

Entrepreneurship Education and Venture Creation among Young Nigerian Graduates

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Abstract

This study examines the extent to which entrepreneurship education courses have influenced venture creation among young Nigerian graduates. The population comprises successful young practicing entrepreneurs between the ages of 25 and 45 who graduated from Nigerian tertiary institutions; have gone through compulsory entrepreneurial classes while in the tertiary institution and have created a venture after graduation. A descriptive survey research design was adopted. Primary data was gathered using a structured on-line questionnaire administered to 200 entrepreneurs randomly selected from a population of public and private tertiary institution graduates. Data were analysed using descriptive and inferential statistics on Statistical Packages for the Social Sciences software. The results showed that the calculated Chi-Square (χ^2) value of 130.78 was greater than critical Chi-Square (χ^2) values of 55.76, with degree of freedom of 36 at 0.05 level of significance, hence the null hypothesis which stipulated that taking entrepreneurship education courses does not influence the creation of new ventures in young Nigeria entrepreneurs was rejected. Therefore, it is concluded that taking entrepreneurship education courses has influenced creation of new ventures in young Nigerian entrepreneurs. A significant difference was also found between venture creation attributes of graduates of public tertiary institutions compared to their counterparts in private tertiary institutions. It was recommended that tertiary institutions known for global best practices should be given a platform to share ideas with other institutions.

Keywords: Entrepreneurship, entrepreneurship education, teaching entrepreneurship, venture creation, young entrepreneurs, successful entrepreneurs

Introduction

For over two decades, entrepreneurship has been of foremost importance globally. This is not unconnected to the rise in unemployment with an attendant rise in crime rate among youths. Many experienced business men and women, political leaders, economists, and educators believe that encouraging a robust entrepreneurial society is a guaranteed way to fostering individual and collective socio-economic development on a local, national, and global scale. Baumol as cited by Acs, Desai and Hessels (2008) stated that entrepreneurship is an important mechanism for economic development

The overwhelming passion for entrepreneurship as a means of creating solution to societal challenges have driven educational stakeholders into taking decisions that bother on making entrepreneurship education a compulsory course in Nigerian tertiary institutions. This is accountable to the fact that entrepreneurship has been found to be a factor that determines the way people live and work. Entrepreneurship accounts for several innovations that improve people's standard of living. Cumulatively, when more citizens aspire to become entrepreneurs, wealth and jobs are created and the national economy blossoms. Venture entails converting an idea into a sustainable business that can attract investors. Through exceptional offerings and presentation of goods and services, entrepreneurs set pace for discovery of new ways of utilising and delivering outstanding products and services. The result is an improved quality of life, greater self-confidence coupled with financial and economic freedom for citizens. With several known entrepreneurs like Bill Gates and Aliko Dangote financing good causes from education to public health and young female entrepreneurs like Adepeju Jaiyeoba leading social change, no nation can ignore the fact that entrepreneurship is a viable route to community development and social change the world needs at a time like this.

Although several nations have recorded socio-economic change by encouraging small and medium scale businesses, available statistics show that the study of entrepreneurship education in Nigerian tertiary institutions has not resulted in a remarkable decline in unemployment rate. Onu (2013) opined that entrepreneurship is a veritable tool necessary to address the unprecedented increase in the number of unemployed graduates from tertiary institutions in Nigeria. As it stands today, although Nigeria ranks 12th in Africa, she is yet to secure a place among the first 100 entrepreneurial nations in the world according to the Global Entrepreneurship Index (2018). The **National Bureau of Statistics (NBS) pegged the unemployment rate at 14.2% in the last quarter of 2016, up from 13.9% in the preceding quarter and the ninth consecutive quarter that the unemployment rate in Nigeria has increased.** This study therefore seeks to investigate how taking entrepreneurship classes in

various tertiary institutions have influenced venture creation among young entrepreneurs between the ages of 25 and 45. A comparison will also be made between entrepreneurs that attended public schools and their counterparts who attended private institutions.

Statement of the problem

Several indicators such as crime, murder, terrorism and youth restiveness have proven that many youths in Nigeria are unemployed, idle and not engaged in profitable ventures that promote socio-economic development. The **National Bureau of Statistics (NBS) pegged the unemployment rate at 14.2% in the last quarter of 2016, up from 13.9% in the preceding quarter and the ninth consecutive quarter that the unemployment rate in Nigeria has increased.** Meanwhile, youth unemployment increased to 21.5% from 19%. These startling statistics is evidence that many jobs are not being created to meet up with the high growth rate of the population. Apparently, the entrepreneurship education courses introduced into the curriculum since 2007 has not been backed up by creation of ventures by the graduates. It has become evident that many graduates still do not take the entrepreneurship option after school and this seems to defeat the intention of using entrepreneurship education as a route to youth self-reliance. There is need therefore to re-design the school curriculum to make entrepreneurship education more functional and practical, to actually inspire youths to embrace entrepreneurship and not embark on fruitless search for paid employment after graduation.

