

1 Business Education a Panacea for Growth of Small and Medium 2 Enterprise and National Development in Nigeria

3 Amuchie A. Austine¹ and Matsayi L. Aji²

4 ¹ Peacock College of Education

5 *Received: 6 December 2017 Accepted: 3 January 2018 Published: 15 January 2018*

7 **Abstract**

8 This paper examined the business education as a panacea for growth of SMEs and national
9 development. The study basically assessed the relationship between SMEs and employment
10 creation as a driving tool for national development as well as the role of business education in
11 national growth and development. The study found that SMEs proffer solution to the
12 lingering problem of poverty and unemployment, while business education plays a vital role in
13 national development in areas of employment generation, industrial development,
14 entrepreneurship strategy, and poverty reduction, promotion of the Nigeria economy, culture
15 and value. The study identified unqualified teachers, obsolete technologies, the size of business
16 classes and poor funding as main challenges of business education and recommended that
17 government should properly and adequately fund business education through increased
18 budgetary allocation and made compulsory at all levels of education with the use of
19 appropriate technologies.

20

21 **Index terms**— business education, employment creation, entrepreneurship education, national development
22 and skills.

23 **1 Introduction**

24 ational development refers to the ability of a nation to improve the lives of its citizens in terms of human
25 capital, economy, social improvement, democracy building, among others. According to Lawal (2014) it is an
26 exploitation and utilization of both human and material resources to improve the lots of a nation as it embraces
27 the improvement in the social welfare of the people of that nation. Education serves as a cornerstone to any form
28 of development as it lies at the heart of every society. It is a key and a vital element in the broad development
29 of the nation's youth's capacity to address and solve surrounding problems or difficulties. According to Ezeani
30 (2012) education consolidates and holds upon basic education to empower the youth to really live, function as a
31 productive member of the society, earning a living, and contributing to societal progress.

32 Business education continuously builds on the knowledge, skills, values and attitude learnt at the lower phases
33 of education. Education itself does not only mean schooling even though schooling is essential, yet it is a
34 much wider concept embracing formal and informal methods of learning; traditional and nontraditional teaching
35 processing, self-learning (through various media such as books, Tv, internet, Radio , etc). Business education
36 which encompasses several disciplines enables people to think, speak and behave in ways that support the growth,
37 efficiency and effectiveness of an organization or several organizations. Kaegon (2009) once stated that business
38 education must be ready to offer their recipients functional education that will enhance performance as well as
39 assist them to contribute meaningfully to the economic development of the country, but one who has highly
40 developed business skills honed through years of experience in his field with basic education in business does well
41 in contributing to national goal of poverty alleviation through employment creation. Although they might have
42 some gaps in their understanding, so taking a few classes to shore up their skills in a particular area becomes
43 imperative.

4 III. SMES AND EMPLOYMENT CREATION AS A

44 Thus, the demand for business education is on the increase all over the world as it prepares youths to be
45 responsible and enterprising individuals, who become entrepreneurs or entrepreneurial thinkers by exposing them
46 in real life experience where they will be required to think, take risks, manage circumstances and incidentally
47 learn from the outcome (Olawolu and Kaegon, 2012). Therefore, business education as a discipline is expected
48 to expose its recipients to diverse curricula, hence, it is that type of education that inculcate in its recipients
49 attitudes, knowledge, skills, values that is required in the business world.

50 Nigeria's economy is predominantly a small and medium enterprise economy although the business and other
51 services sector recorded a real GDP growth of 9.20% in the third quarter of 2013 compared to 11.33% recorded
52 in the second quarter of 2013, and the 9.11% recorded the third quarter of 2012. The decline in growth recorded
53 in the third quarter of 2013 relative to its performance in the second quarter indicates slow economic growth
54 largely related to infrastructural challenges (NBS, 2014). Thus, it is expected that business education which
55 often digests into business enterprises would help in alleviating poverty and reducing unemployment thereby
56 contributing towards national development. It is instructive therefore to investigate the impact of business
57 education on the growth of SMEs as a basic tool to national development.

