how economic failures have led to new policy understanding and a stronger long term recovery for many serious nations. For instance, the great crash of 1929, led to the dramatic improvement in economic

policy, financial regulation and the creation of a welfare state that provided the developed world with the base on which it built decades of economic prosperity. The National Policy on Education places high premium on TVE as a veritable tool for technological development for self-reliance, job creation and wealth generation. The document defines TVE as that aspect of education which leads to the acquisition of practical and applied skills as well as basic scientific knowledge (FRN, 2004). The Nigerian TVE programme is expected to rise to the challenges of equipping both the youths and adults with necessary skills for the desired self-reliance through entrepreneurship education development. The paper therefore discussed the overview of the Global Economic crises, concept of Entrepreneurship and need for development of Entrepreneurship skills in TVE for Economic progress. To ensure adequate development of entrepreneurship in TVE programme, the paper recommended among others that entrepreneurship education at all levels should be made a policy issue in Nigeria for economic progress.

### **Global Economic Crisis: Overview**

The earliest noted global economic crisis was in 1802 (Ogienwonyi, 2009). There had been 41 recessions since then, with 38 coinciding with stock market crashes. The last most devastating crisis was between 1929 to 1933. The 1989 crises were also severe, starting in Asia, with the collapse of the Thai currency. It triggered off economic crises of Asian countries and eventually spread to Russia and then South America, bringing to its knees the economies of Argentina, Brazil and Mexico (Ogienwonyi, 2009). The West was spared mainly because of the sensible manner the US Administration managed the demise of long Term Capital Management (LTCM).

The 1929 crisis was harsh and eventually led to the great depression while the current one is more global, because of the linkages the world now has, and the free flow of information and financial capital. However, the capacity to manage it and to cope is far much more than that of 1929. It is this experience and understanding that has enabled the United States of America and the United Kingdom given the size and dependence of their economies on the market system, the impact would have been more devastating. It is precisely this swift action that will also put them ahead of other countries when the world economy starts to recover. If one is to go by the economic indications of the last few days coming out of the United States of America, one may have started seeing the signs that the American economy is already responding to measures which the administration has put in place. Despite having these examples to follow, the Government in Nigeria is still grappling with what to do. While values are being destroyed and the economy is gradually slipping into serious recession, the country is still debating the rightness and wrongness of the government taking steps to put the economy correct in some cases and it has even degenerated to tribal and class colorations.

It could be ascertained from the reports above that the success of the most advanced countries in achieving economic stability is not only due to advancing their technology but also largely hinged on allowing small-scale business to thrive. Hence the paper advocates for the development of entrepreneurship in technical vocational education as a means to mitigate the impact of the global economic crises that is already digging deep in the Nigeria economy.

### **Concept of Entrepreneurship**

Entrepreneurship may be defined as a pursuit of opportunity regardless of resources currently controlled (Omenkeukwu 2000). An opportunity is first identified, labour is put in and consequently fruits of one's labour are harvested. Entrepreneurship can be described as a creative and innovative response to the environment that can take place in any area of human endeavour such as business, industry, agriculture, education, social work and services of all types on the information of small business units within the informal sector. This business unit

has high potential for creating new jobs, increasing output and improvement in general standard of living.

Gana (2001) presents entrepreneurship as the willingness and ability of an individual to seek out investment opportunities in an environment and be able to establish and run an enterprise successfully based on identified opportunities. According to Nwachukwu (2005), entrepreneurs are often seen as people who have the ability to see and evaluate business opportunities to gather the necessary resource, to take advantage of them and to initiate appropriate action to ensure success. An entrepreneur is also viewed as a person who perceives a new way of providing satisfaction or perceives the existence of a new consumer demand and how to meet it.

The entrepreneur assumes responsibility and the risk of a business operation with expectation of making profit and decides generally on products, acquires the facilities, and brings together the labour force, capital and production materials. A typical entrepreneur is a risk taker; a man who braves uncertainty, strike out on his own and through native wit, devotion to duty, and singleness of purpose, somehow create a business and industrial activity where none existed before. Stocks (2003), viewed entrepreneurship as the process of creating differences with value by devoting the necessary time and effort, assuming the accompanying financial, psychic and social risks and receiving the resultant rewards of monetary and personal satisfaction. Obijole (2005) sees an entrepreneur as an innovator who attempts to introduce on a commercial basis new products, new productive techniques, or even new forms of business organizations.