Purpose of the Study

The purpose of this study was to examine influence of entrepreneurship education on venture creation among young Nigerian graduates. Specifically, the study is set to:

1. Determine the extent to which entrepreneurship education has influenced venture creation among young Nigerian Graduates.

Research Questions

The following research questions guided the study.

1. To what extent has taking entrepreneurship education courses influenced young Nigerian entrepreneurs' ability to create ventures?

Research Hypotheses

Deriving from the Research question, the following null hypothesis was postulated.

Ho1: Entrepreneurship education courses in tertiary institutions has not influenced new venture creation in Young Nigerian Entrepreneurs.

Ho2 : There is no significant difference between entrepreneurship behaviour of student who graduated from public tertiary institutions and their counterparts from private tertiary institutions..

Literature overview

Entrepreneurship Education

As part of efforts to improve the Nigerian economy through self-reliance and job creation, the Federal government in collaboration with the National Universities Commission (NUC) directed all Nigerian Universities to establish entrepreneurship development centres and to offer compulsory entrepreneurship education courses from 2007/2008 academic session. Although this is a laudable feat, several challenges still mar the capability of entrepreneurship education design, curriculum and delivery strategy of tertiary institutions as a means of creating jobs that will promote socio-economic development. Unachukwu (2009) itemised the challenges to the development of entrepreneurship education in Nigeria to include funding; manpower and education; and entrepreneurial attitude. Obviously, much preparation was not done as regards the financial and human resource implication of implementing the policy that brought entrepreneurship education into limelight. Ornstein and Hunkins (as cited by Justina and Imam, 2011) opined that the success of a new curriculum depends largely on how well those who have planned its development and implementation have perceived the needs of students. However, Gabadeen and Raimi (2012) averred that the management of entrepreneurship education in Nigerian higher institutions is grossly deficient and ineffective on account of paucity of funds, ineffective teaching method, paucity of handbooks/text-books, and inadequacy of experienced lecturers. Pertaining to educational methods, Taatila in Bamfo (2013) opined that, if the goal of societies is to increase the number of academically educated entrepreneurs, then educational methods need to be adjusted accordingly. These facts and the rising statistics of unemployment confirm the need for a new perspective to providing entrepreneurship education in Nigeria.

Though the challenges of entrepreneurship education in Nigeria seem daunting, solutions can be proffered through targeted capacity development of lecturers coupled with adequate provision of resources for students to inspire interest for entrepreneurship during and after school. Borrowing a piece from Babson College, USA, one of the foremost schools to adopt entrepreneurship education as part of the curriculum, Nigeria's entrepreneurship education curriculum should be designed such that students will learn to recognize, create and shape

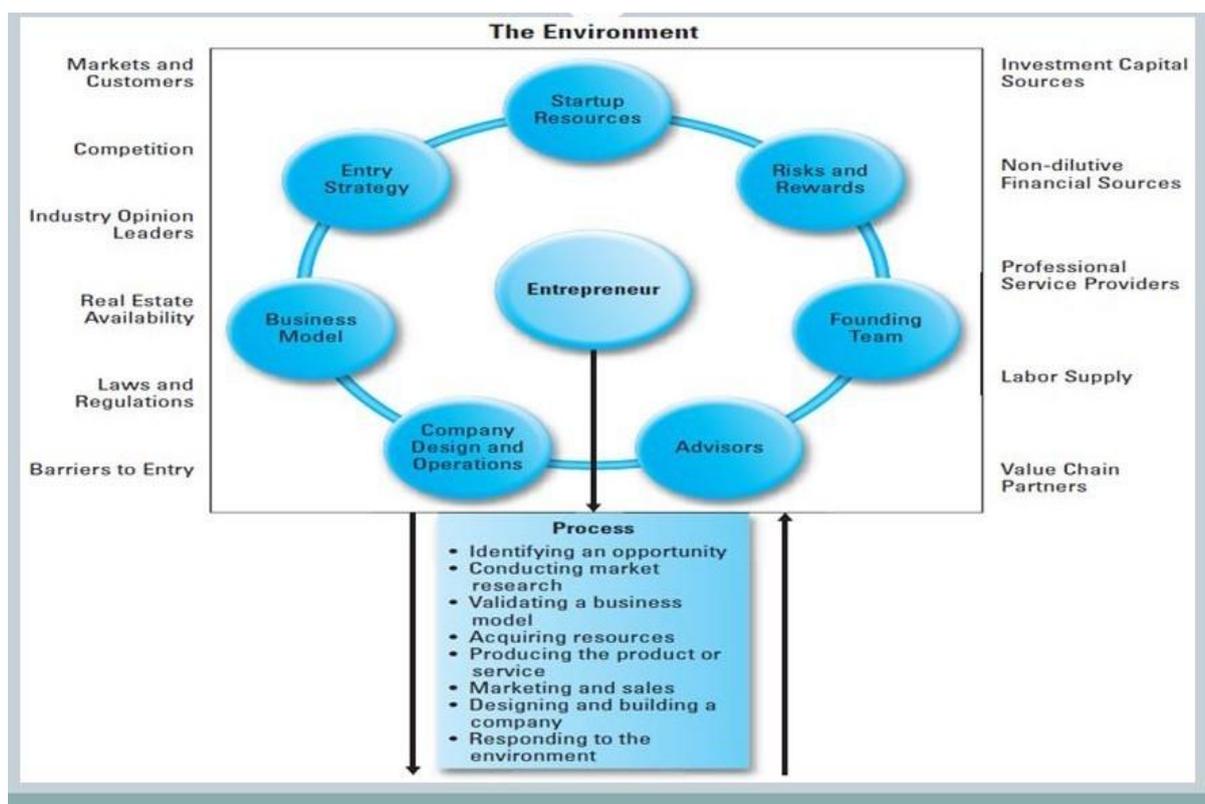
opportunities, provide the leadership and build teams needed for creation of economic and social value.