58 2 II. Conceptual Frame Work of Business Education

59 Business education can be defined as the fundamental theory of business which helps an individual to perform
60 well in the world of business. Business education involves that aspect of education that provide the knowledge,
61 skills, understanding and other attitude needed to perform well in the world of business as producers or consumers
62 of goods and services that business offers. It is a programme that offers knowledge activities and skills needed
63 by citizen in order to effectively manage their resources and participate well in the economic system.

64 Agwumezie (1999) sees business education as a programme in education that prepares students for entry into
65 and advancement of jobs within the business. Aliyu (1999) have it as a programme one needs to be proud
66 of if properly designed, adequately prepared and religiously harmonized. Aliyu further affirms that business
67 education is an educational programme which involves acquisition of skills, knowledge and competences which
68 makes the recipient/beneficiary proficient. It is an umbrella under which all business programmes take a shield,
69 such as marketing, business administration, secretarial studies and accounting. Igboke (2000) defined business
70 education as a dynamic field of study geared towards preparing youths and adults for and about business. It is a
71 preparation for a career in business when instruction is designed to prepare youths and adults for actual practice
72 in the world of business. On the other hand, education about business involves preparation of youths and adults
73 for intelligent and effective consumption of economic goods and services offered to society in our free enterprise
74 economy. However, business education ought to produce responsible, productive and self-reliant citizens. This
75 highlights the importance of business education in inculcating in the recipients knowledge, values, attitudes and
76 skills needed in the business world. The objectives of business education cannot be over emphasized, hence,
77 business education generally are borne out of the needs of industry, commerce and society. In addition, it is
78 career oriented that aims at preparing people for gainful employment.

79 3 a) Concept of Entrepreneurship Education

80 Entrepreneurship has formed the basis for economic growth and development. It refers to programmes that
81 promote and provide skill training for business creation and development (Vesper, 1990). Entrepreneurship
82 education is the type of education which has the ability to impact on the growth and development of an enterprise
83 through technical and vocational training (Tamuo and Ogiji, 1999). According to Atakpa (2011) it is the aspect
84 of education which equips an individual and creates in the person the mindset to undertake the risk of venturing
85 into something new by applying the knowledge and skills acquired in school while Fashua (2006) put it as that
86 which creates the willingness and ability in a person to seek out investment opportunities in the society and
87 be able to establish and run an enterprise successfully based on the identified opportunities. This means that
88 entrepreneurship education helps to provide business education students with the knowledge, skills and innovation
89 to encourage entrepreneurship in variety settings.

90 4 III. SMES and Employment Creation as a

91 Driving Tool for National Growth

92 Small scale enterprises constitute the bedrock of many economies by providing the impetus for creating
93 employment and value added activities. In most developing countries, the small scale enterprises operate in
94 the informal sector; developing and sustaining this important sub-sector of the economy will engender economic
95 growth and development. To achieve this objective, conditions for dynamic, indigenous economic activities must
96 be created. Nigeria's future therefore rests on its ability to train (business education) and fund local entrepreneurs
97 that can nurture homegrown firms, encourage innovation, risk taking and local investment since unemployment
98 and its attendant effects has become a wrench in the economic transformation of the state.

99 Wennekers and Thurik (1999) attributes economic growth through entrepreneurship to three (3) main processes
100 or entrepreneurship activities which include; enhancing competition, innovation and employment growth through
101 start-up. They stated that these processes or activities might be overlapping and naturally exclusive while Porter
102 (1990) grants entrepreneurship a crucial role when considering economic growth from a national perspective

103 since innovation and entrepreneurship are the heart of national advantage. But Kurzner (1973) suggested that
104 the connection between entrepreneurship and economic growth is founded on the entrepreneurship spotting
105 and profiting from a situation of disequilibrium by improving on the market deficiency. North and Thomas
106 (1973) on the other hand advanced that economic growth is brought about by innovation, education, capital
107 accumulation among others. Therefore, entrepreneurship creates new business and new business in turn create
108 jobs, intensify competition and many even increase productivity through technological changes. High measured
109 level of economic growth however, a lot of related literatures exists on entrepreneurship development and poverty
110 reduction strategies in an attempt to promote the growth of small and medium scale enterprises (SMEs) and also
111 to proffer solution to the lingering problem of poverty and unemployment.

