# ASSESSMENT OF ENTREPRENEURIAL SKILLS UTILIZATION IN SMALL SCALE ENTERPRISES AMONG BUSINESS EDUCATION GRADUATES IN AWKA SOUTH LOCAL GOVERNMENT AREA, ANAMBRA STATE.

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#### ABSTRACT

This study was carried out to evaluate entrepreneurship skills and utilization in small scale enterprises among business education graduates in Awka South LGA, Anambra state. Purposive sampling technique was used to select 100 graduate entrepreneurs of business education for the study in Awka South. One research question was raised for the study with 26 Likert items. Out of the 26 items, 11 were on types of entrepreneurship skills while 15 were based on how the skills were utilized among business education graduates in Awka South. Data were collated and analyzed using frequency, percentages and mean rating scores. Findings of the study revealed that business education graduates were mostly skilled in trading (22%), fashion designing (18%), event decoration and management (11%), but, less skilled in ICT (2%) related careers. Also, the results indicated that those skills of entrepreneurship possessed are not adequately utilized among them in Awka South. Hence, the study recommended that the government at all levels in Nigeria should revisit their policy and make a change that will benefit young entrepreneurs to enable them apply their skills for entrepreneurship development in Awka, Anambra state and Nigeria in general.

**Keywords:** Entrepreneurship Skills, Utilization, Small Scale Enterprises, Business Education, Awka South.

#### Introduction

The place of entrepreneurship and its skills in today's business cannot be over emphasized. It is not enough to acquire entrepreneurial skills but also to be able to effectively utilize those skills in the smooth running of the enterprise. Every small-scale enterprise started out of a burning desire to effect change and maximize profit by entrepreneurs. A profit opportunity implies a pre-existing waste and entrepreneurship is seen as a mechanism for correcting this waste. Given the current economic challenges facing many countries across the globe, the notion of engendering greater entrepreneurial activity has become a prominent goal for many national governments (Enemuo, 2011).

Entrepreneurship is any attempt at a venture creation such as a new business start-up, expansion of an existing business by an individual, team, or a corporate body. It is a process by which individuals or groups pursue opportunity, leverage resources and initials change for purpose of creating value (Jerry and Stephen, 2005). Alain (2009) opined that entrepreneurship can also be regarded as the efforts to create purposeful focused change in a firm's economic and social potential. They further stated that entrepreneurship can be defined as the process of using personal initiative to transform a business concept into a new venture or to grow and diversify an existing venture or enterprise with high growth potential. In the same vein, Agomuo (2005) stated that entrepreneurship is regarded as a process of exploring the opportunities in the market place and arranging resources required in exploiting those opportunities for a long term goals.

An entrepreneur is one who undertakes innovations, finance and business acumen in an effort to transform innovations into economic goods. Thus, the concept of an entrepreneurship becomes as though used broadly in connection with the innovative and creative modern industrial leaders, who alone bears the non-insurable risks in his/her enterprise and directs the human and material resources of his business

undertaking. Observations have shown that majority of innovations came from small scale enterprises than from large scale enterprises. For instance, the small firms and individuals invented the personal computer and the stainless razor blade, the transistor radio, the photocopying machine, the jet engine etc (Nwosu and Ogbomo, 2011). It takes special skills, to succeed as an entrepreneur. Those skills are entrepreneurship, Knowledge and attitudes.

Skill is talent a person has to perform a task beyond the performance level of the ordinary person. It can also be seen as an ability which a person possesses to get things done in a unique way. More so, a skill is an innate ability to carry out a task in a way that is different from the conventional way, using less time and energy. Conceptually, it is an ability and capacity acquired through deliberate, systematic and sustained effort to smoothly and adaptively carryout complex activities or job function involving ideas (cognitive skills) things, psycho-motor (technical skills) things and a people (interpersonal skills) (Concross cited in Ugwu, 2017).

The attributes needed by entrepreneurs are technical competence which deals with intimate knowledge of physical products, job skills, manufacturing process, second to it, is system competence, which is skills in fitting all the pieces of the desired future (Igberaharha, 2009). Third, interpersonal competence is a category that includes most of the role traits desired by the respondents, which include being emphatic, trusting, loyal and supportive. Entrepreneurs must have a vision for the business, be willing to take risks and be able to plan, organize and follow through. Also, he must maintain good relationship with who he deals with such as banks, insurance companies and service firms. Furthermore, the entrepreneur anticipates and forecast what customers will want, understand possible changing economic conditions and should be able to deal with government regulations and so on.

Nevertheless, Enemuo (2011) summarized these skills as follows:

- 1. Technical skills: having job specific knowledge and techniques that are required to perform an organizational role.
- 2. Human skills: The ability to understand, alter, lead and control the behaviour of other individuals and groups. The ability to communicate, motivate and mould individuals into a cohesive team distinguishing effective from ineffective works.
- 3. Conceptual skills: The ability to analyse and diagnose a situation and to distinguish between cause and effect. Planning and organizing require a high level of conceptual skill.

Formal education and training are very important in helping workers who are illiterate and uneducated and to access knowledge on how to make use of their skills. Education and training help in enhancing entrepreneurial skills utilization in small scale enterprises. Therefore, business education becomes necessary for enhancing entrepreneurial skills utilization in small scale enterprise (Alabi, 2004).

Business education is a broad field of study which is composed of several clusters of related subjects. Business education means different things to different people. Osuala (2009) stated that business education is a programme of instruction which consists of two parts, namely:

- 1. Office education; which is a vocational education programme for office careers through initial, refresher and upgrading education and
- 2. General business education which is a programme meant to provide students with information and competencies which are needed by all in managing personal business affairs and in using the services of the business.