Venture Creation

Entrepreneurs are known for identifying opportunities and making profit out of it. One of the popular ways people identify entrepreneurs is through new venture creation. New Venture creation is one sure way through which entrepreneurs execute ideas and profit with discovered opportunities. It entails changing ideas into profitable endeavours basically through creating solutions for pressing problems while bridging the gap between an idea and a business through value creation. Celuch, Bourdeau and Smothers (2014) assert that at the core of the entrepreneurial mind-set resides opportunity recognition, which is an orientation toward identifying and acting on options for venture creation. New venture creation involves nascent entrepreneurs recognizing opportunities and exploiting those opportunities by taking action to create a new venture (Perry, Farmer, Markova, Pett& Ruth, 2008)

Venture creation lies at the heart of entrepreneurship and seems a viable route for evaluating effectiveness of entrepreneurship education programmes. It also serves as an effective means of technology transfer and research commercialisation. Creating a venture helps entrepreneurs to assess market characteristics for learning purposes. The venture creation process entails identifying an opportunity, conducting market research, validating a business model, acquiring resources, producing product, marketing and sales.

Figure 1: Venture Creation Process.



Source: [Linette Dean](#) (2015)

Entrepreneurship Education and Venture Creation

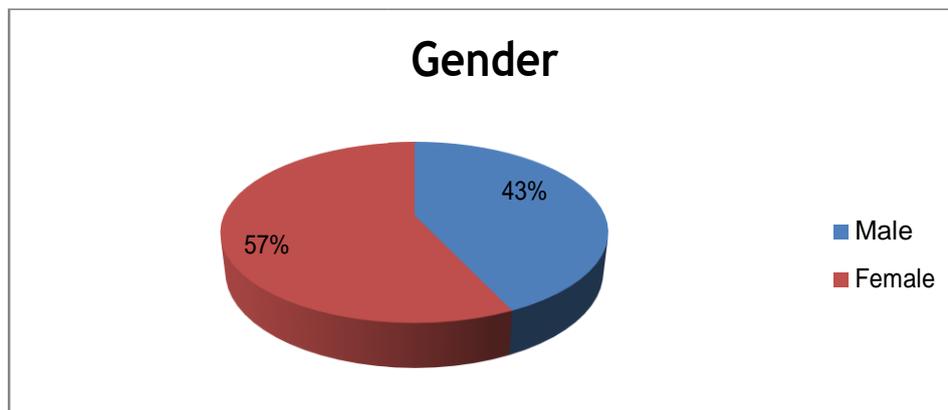
Various studies have proven the efficacy of entrepreneurship education in promoting venture creation. McMullan and Gillin (1998) claimed that individuals who took entrepreneurship courses processed stronger intention to set up an own company at some point in their life than those who did not attend the courses. Peterman and Kennedyin (2003) studied 109 students who had participated in an entrepreneurship program and observed that students' desirability (i.e. attitude toward entrepreneurship and subjective norm) and feasibility (i.e. perceived behavioural control) were significantly improved after completing entrepreneurship classes. Although, Chrisman, McMullan and Holt (2012) asserted that the lag between taking an entrepreneurship course, typically in a university or college, and starting a business can be months, years, or even decades, results from Charney and Libecap's (2000) study show that, after controlling for the personal characteristics of graduates and other environmental factors, entrepreneurship education increased the probability of an individual being instrumentally involved in a new business venture by 25% over non-entrepreneurship graduates in their sample. The actual practice within the entrepreneurship community has differed from much of the research reported to date, and therefore, new approaches that explain the contribution of the entrepreneur to new venture formation continue to be needed (Mitchell, Busenitz, Lant, McDougall, Morse and Smith, 2002). The recent growth and development in the curricula and programs devoted to entrepreneurship and new-venture creation have been remarkable hence the need for research that will reveal the extent to which such programs have encouraged venture creation in students that take such classes.

