**CHAPTER TWO:**

**LITERATURE REVIEW**

**2.1 Historical Context of Entrepreneurship Education**

The evolution of entrepreneurship education can be traced back to the early 20th century, reflecting broader socio-economic changes and the growing recognition of entrepreneurship as a critical driver of economic development. Initially, entrepreneurship was not a formal part of academic curricula, but rather an implicit component of business and economics education. The formal integration of entrepreneurship education began to gain momentum in the mid-20th century, particularly in response to the economic upheavals and technological advancements of the post-World War II era.

One of the earliest significant milestones in the formalization of entrepreneurship education was the establishment of the first dedicated entrepreneurship course at Harvard Business School in 1947, led by Professor Myles Mace (Katz, 2003). This course set a precedent for other business schools, highlighting the importance of entrepreneurial skills and thinking. Over the subsequent decades, the field expanded significantly, with universities worldwide incorporating entrepreneurship into their curricula, reflecting the growing consensus on its importance for economic innovation and growth.

The 1980s and 1990s saw a substantial increase in the academic and practical interest in entrepreneurship education. This period was marked by the proliferation of entrepreneurship centers and programs within higher education institutions, particularly in the United States and Europe (Gartner & Vesper, 1994). These programs aimed to provide students with the skills and knowledge necessary to start and manage new ventures, emphasizing experiential learning through business plan competitions, incubators, and mentorship programs.

The turn of the 21st century brought about a more integrated approach to entrepreneurship education, recognizing its interdisciplinary nature. As highlighted by Kuratko (2005), entrepreneurship education began to transcend traditional business school boundaries, encompassing fields such as engineering, healthcare, and the arts. This shift was driven by the understanding that entrepreneurial skills are valuable across various sectors, fostering innovation and problem-solving in diverse contexts.

In recent years, the focus of entrepreneurship education has increasingly been on developing an entrepreneurial mindset rather than merely teaching business creation processes. This approach is rooted in the belief that entrepreneurial thinking—characterized by creativity, resilience, and opportunity recognition—is essential for navigating the complexities of the modern economy (Neck & Greene, 2011). Furthermore, the global expansion of entrepreneurship education has been facilitated by technological advancements, enabling the widespread dissemination of entrepreneurial knowledge through online courses and digital platforms (Rideout & Gray, 2013).

**2.2 Theoretical Framework**

The theoretical framework for this study on the impact of entrepreneurship education on employability at Prince Abubakar Audu University is grounded in several key theories and models from the fields of education, entrepreneurship, and employability. This section will discuss the Human Capital Theory, the Theory of Planned Behavior, and the Employability Skills Framework, which collectively provide a comprehensive basis for understanding the relationship between entrepreneurship education and employability outcomes.

**Human Capital Theory**

Human Capital Theory, first introduced by Becker (1964), posits that education and training are investments in human capital, enhancing an individual's productivity and employability. According to this theory, individuals acquire skills and knowledge through education that increase their value in the labor market. Entrepreneurship education, therefore, can be seen as a form of human capital investment, equipping students with specific entrepreneurial skills such as opportunity recognition, risk management, and innovation (Becker, 1964). These skills not only prepare students for entrepreneurial ventures but also make them more attractive to employers who value creativity and problem-solving abilities.

**Theory of Planned Behavior**

The Theory of Planned Behavior (TPB), developed by Ajzen (1991), is another relevant theoretical model. TPB suggests that individual behavior is driven by behavioral intentions, which are influenced by attitudes toward the behavior, subjective norms, and perceived behavioral control. In the context of entrepreneurship education, TPB can help explain how educational programs influence students' intentions to become entrepreneurs. For instance, positive attitudes towards entrepreneurship, supportive social norms, and a high level of perceived control over entrepreneurial activities can lead to stronger entrepreneurial intentions among students (Ajzen, 1991). Studies have shown that entrepreneurship education can positively influence these factors, thereby fostering entrepreneurial intentions and actions (Kolvereid, 1996).