112 **5 IV. The Role of Business Education in National Development**

113 As earlier noted business education enables the student to explore and learn about the world of work and the
114 relevant interest and career interest of their choice, provide them with the necessary occupational information
115 to enable them understand the various occupation in the world of work and enable them to acquire skills in
116 the field of their choice. Business education contributes its role for educating citizens of a country to run their
117 businesses more successfully which helps to improve economy of a country and thus helps indirectly in national
118 development. Business education played a vital role in national development, especially in areas which include
119 the following: generation of employment/creation of job opportunities, industrial development, entrepreneurship
120 strategy, poverty alleviation, promotion of the Nigerian economy and promotion of Nigerian culture and value.
121 It is a form of vocational education that is directed towards developing the learner to become productive in
122 teaching, paid employment and self-employment (Idialu in Amoor, 2010).

123 According to Ogwuogo (2013) Business education prepares beneficiaries for gainful employment and sustainable
124 livelihood. It is generally seen as education for and about business. Business education for business is that
125 aspect of vocational education which provides instruction and preparation for office occupations such as secretary,
126 shorthand-typist or stenographer, bookkeeper, data processor, word processor, computer analyst and accountant.
127 On the other hand, education about business provides knowledge and understanding of the economic, financial,
128 marketing, accounting, management system and other branches of business endeavour. But in the words of Amoor
129 (2010) business education plays a significant role in the economic development by providing knowledge and skills
130 to the learners, thereby, enabling them to adequately impart knowledge into others, and handle sophisticated
131 office technologies and information systems. The goal of business education is primarily to produce competent,
132 skillful and dynamic business teachers, office administrators and businessmen and women that will effectively
133 compete in the world of work. It has as its primary aim, the preparation of people for roles in enterprises
134 such roles could be as employee, entrepreneur and employer or simply as self-employed. According to Ogwuogo
135 (2013) a gainfully employed individual contributes to GDP per capita, reduces poverty and unemployment which
136 are some of the indices of development. A well trained business educator can successfully be engaged into
137 the following areas: teaching profession from secondary to university level depending on qualification, business
138 enterprise -as a promoter, manager, marketer, account clerk, secretary, word processor, sales representative,
139 broker etc, proprietorship of private schools -primary, secondary, tertiary, computer training institute and so
140 on. Therefore there is no gain saying the fact that business education is what Nigeria needs most now to help
141 her solve most of her socio-economic and developmental challenges especially in the realm of business. The
142 linkage between business education and national development can be depicted on the diagram below: Oyelaran-
143 Oyeinka (2007) has identified four major challenges facing business education today, viz: lack of state mandates
144 for our curriculum, funding and budgeting issues, support from local administration and Board of education and
145 educating our community. Business education provides the knowledge, skills, attitudes and understanding needed
146 to perform in the business world as a producer and or consumer of goods and services that business offers. It
147 includes virtually all the knowledge which holds prospect for gainful employment. The realization of lofty aims of
148 business education depends on how much the following challenges are tackled. In the same view with Ogwuogo
149 (2013), the challenges are:

150 **6 Global**

151 Unqualified Teachers: The employment of unqualified teachers to teach business courses is a great obstacle to
152 quality of business education graduates. Most of the institutions that offer business education programme suffer
153 from shortage of qualified teachers (Amoor in Ugwuogo, 2012).

154 Obsolete Technologies: Manual typewriters are still largely in use in the computer age. This serves as a
155 challenge to the graduate who intends to put in practices the business ideas. Some available modern ICTs are
156 grossly inadequate in terms of efficiency and productivity.

157 The size of Business Classes: Due to the increasing demand for education especially social and vocational
158 courses amidst the insufficiency of the facilities and human labour, there is always high teacher-student ratio
159 which turns to affect the quality of delivery of some practical courses like word processing, data processing,
160 shorthand, among others.

161 Poor Funding: Many administrators fail to understand that business education programme is capital intensive.

9 CONCLUSION

162 It is a well-known fact that one of the major problems bedeviling education in Nigeria today is inadequate funding
163 and business education is no exception.