Methodology

The study adopted a descriptive survey research design. Population comprised of Nigerian tertiary institution graduates while sample comprised of 200 entrepreneurs who graduated from tertiary institutions in Nigeria from 2007 till 2019. Respondents were selected using a random sampling technique. A researcher-designed questionnaire was used to obtain information from entrepreneurs who attended a leadership program organised for youths by Daystar church, Oregun, Lagos. The instrument was administered to the respondents by the researcher and through the assistance of a colleague.

Analysis of Descriptive Data

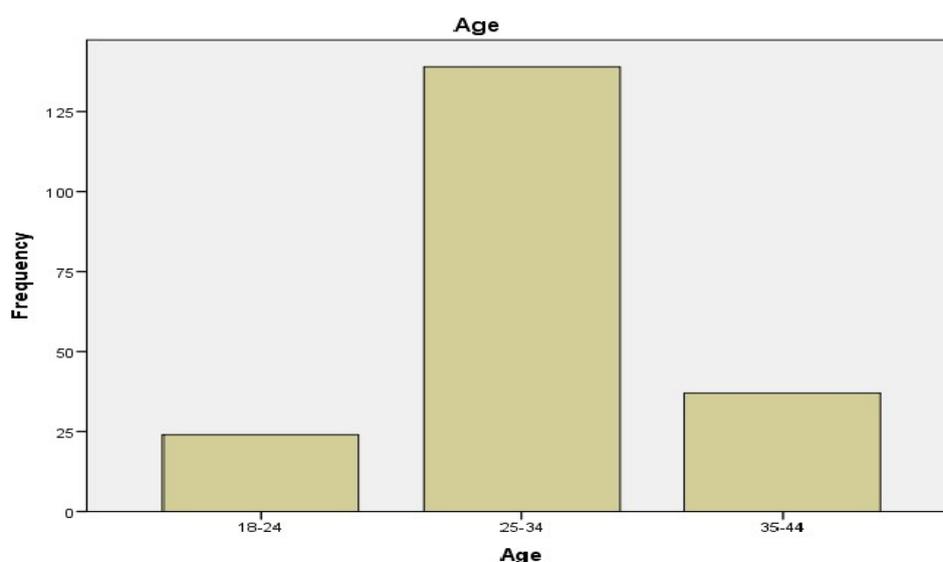
Figure 1: Distribution of Participants by Gender



Source: Field Work , 2016

Figure 1 shows that from the 200 sampled participants, there were 86(43%) males while 114 (57%) were females. This show that majority of the participants are female entrepreneurs.

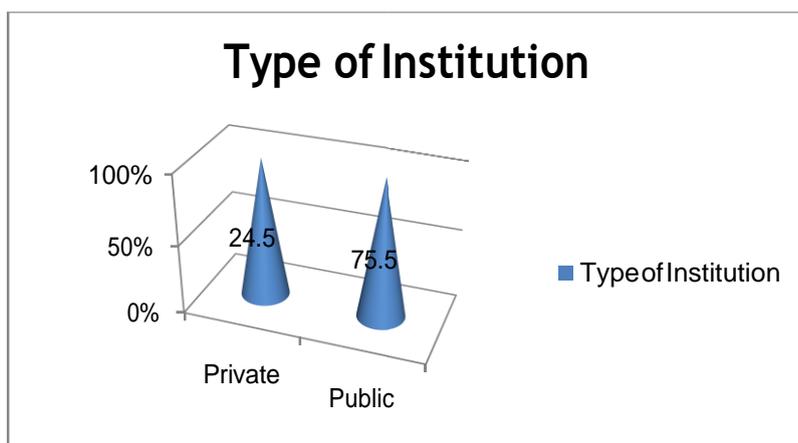
Figure 2: Distribution of Participants by Gender



Source: Field Work, 2016

Figure 2 shows that from sample of 200 participants, 24(12%) of the participants are between the ages of 18-24 years, 139(69.5%) are between the ages of 25-34years while 37(18.5%) are between the ages of 35-44 years.