**Employability Skills Framework**

The Employability Skills Framework, as proposed by Hillage and Pollard (1998), defines employability as the capability to gain initial employment, maintain employment, and obtain new employment if required. This framework emphasizes the importance of skills such as communication, problem-solving, teamwork, and self-management. Entrepreneurship education programs often focus on developing these transferable skills, which are valuable in both entrepreneurial and traditional employment contexts (Hillage & Pollard, 1998). By enhancing these core employability skills, entrepreneurship education can improve students' overall employability, making them more adaptable and competitive in the job market.

**Empirical Support**

Empirical studies support the theoretical linkages between entrepreneurship education and employability. For example, a study by Oosterbeek, van Praag, and Ijsselstein (2010) found that entrepreneurship education significantly increased students' entrepreneurial skills and intentions, aligning with both Human Capital Theory and TPB. Similarly, research by Nabi, Walmsley, Liñán, Akhtar, and Neame (2018) demonstrated that entrepreneurship education positively impacted students' employability skills, supporting the Employability Skills Framework.

In conclusion, the theoretical framework for this study draws on established theories and empirical evidence to understand how entrepreneurship education can serve as a catalyst for employability. By investing in human capital, influencing behavioral intentions, and developing key employability skills, entrepreneurship education has the potential to significantly enhance the employability of students at Prince Abubakar Audu University.

**2.3 Entrepreneurship Education and Employability**

Entrepreneurship education has gained significant attention as a means to enhance employability among graduates. Employability, defined as the ability to gain and maintain employment, increasingly requires skills beyond traditional academic knowledge, such as creativity, innovation, and entrepreneurial thinking (Yorke, 2006). This section explores the relationship between entrepreneurship education and employability, drawing on various studies and theoretical perspectives.

**Enhancing Skills and Competencies**

Entrepreneurship education is designed to develop a range of skills and competencies that are highly valued in the labor market. These include critical thinking, problem-solving, leadership, and the ability to take initiative. According to Gibb (2002), entrepreneurship education should focus on developing an entrepreneurial mindset that encourages students to view challenges as opportunities. This mindset is crucial for employability, as employers increasingly seek candidates who can adapt to changing environments and drive innovation within their organizations.

**Practical Application and Experience**

One of the key advantages of entrepreneurship education is its emphasis on practical application. Programs often include experiential learning components such as business plan competitions, internships, and real-world projects. These experiences enable students to apply theoretical knowledge in practical settings, thereby enhancing their employability. Rae (2007) emphasizes the importance of experiential learning in entrepreneurship education, arguing that it bridges the gap between academic learning and the demands of the job market.

**Entrepreneurial Intentions and Career Paths**

Entrepreneurship education also influences students' career intentions and paths. Research by Nabi, Liñán, Fayolle, Krueger, and Walmsley (2017) suggests that entrepreneurship education positively impacts students' intentions to start their own businesses, which is a direct path to employment creation. Moreover, even for those who do not become entrepreneurs, the skills and mindset acquired through entrepreneurship education enhance their employability in various roles and sectors.

**2.4 Case Studies and Empirical Evidence**

In examining the impact of entrepreneurship education on employability, various case studies and empirical research provide valuable insights. This section reviews notable studies and their findings, highlighting the effectiveness of entrepreneurship education programs across different contexts.

**Case Studies**

Several case studies have been conducted globally to assess the impact of entrepreneurship education on students' employability. For instance, a case study by Jones, Matlay, and Maritz (2012) explored the outcomes of entrepreneurship education at Australian universities. They found that students who participated in entrepreneurship courses demonstrated significantly higher levels of entrepreneurial intention and practical business skills compared to their peers. This study underscores the role of structured educational programs in fostering entrepreneurial mindsets and capabilities.

In another notable case, a study by Oosterbeek, van Praag, and Ijsselstein (2010) evaluated the effects of an entrepreneurship education program in the Netherlands. They conducted a longitudinal study involving high school students who participated in the Junior Achievement Young Enterprise Program. Their findings indicated that while the program increased students' self-assessed entrepreneurial skills and intentions, it had no significant impact on their actual entrepreneurial behavior or employability in the short term. This highlights the complexity of translating educational outcomes into real-world entrepreneurial actions.