164 7 a) The Way Forward

165 Considering the impeding challenges facing business education militating against the driving force of national
166 growth, the following recommendations are made: i. All levels of education should do away with the obsolete
167 technologies imbedded in their curriculum and thus adjust it to the current technological age and cultivate a
168 certain scientific and technological standard and ensuring the adequate provision of such facilities.

169 8 Year ()

170 ii. Government should properly and adequately fund business education. This can be achieved through increase
171 in the budgetary allocation to the level of education by the government. iii. Business and/or entrepreneurship
172 education should be made compulsory at all levels of education. iv. Multinational agencies/companies should
173 support learning of business education as it serves a basis for economic revival and a main stream activity to enable
174 transformations to take place very fast in the nation. v. On the job training programmes such as workshops,
175 seminars should be made free and compulsory to lecturers in the field to acquaint themselves with these skills so
176 that they can in turn impact in students effectively. vi. Credit facilities should be made available to the willing
177 entrepreneurs with the necessary skills who are eager to explore them in achieving national development.

178 VI.

179 9 Conclusion

180 Business education is the bedrock of any national development since Business education students can benefit from
181 school education when they are exposed to entrepreneurship, equipped with different skills that are education
182 saleable in the labour market or world of business and the society at large. This assertion is supported by
183 studies which showed significant relationship between business education and national development inclusive of
184 this research work.

185 Business education therefore has the potential of engendering development if the identified impediments are
tackled. ¹ ²

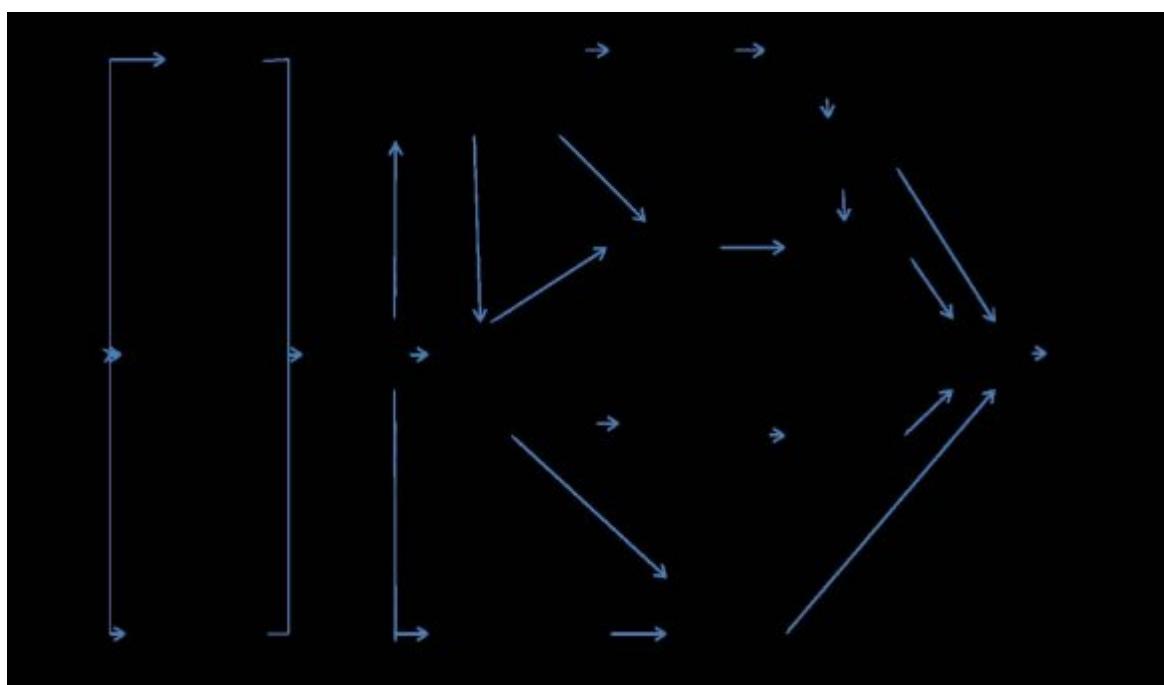


Figure 1:

186

¹© 2018 Global Journals

²Business Education a panacea for growth of Small and Medium Enterprise and National Development in Nigeria

187 [Olawolu and Kaegon ()] , O E Olawolu , L E S Kaegon . 2012.