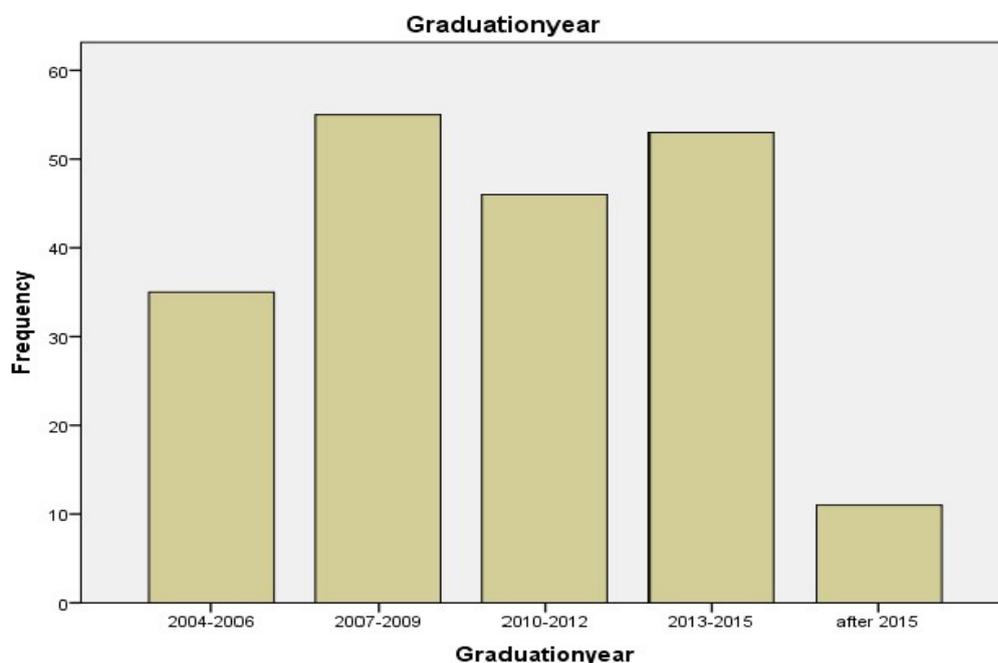
Figure 3: Distribution of Participants by Type of Institution Attended



Source: Field Work, 2016

Figure 3 shows that from the 200 sampled participants, there were 49(24.5%) participants that attended private universities while 151 (75.5%) participants attended public universities. This shows that majority of the participants graduated from public universities.

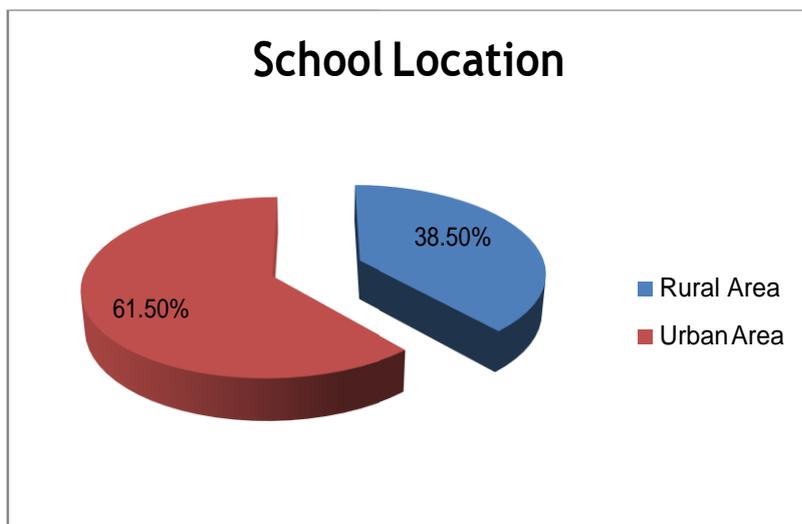
Figure 4: Distribution of Participants by Year of Graduation



Source: Field Work, 2016

Figure 4 reveals that from the sample of 200 participants, 35(17.5%) of the participants graduated between the year 2004-2006; 55(27.5%) graduated between year 2007-2009; 46(23%) graduated between year 2010-2012; 53(26.5%) of them graduated between the year 2013-2015 while 11(5.5%) graduated after 2015. This implies that majority of the participants graduated between year 2010-2012.

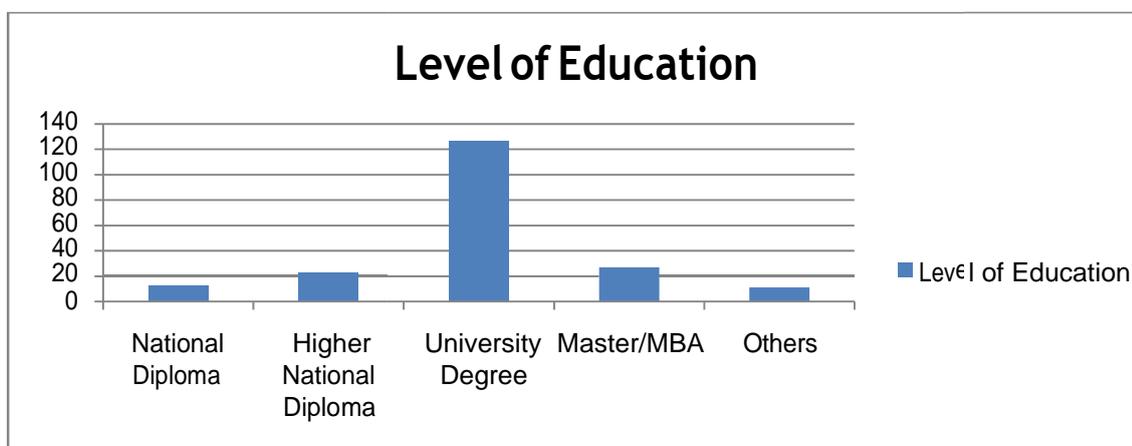
Figure 5: Distribution of Participants by School Location



Source: Field Work, 2016

Information from figure 5 shows that 77(38.5) of the participants attended higher institution in rural area while 61.5% of the participants attended higher institution in urban area. This implies that majority of the participants attended higher institution in urban area.