In the light of the above, it is apparent that entrepreneurship involves the ability to set up business enterprises. This is the ability to combine technical and vocational education with managerial competencies learnt in business education and management for economic progress.

### **Entrepreneurial Skills in TVE for Economic Progress**

Entrepreneurial skills are best understood as competencies or resourceful skills capable of steering an individual to be self-reliant, independent and productive in meeting life's challenges. According to Izuagba (2002), entrepreneurial skills are life survival skills which an individual needs to function effectively and face the challenges of life.

The areas in TVE that have entrepreneurial skills include:

- i Technical areas like carpentry, welding, fabrication and servicing of electronic equipment.
- ii Business areas like secretarial, operating business centres and marketing/salesmanship.
- iii Agriculture area like fishery, poultry, snail rearing and horticulture.
- iv Home Economic areas like fast food production, cloth making (tie and dye), craft production, pottery, sewing, hair dressing, soap, detergent and cream making. These areas have various entrepreneurial skills embedded in them.

Therefore, acquisition of relevant entrepreneurial skills in TVE increases the productive power of the people, thereby making these individuals successful entrepreneurs and productive members for economic progress of the society.

According to Omatseye (2000), entrepreneur in technical and vocational education is a need primarily dictated by political, social and economic exigencies of contemporary societies. The advocates of this form of education agree with the suggestion that TVE is a tool that has the single purpose of achieving an end. The massive unemployment has made entrepreneurship the only key to the survival of graduates of technical and vocational education in the present millennium.

With entrepreneurship in technical and vocational education, a graduate with a very low level of commencement can establish a business centre, auto-mechanic shop, carpentry and Joinery workshop, a cabinet making workshop, poultry farm, eatery or a fast food shop.

Entrepreneurial development in TVE is viewed as a vehicle for national development that enables the nation to meet with rest of the world, in the context of globalization. Thus Nigeria cannot afford to be left behind on the track of the right type of entrepreneurship which can put her on the right pedestal in the face of global economic crisis.

### Conclusion

The world which includes Nigeria is undergoing an economic revolution in the 21<sup>st</sup> century which makes it difficult for many people to be absorbed in paid jobs. This has necessitated the need for the entrepreneurship development in technical and vocational education programmes. Entrepreneurship education is crucial to the development of effective entrepreneurship through the acquisition of skills, attitude and habits as a means of achieving economic progress. Presently, the programme on entrepreneurial development is conducted largely outside the formal TVE and the impact is not having desirable effect on the national economy. Since TVE is equally geared toward self-employment and self-reliance just like entrepreneurship equipping individuals with entrepreneurship education through TVE is very fundamental for economic progress of Nigeria.

### Recommendations

Recommendations that might help Nigerian economy to come out of the woods of global economic crises are listed as follows:

1. A network of like minds, comprised of the three tiers of government and stakeholders should impact on the interested Nigerians on the well withal of leadership, industry and entrepreneurship skills in such that they would not depend on white colour job and even when there is economic strangulation, they can effectively and efficiently manage their businesses.
2. Entrepreneurship in technical and vocational education should be made compulsory in all levels of our education system. This is to enable our young people develop entrepreneurial minds early enough.
3. Promotion of materials on entrepreneurial education should be procured and distributed to all technical and vocational departments in Nigerian universities, polytechnics, colleges of education (Technical) and technical vocational schools. This will help motivate and increase participation of students in entrepreneurship development activities.
4. The National Economic Empowerment Development Strategy (NEEDS) document which is an alternative to the Structural Adjustment Programme (SAP) policy of the IMF that sapped the life out of many Nigerian in the 1980's and early 1990's should be made an evergreen document for all Nigerians. By evergreen document, is meant that government must attempt to make sure that the goals of NEEDS met the needs of all Nigerian without favouritism, and
5. A national curriculum project on entrepreneurship development should be set up by the federal ministry of education in collaboration with vocational education department of various universities, polytechnics and colleges of education (Technical).

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