

ENHANCING ENTREPRENEURSHIP SKILLS IN NIGERIA THROUGH
ECONOMIC LITERACY

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Abstract

Given the current economic challenges facing many developing countries, the notion of engendering greater entrepreneurship activities has become prominent for the government. It is a fact that economic literacy facilitates rational decision making and promotes better understanding of the best way the economy works with high level of precision. No matter what challenges, improving literacy in the economy will enhance efficiency and uplift standards of individual and the society as a whole. Sustainable economy can result from economic literacy. This paper discussed the concept of economic literacy, entrepreneurship, entrepreneurship skills It highlighted some problems of entrepreneurship skills in Nigeria and further discussed how entrepreneurship skills can be enhanced through economic literacy. The paper therefore recommended among others that institutional framework of learning and knowledge should be provided to increase entrepreneurship skills in Nigeria. It concluded that once economies of third world nations a literate, the better their approaches to harnessing and utilizing of abundant human and natural resources.

KEYWORDS: *Enhancing, entrepreneurship, entrepreneurship skills, economic literacy*

Introduction

Economic literacy is a vital tool for economic empowerment in the global era. With globalization and innovation in technology worldwide business environment is dynamic to this end, understanding the economy would be a useful tool for entrepreneurs to meet up with current trends. The society is a competitive market, hence understanding economic principles serve as incentives to successfully acquired entrepreneurship skills aimed at meeting the macroeconomic goal of self-reliance and full employment. For sustainable growth to thrive, the understanding of demand and supply, costs and prices, scarcity and choice becomes imperative.

The role of education is to develop critical skills for improved conditions and self-sufficiency in the economy. As such; it requires awareness and high literacy among human potentials. There is now a growing awareness in both developed and developing nations on the roles of entrepreneurship skills to build up their future. Economic literacy has the ability to use basic economic concepts to make decisions about earning, saving, spending, helps individuals in identifying business problems, alternatives, costs and benefits inherent to the practitioners thereby helping them to discover and maximize their potentials. The economy affects virtually everything in daily life, where people are looking for answer to the basic economic problems of what to produce, how to produce and how to efficiently utilize the great economic resources. Economic preferences and decisions affect both the demand and supply side, government and the general public alike, hence every member of the society should have certain level of knowledge, skills that can help transform him/her and the society as a whole.

Entrepreneurship skills are associated with competence in the process of opportunity identification (and/or creation), the ability to capitalise on identified opportunities and a range of skills associated with developing and implementing business plans to enable such opportunities to be realised. It is possible to identify a set of skills that can be characterised as entrepreneurship skills which are related to accepted definitions of management and administration skills. Entrepreneurship is considered to be a key factor in promoting economic development, innovation, competitiveness and job creation, yet little is known about the skills required for successful entrepreneurship (Singh & Gibbs, 2013). He noted this in a number of empirical studies, and suggests that the increased knowledge that educated individuals hold provides them with a greater resource from which to draw links to new data, thus creating new innovative opportunities. Many different inputs are required for successful entrepreneurship, one of the most important being financial management skills. Also related to the above, motivated people need the right skills to identify entrepreneurial opportunities and to turn their entrepreneurial projects into successful ventures. Successful entrepreneurs follow a learning journey, which starts in education and continues with learning-by-

doing processes; both formal and informal learning inside and outside the firm (OECD, 2010).

Concept of economic literacy and entrepreneurship skills

Many scholars have put forward definitions of economic literacy. While the researcher views it as understanding and applying the main economic theories and principles in making rational economic decisions. Yildirim and Oztuk (2017), defined the concept as “the ability to identify economic problems alternatives, costs, and benefits, analyze the incentives at work in economic situations, examine the consequences of changes in economic conditions and public policies, collect and organized economic audience and weight cost against benefits”. It can also be defined as the ability to use related knowledge and skills to manage financial sources effectively (Unal, 2015).

Economic literacy helps individuals to improve their abilities and potentials. The role of economics on the lives of people has been welcomed by many as a means of developing critical thinking skills thereby becoming effective as well as to gain knowledge and accumulate social wealth. Once an individual is economically literate, such should understand and discuss market forces, prices and other economic policies and variables without mistake.