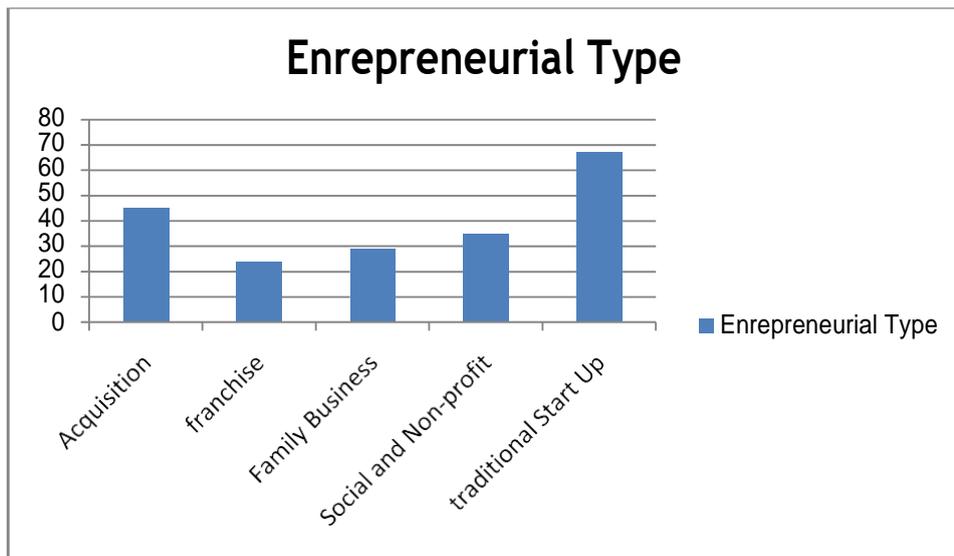
Figure 6: Distribution of Participants by Level of Education



Source: Field Work, 2016

Information on figure 5 shows that from the 200 sampled participants, 12(6%) are holders of national diploma, 23(11.5%) are holders of higher national diploma, 127(63.5%) hold a university degree, 27(13.5%) are holders of either Masters or MBA degree while 11(5.5%) are holder of other qualification different from those mentioned.

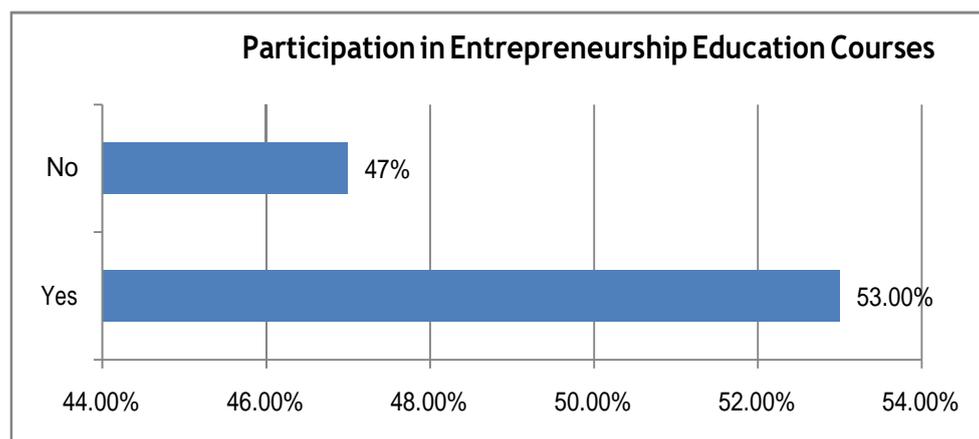
Figure 7: Distribution of Participants by Entrepreneurial Type



Source: Field Work, 2016

Information on figure 7 shows the types of entrepreneurship participants engage in. It reveals that 45(22.5) engage in acquisition type of business, 24(12%) engage in franchise; 29(14.5%) settle for family business, 35(17.5%) engage in social and non-profit kind of business while 67(33.5%) engage in traditional start up kind on entrepreneurship.

Figure 8: Distribution of participant's participation in entrepreneurship education classes while in tertiary institution.