**Empirical Evidence**

Empirical evidence further supports the case for entrepreneurship education as a catalyst for employability. A meta-analysis by Bae, Qian, Miao, and Fiet (2014) synthesized findings from multiple studies on entrepreneurship education. They concluded that such programs positively influence students' entrepreneurial intentions and competencies, although the impact on actual business creation and employment outcomes was more nuanced. This meta-analysis emphasizes the importance of considering both immediate and long-term effects of entrepreneurship education.

Similarly, a study by Nabi, Walmsley, and Holden (2018) examined the long-term impact of entrepreneurship education on graduates' career trajectories in the United Kingdom. Using a mixed-methods approach, they tracked participants over a five-year period post-graduation. Their results showed that entrepreneurship education significantly enhanced graduates' employability, not only by increasing their likelihood of starting a business but also by improving their adaptability and resilience in various employment contexts. This study illustrates the broader benefits of entrepreneurship education beyond immediate business creation.

Further empirical research by Martin, McNally, and Kay (2013) provided a comprehensive review of the outcomes associated with entrepreneurship education. They conducted a meta-analysis of 42 independent samples from 37 studies, revealing that entrepreneurship education positively impacts knowledge, skills, and attitudes, which are critical for both entrepreneurial and general employability. Their findings support the notion that entrepreneurship education equips students with transferable skills that enhance their employability across diverse job markets.

**2.5 Curriculum Development and Educational Policies**

Curriculum development and educational policies play a crucial role in shaping entrepreneurship education programs within academic institutions. According to Timmons and Spinelli (2009), curriculum development involves the systematic planning and design of educational experiences to achieve specific learning objectives. In the context of entrepreneurship education, this process entails identifying the essential skills, knowledge, and competencies required for students to become successful entrepreneurs.

Educational policies provide the framework within which entrepreneurship education programs operate. A study by Fayolle and Gailly (2008) emphasizes the importance of supportive policy environments in fostering entrepreneurial ecosystems within universities. These policies may include funding initiatives, accreditation standards, and government regulations aimed at promoting entrepreneurship education and fostering collaboration between academia and industry.

In the Nigerian context, Okpara and Wynn (2007) examine the impact of government policies on entrepreneurship education in tertiary institutions. They argue that while there has been a growing recognition of the importance of entrepreneurship education, inconsistencies in policy implementation and funding constraints have limited its effectiveness. The authors call for greater government support and coordination to ensure the sustainability and scalability of entrepreneurship education initiatives.

**2.6 Gaps in the Literature**

Despite the growing body of literature on entrepreneurship education and its impact on employability, several gaps remain to be addressed. Firstly, there is a lack of consensus regarding the most effective pedagogical approaches for teaching entrepreneurship in higher education (Gibb, 2009; Neck & Greene, 2011). While some studies advocate for experiential learning methods such as simulations and real-world projects (Fayolle & Gailly, 2008), others emphasize the importance of theoretical foundations and conceptual frameworks (Kuratko, 2005). Identifying the optimal balance between theory and practice is essential for designing curriculum that effectively prepares students for entrepreneurial endeavors.

Secondly, there is limited research focusing specifically on the role of entrepreneurship education in the context of developing countries, such as Nigeria (Adeyemo et al., 2019; Fayolle et al., 2016). Much of the existing literature is based on studies conducted in Western countries with different socio-economic and cultural contexts. As a result, the applicability of findings to settings like Prince Abubakar Audu University may be limited. Understanding the unique challenges and opportunities faced by students in developing countries is crucial for tailoring educational interventions to their needs.

Lastly, there is a paucity of research exploring the intersectionality of entrepreneurship education with other factors influencing employability, such as gender, socio-economic background, and personal motivations (Greene et al., 2019; Marlow & McAdam, 2013). Understanding how these intersecting factors shape students' experiences and outcomes in entrepreneurship education is essential for promoting inclusivity and equity within higher education systems.

Addressing these gaps in the literature will not only enhance our theoretical understanding of entrepreneurship education but also inform practical strategies for curriculum development and policy formulation aimed at improving students' employability and fostering entrepreneurial ecosystems.