188 [Ugwuogo ()] 'Business Education and National Development: Issues and Challenges'. C C Ugwuogo . *Journal of Educational and Social Research* 2013. 3 (4) .

189

190 [Aliyu ()] 'Business Education: Relevance and Functionality in Nigeria Philosophy of Education'. M M A Aliyu . *Business Educational Journal* 1999. 3 (2) p. .

191

192 [Kurzner ()] *Competition and Entrepreneurship*, B Kurzner . 1973. Chicago: University of Chicago Press.

193 [Kaegon ()] 'Entrepreneurship and education of youths for sustainable development in Nigerian tertiary institutions'. I E S Kaegon . *African Journal of Educational Research and Development* 2009. 3 (2) p. .

194

195 [Entrepreneurship Education as tool for Youth Empowerment through Higher Education for global workplace in Rivers. A paper *Entrepreneurship Education as tool for Youth Empowerment through Higher Education for global workplace in Rivers. A paper presented at the Seventh Regional Conference on Higher Education for a Globalized world organized by 36 the Higher Education Research and Policy Network (HERPNET): holding at the University of Ibadan*, September, 2012. (Ibadan Nigeria between 17 th to 21 st)

196

197

198

199

200 [Atakpa ()] 'Entrepreneurship education: A Sine Qua-non in Business Education in Nigeria'. R A Atakpa . *Business Education Journal* 2011. 1 (11) p. .

201

202 [Fashua ()] K O Fashua . *Entrepreneurship Theory, Strategies and Practice*, (Abuja Bee) 2006.

203 [Banji ()] 'Financial System Strategy'. Oyelaran-Oyeyinka Banji . *FSS2020 International Conference SME: Issues, Challenges and Prospects*, 2007. 2020.

204

205 [Ugwuogo (2012)] *Global competitiveness and quality assurance in business education in Nigeria. A paper presented at the 24th Annual National Conference of Association of Business Educators of Nigeria (ABEN) held at Federal Polytechnic*, C C Ugwuogo . 2012. October. Nekede, Owerri. p. .

206

207

208 [Igboke ()] S A Igboke . *Business Education: Principles and Methods*, (Owerri) 2000. Cape Publishers International Ltd.

209

210 [Wennekers and Thurik ()] 'Linking entrepreneurship and economic growth'. A R M Wennekers , A R Thurik . *Small Business Economics* 1999. 13 p. .

211

212 [Vesper ()] *New venture strategies*, K H Vesper . 1990. New York Prentice-Hall Eaglewood Cliffs.

213 [Nigerian Gross Domestic Product Report, Quarter two ()] *Nigerian Gross Domestic Product Report, Quarter two*, 2014. 2014. Abuja-Nigeria. National Bureau of Statistics

214

215 [Agwumezie ()] 'Resources management in Business Education Programme: Towards utilizing the great potentials of women'. F Agwumezie . *Business Education Journal* 1999. 3 (2) p. .

216

217 [Lawal ()] 'Technical and vocational education, a tool for national development in Nigeria'. A W Lawal . *International Letters of Social and Humanistic Sciences* 2014. 2014. 14 p. .

218

219 [Tamuno and Ogiji ()] 'The Development of Entrepreneurial Education in Nigeria'. S Tamuno , P Ogiji . *Journal of Education in Developing Areas XIII* 1999. p. .

220

221 [Amoor ()] 'The need to improve teacher quality in business education in Nigerian universities'. S S Amoor . *International Journal of Education Research* 2010. 11 (1) p. .

222

223 [North and Thomas ()] 'The Rise and Fall of the Manorial System: A Theoretical Model'. D C North , R P Thomas . *The Journal of Economic Review* 1973. Cambridge University Press. 31 (04) p. .

224

225 [Ezeani ()] 'The teacher and skills acquisition at business education: from the perspective of accounting skills'. N S Ezeani . *Arabian Journal of Business and Management Review* 2012. OMAN Chapter.

226