Entrepreneurship

Entrepreneurship in the view of Akanbi (2007), refers to the process whereby individual become aware of business ownership as an option or viable alternative of becoming an entrepreneur. In the view of Nwafor (2007), entrepreneurship has to do with the willingness and ability of an individual to seek out investment opportunities in an environment and be able to establish and run as an enterprise successfully. Entrepreneurship is concerned the persistent pursuit of opportunities to create wealth through innovative creation of a product or sense that meet customers’ needs using secure resources in a way that result in a growth of individuals and the society.

Peters (2002) view entrepreneurship as the process of creating something new with value by devoting the necessary time, effort and resources for a reward which can be personal or collective. Schumpeter (1994) concludes that entrepreneurship cause economic growth by allowing the means of production in a society t be used n newer and more efficient way. He claims that entrepreneurship causes technological innovation. He argues that it is a process that is entirely distinct from rational economic behaviour of people not a natural result of it. He says that, for people to behave in an economically rational manner, they must have some amount of knowledge on which to base their decisions.

Entrepreneurship skills

Entrepreneurship skills are associated with competence in the process of opportunity identification, the ability to capitalise on identified opportunities associated with developing and implementing business plans to enable such opposite be realised. The term implies that competence can be identified that are associated with successful entrepreneurship and may be distinguished with attributes and behaviours that are typically associated with enterprises.

According to Chell (2013), skills refers to proficiency in performance and may be enhanced by practice and training. She said it is a multi-dimensional construct of cognitive, emotional and effective knowledge and experience. Entrepreneurship skill can be defined as the ability to create something new with value by devoting the necessary time and effort, assuming the accompanying financial, psychic and social risks, and receiving the resulting rewards of monetary and personal satisfaction and independence (Hisrich& Peters, 2002). Entrepreneurship skill is the ability of an individual to exploit an idea and create an enterprise (small or big) not only for personal gain but also for social and developmental gain (Olagunju, 2004). Formal descriptions/definitions characterize entrepreneurial skills as ability to have self-belief, boldness, tenacity, passionate, empathy, readiness to take expert advice, desire for immediate result, visionary and ability to recognize opportunity (Salgado-banda, 2005).

Kilby (1971) states that the array of possible entrepreneurship skills encompasses the perception of economic opportunity, technical and organizational innovations, gaining commands over scarce resources, taking responsibilities for internal management and for external advancement of the firm in all aspects of teaching enterprise

Entrepreneurship is a part of government strategy to boost the economy which needs a lot of skills in order to be sustainable. There are significant numbers of small scale businesses in Nigeria with relatively under-developed entrepreneurship skills that can be taught or learnt in order to enhance proper synthesis of the right target and succeed. There is the tendency of entrepreneurship skills to affect business success; hence the right experience/ learning should be out in place. Absence of experience or skills can be acting as a constraint on the growth of entrepreneurs. Individuals and government entrepreneurship actors have to be encouraged and supported to acquire and apply entrepreneurship skills to enhance business performance. A good understanding of the learning process of entrepreneurship helps to design effective teaching methods that help to create more business minds in the country. In making constructive contribution to improving the orientation of people that results in the acquisition of skills, creating and courage to create self-employment, economic literacy

is highly essential. It serves as a driving force through which entrepreneurship skills can enhance job and wealth creation.

Problems of entrepreneurship skills in Nigeria

O'Hara (2011) identified a number of key elements which he believed featured prominently as problems of entrepreneurship skills acquisition in Nigeria to include:

- The inability to identify and exploit a business opportunity.
- Poor human creative effort of developing a business or building something of value.
- Unwillingness to undertake risk.
- Incompetence to organise the necessary resources to respond to the opportunity.
- Inability to acquire information about a potential opportunity, domain knowledge and associated skills.
- Failure to adapt to the changing business environment.
- Poor state of the country's infrastructure.
- Inconsistent Government Policies.
- Low Standard of Education.

Enhancing entrepreneurship skills through economic literacy.

Entrepreneurship in this 21st century serves as a great asset and incentive to the nations of the world especially Nigeria. The period of relying on government for white collar job is gradually fading while paving way to private investment. This has made government to shift from creating jobs, to creating entrepreneurship skills. Schumpeter (1994), while discussing on small and medium scales said that, general knowledge can be converted into economic knowledge by the efforts of entrepreneurs who are skilful. He stressed that this economic knowledge can drive economic growth of a Nation because the higher level of entrepreneurship awareness of opportunities, the higher the levels of innovations and technological change.