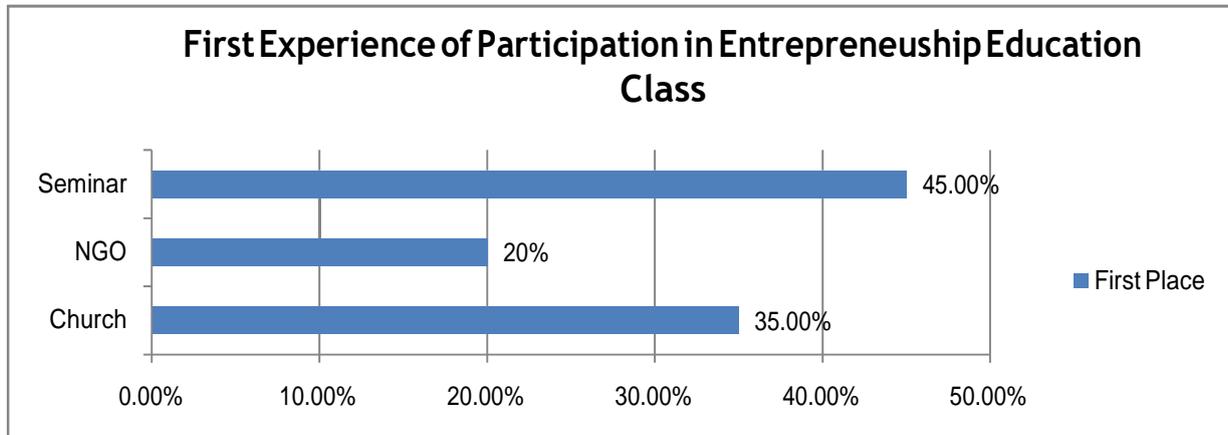


Source: Field Work, 2016

Information on table 8 shows that 106(53%) participated in entrepreneurship education courses in their tertiary institution while 94(47%) of the participants said they did not participate in entrepreneurship education while in school.

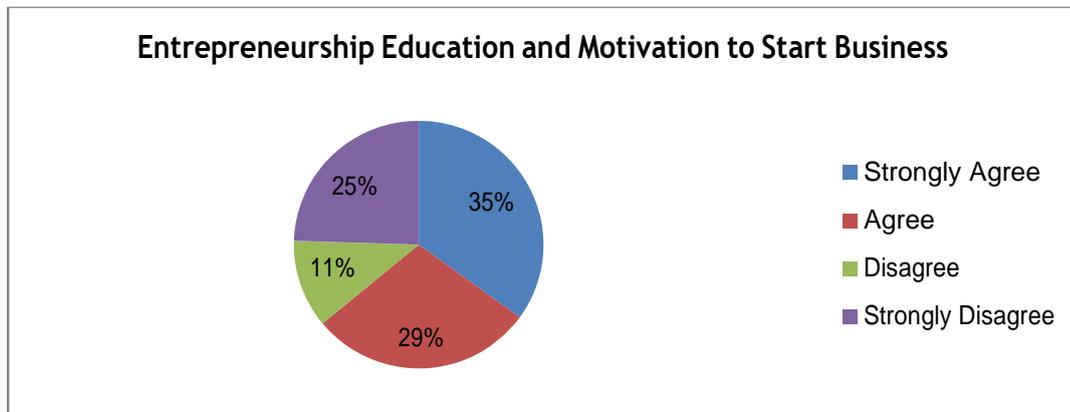
Figure 9: Distribution of participants by first entrepreneurship education .

Source: Field Work, 2016



Information on table 9 shows that out of the 94 participants that did not take entrepreneurship education courses in the tertiary institution, 33(35%) first had their training in church; 19(20%) from an NGO activity while 42(45%) had their first experience at a seminar.

Figure 10: Entrepreneurship Education and Motivation to Start Business



Source: Field Work, 2016

Figure 10 shows that 128(60%) of the participants were motivated to start a business due to participation in entrepreneurship education courses while 72(40%) were not motivated to begin a business through entrepreneurship education courses offered.

Data Analysis and Findings

Table 11: Answer to Research Question. Influence of entrepreneurship education courses on respondents venture creation.

S/N	Statement	SA	A	D	SD	Total
1	Recognise Opportunities	97	92	4	7	200
		48.5%	46.0%	2%	3.5%	100%
2	Create Opportunities	86	95	12	7	200
		43%	47.5%	6%	3.5%	100%
3	Generate ideas	92	86	15	7	200
		46%	43%	7.5%	3.5%	100%
4	Implement ideas	51	119	23	7	200
		25.5%	59.5%	11.5%	3.5%	100%
5	Innovate	72	95	26	7	200
		36%	47.5%	13%	3.5%	100%
6	Take risks	69	88	32	11	200
		34.5%	44%	16%	5.5%	100%
7	Be creative	96	89	8	7	200
		48%	44.5%	4%	3.5%	100%
8	Lead and communicate	73	109	11	7	200
		36.5%	54.5%	5.5%	3.5%	100%
9	Develop new product	52	112	29	7	200
		26%	56%	14.5%	3.5%	100%
10	Network and make professional contacts	70	80	43	7	200
		35%	40%	21.5%	3.5%	100%
11	Recruit and manage team	60	101	32	7	200
		30%	50.5%	16%	3.5%	100%
12	Design a business plan	74	78	41	7	200
		37%	39%	20.5%	3.5%	100%
13	Defend a business plan	61	87	45	7	200
		30.5%	43.5%	22.5%	3.5%	100%

Source: Field report, 2016.