Economic literacy provides the framework of understanding potentials of becoming successful entrepreneurs, entrepreneurship skills will help in recognizing genuine opportunities. Entrepreneurship skills also focuses on developing understanding and capacity for pursuit of entrepreneurial behaviours, skills and necessary attributes that can survive the competition in the markets. Once, economic concepts are assimilated and articulated into entrepreneurial dreams and visions, the performance would be high. Human talent is an important productive factor in today's knowledge economy (Ekpudu, 2012). He stressed that focusing on the development of skilled workforce and the expansion of human capacities through high quality system

of entrepreneurship education, training, skills acquisition and lifelong learning is important for helping graduates find good jobs and enterprises to find the skilled workers they need. Experiences and situational conditions rather than personality or ego are major determinants as to whether or not an individual becomes an entrepreneur. Entrepreneurship skills can be achieved through self-study, goal setting and interpersonal support (Fasua, 2007). He enumerated three skills that an entrepreneur must process to succeed. These included technical skills, human relations skills and administrative or conceptual skills. He further said processing these skills are great incentives to understanding specialized knowledge, competence method, procedures and techniques to run business ventures effectively.

Fasua (2007), in complying to the need for literacy growth in skills development suggested that, some ideas of business come from a careful analysis of market trends, opportunities and consumer needs while others come from dreaming and visioning. Entrepreneurship has to do with infusing new ideas to change existing techniques of production or to create new product. This can only be attained in a competitive environment through economic literacy. Through education on the working of economic variables, young people including those that are physically challenged, learn organizational skills including time management, leadership development and interpersonal skills, business communication, environment monitoring, problem solving, technology implementation and use, interpersonal, organisational skills. Marketing, finance, accounting, customer relations, quality control, negotiation, business launch, growth management, should be in compliance with regulations skills. Personal entrepreneurial self-control and discipline, risk management, innovation, persistence, leadership, change management, network building, and strategic thinking. These combinations of the skills, competencies and attributes are required variously by commercial managers and creative workers. In addition, entrepreneurs require knowledge of the sectors in which they operate (i.e. an information technology, construction or catering entrepreneur will require knowledge of those specific sectors or occupations), all of which are transferable. Lankard (1991) supported the above by stressing that economic literacy seeks to prepare people particularly graduates to be responsible individuals who become entrepreneurial thinkers by immersing them into real life learning experience where they can take risks, manage the results and learn from the outcomes.

Education and training contribute to the development of the entrepreneur's knowledge of what Sarasvathy (2001) calls the "three categories of means". Ideally, entrepreneurs should know who they are, what they know, and whom they know. They should also be aware of their own traits, tastes, and abilities, and know the knowledge corridors they are in and the social networks they are part of. For Sarasvathy the entrepreneur that possesses all three knowledge-means is an effective entrepreneur.

Conclusion

Entrepreneurship skills are essentially good for a country like Nigeria. Economic literacy is seen in this direction as a welcomed idea because of its capacity to change the perception and conception of ideas that would assist in achieving the macro-economic goods of developing nations. Individuals and nations are competing for better control of the market; it is not possible for such to be realistic without education of what it takes to transform problems into prosperity. Once economies of the world are literate, the better their approaches to harnessing and utilization of the abundant natural resources.

Recommendations

- 1 Entrepreneurs who lack economic literacy and who possess natural entrepreneurship skills should be encourage to acquire the skills especially in the area which they have greater aptitude
- 2 Government should encourage entrepreneurship skills by conducting seminar, and free training to enable them discovers more potential that can enhance performance.
- 3 Workshop and seminars on entrepreneurship skills and knowledge should be provided by government and private enterprises to increase entrepreneurial tendencies in Nigeria.
- 4 Personal qualities that are relevant to entrepreneurship such as creativity and initiative can be useful to everyone venturing into business. To this end, relevant technical and entrepreneurship skills should be provided to business owners and potential entrepreneurs.
- 5 The skills and the objectives of universities and other institutions of learning should inform the modules of an entrepreneurship course curriculum towards raising a generation of innovative and creative entrepreneurs.

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