Information on table 11 showed participants opinion on how taking entrepreneurship education classes have improved their ability to create ventures. Majority of participants agreed that taking entrepreneurship education courses have significantly influenced venture creation. For instance, 189(94.5%) of the participants agreed that taking entrepreneurship education classes has helped them recognise opportunities while 11(5.5%) disagreed. Also, 181(91.5%) agreed that taking entrepreneurship education courses has helped them to create opportunities while 19(9.5%) disagreed. On idea generation, 178(89%) agreed that taking entrepreneurship education courses has helped them to generate ideas while 22(11%) disagreed. For 170(85%) of the participants, taking entrepreneurship education courses has helped them to implement ideas. Likewise, 167(83.5%) of the participants agreed that taking entrepreneurship education classes has improved their innovativeness.

In the same vein, 157(78.5%) of the participants agreed that taking entrepreneurship education classes has improved their ability to take risks while 185(92.5%) agreed that taking entrepreneurship education classes has helped them to be creative. The table further reveals that 182(91%) agreed and 18(9%) of the participants disagreed that entrepreneurship education courses has taught them to lead and communicate. On new product development, 164(82%) of the participants agreed and 36(18%) disagreed that taking entrepreneurship education classes has helped them to develop a new product. Also, 150(75%) agreed that taking entrepreneurship education classes has help them to network and make professional contacts while 50(25%) disagreed. As regards ability to design business plan, 152(76%) of the participants agreed that taking entrepreneurship education classes has help them in designing business plans. Finally, 148(74%) of the participants agreed that taking entrepreneurship education classes has helped them in defending business plans while 52(26%) disagreed.

Hypotheses Testing

Entrepreneurship education courses in tertiary institutions have not influenced creation of new ventures in Young Nigerian Entrepreneurs.

Table 12: Chi-square (χ^2) analysis of influence of entrepreneurship education on new venture creation in young Nigerian entrepreneurs

Variables	N	Df	L.S	Calcχ^2 value	Critχ^2 value	Remarks
Entrepreneurship Education	200	36	0.05	130.78	55.76	*S*

(Calc. $\chi^2 = 130.78 > \text{Crit. } \chi^2 = 55.76, df = 12, P > 0.05$)

The table above shows that the calculated Chi-Square (χ^2) value of 130.78 is greater than critical Chi-Square (χ^2) values of 55.76, with degree of freedom of 36 at 0.05 level of significance. This implies that the null hypothesis which stipulated that taking entrepreneurship education courses has not influenced creation of new ventures in young Nigeria entrepreneurs is hereby rejected. Therefore, it is concluded that taking entrepreneurship education courses has influenced creation of new ventures in young Nigerian entrepreneurs.

Hypothesis 2

There is no significant difference between new venture creation in students who graduated from public tertiary institutions and their counterparts from private tertiary institutions.

Table 12: Difference in entrepreneurship behaviour of students' base on their institution types

Variables	N	X	SD	dft-cal	t-crit	Decision	
Private	49	41.4	6.1				
				198	4.47	1.96	H02 Rejected
Public	151	44.1	8.7				

Significant at 0.05, df=198, r-crit=1.96

Table 12 shows that the calculated 't' value (t-cal: = 4.47) is greater than the 't' critical (crit 't' = of 1.96) given 198 degree of freedom at 0.05 levels of significance, hence the null hypothesis which says there is no significant difference between venture creation in students who graduated from public tertiary institutions and their counterparts from private tertiary institutions is rejected. It is therefore concluded that there is a significant difference in venture creation in graduates of public tertiary institution compared to graduates from private tertiary institutions.

Reccomendations

From the findings of this study, the following are hereby recommended.

1. Entrepreneurship education courses should be a pre-requisite to graduation for all students in tertiary institutions. Taking the course as an elective course as found in some institutions does not give entrepreneurship education the relevance it deserves.
2. It was established that many graduates who were entrepreneurs acquired entrepreneurial competencies from seminars organised outside their tertiary institutions. There is need to provide support for the teaching of entrepreneurship by providing opportunity for visiting entrepreneurs, internships and real life entrepreneurship experiences for the students.
3. Policy makers should give room for exchange programs among tertiary institutions for further learning and professional development for lecturers and entrepreneurship

education course coordinators. Institutions known for global best practices should be given a platform for knowledge sharing with other institutions.

Conclusion

It has been established that entrepreneurship education, if well taught in an engaging manner can be a viable tool for motivating young Nigerian graduates to create new ventures after graduation. There is therefore need for stakeholders to develop and promote engaging teaching and learning and a supportive environment for the teaching and learning *of, about* and *through* entrepreneurship.

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