In view of the above definitions, graduates who have undergone programme of study in business education are business education graduates. For a business education graduate to be successful in small scale enterprises, the entrepreneurial skills utilization must be enhanced. Furthermore, small-scale enterprise is an enterprise with a total cost, including working capital but excluding cost of land, above N1 million but not exceeding N40 million, with a labour size of between 11 and 35 workers (Ejiofor and Osinem, 2010).

Skills utilization is most likely where workers have the ability, motivation and opportunity to deploy their skills effectively and adequate financial resources do not necessarily translate into a successful venture. There are businesses that started with huge sums of money but soon collapsed whereas others that started with or no capital survived to grow into giant conglomerates (Enemuo, 2011). It is only when entrepreneurial skills utilization is enhanced that it will be a tool in small scale enterprises.

# Theoretical Framework Human Capital Theory Schultz (1963)

Human capital theory is the most influential economic theory of western education. According to Schultz, human capital is a theory which displayed the role of investment in education in order to boost economic and social achievement. Human capital theory equally suggests that education or training raised the productivity of workers by impacting useful life skills on the individuals (Melton, 1965). In line with the above, Nworgu, (2006) noted that the height of workforce production has positive relationship with the educational and training form in which the higher the education and training form, a person gets, the higher the productivity/achievement of an individual. According to Alain (2009), a person with great skills will be able to increase employers or the workplace productivity. Human capital theory is relevant to this study in that, the level of education acquired to a large extent, has a greater impact in the success of a small scale enterprise which is the main interest of the theory.

### Statement of the problem

The place of entrepreneurship education in today's business world is important since every unemployed person might decide to become self-employed. In addition, many people including business education graduates who are in gainful employments are also seeking to try their hands on private businesses especially in the present day Nigeria. It will be most difficult and disastrous when a business education graduate who has been long unemployed before starting his own business is forced out and frustrated due to lack of entrepreneurial skill utilization or someone who has enjoyed paid employment but sought to be independent also crashes out. Lack of enhanced entrepreneurial skill utilization among business education graduates in small-scale catering service has brought about loss of jobs to meet up with their financial obligations to their families and folding up of some business establishments. It has even led to youth restiveness to the extent that civil disturbances have become the order of the day. Many people have lost their jobs and loss of revenue by the government since the folded establishments cannot pay their tax to the government any longer.

It is against this background that the federal government of Nigeria called on Nigerians to strive towards productivity and self-reliance. Steps taken include establishing the National Directorate of Employment (NDE) in 1980 with the unique assignment to create employment with the emphasis on selfreliance, entrepreneurship and creativity. All these observations show the need for an alternative opportunity to improve the living standards of Business education graduates in Nigeria. Most business education graduates cannot effectively utilize these entrepreneurial skills for small-scale business and this in turn brought about unemployment and loss of jobs in the society. The fact that most unemployed attempt to establish small-scale enterprise irrespective of their lack of knowledge on enhanced entrepreneurial skills utilization in small scale catering services and abilities to sustain the enterprise highlight the need for the present study. Specifically, this study attempts to examine strategies for enhancing entrepreneurial skills utilization in small scale catering services among Business Education graduates in Awka South Local Government Area of Anambra State, Nigeria.

#### **Purpose of the Study**

The purpose of the study is to assess entrepreneurship skills in small scale enterprises utilized among business education graduates in Awka South LGA in Anambra state.

#### Methodology

Research design for the study is descriptive survey. Purposive sample selection of 100 registered Small and Medium Enterprises (SMEs) in Awka South LGA was adopted. Structured questionnaire tagged: Entrepreneurship Skills in Small Scale Business and Utilization (ESSSBU) was used to solicit information from the respondents for data analysis. Data were collated, analyzed and interpreted with mean rating scores, frequency and percentages. Method of data analysis include: Very Highly Extent (VHE-4), High Extent (HE-3), Low Extent (LE-2) and Very Low Extent (VLE-1). Therefore, Decision rules for rating will be if the mean scores are between 2.5 above it is positive but, below 2.5 is regarded as negative.

# **Research Question**

What are entrepreneurship skills in small scale enterprises among business education graduates and extent of utilization in Awka South LGA, Anambra state?

Table 1:

S/N	Entrepreneurship Skills	Frequency	Percentage
		<b>(F)</b>	(%)
1	Fashion designing	18	18%
2	Trading	22	22%
3	Information broker	4	4%
4	Catering skills	6	6%
5	Agro-feeds skills	5	5%
6	Hair-dressing skills	15	15%
7	Carpentry skills	2	2%
8	Decoration and event management skills	11	11%
9	Information Blogger	3	3%
10	Farming skills	9	9%
11	ICT Skills	5	5%
	Total	100	100%

Entrepreneurship skills among Business Education Graduate	Entrepreneurshi	o skills among	Business	Education	Graduates
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Table 1 has item 1 to 11 entrepreneurship skills. Among the 11 items listed above, fashion designers (18%), traders (22%), hair-dressing skills (15%) and decoration and event management are more common entrepreneurship skills possessed among business education graduates in Awka South LGA. Highest entrepreneurship skills predominantly possessed among them is trading (22%) business skills, while the least skill among them is carpentry skills (2%).

### Table 2:

Extent of Utilizing Small Scale Enterprises Skills Business Education Graduates

S/N	Item	X	Decision
12	Productivity in business establishment	2.03	LE
13	Ability to attract customers	2.21	LE
14	Human relation skill application in business	1.99	VLE
15	For high profit making in business	1.89	VLE
16	Establishing expandable business organization	2.45	LE
17	Contribute effectively in economic development	2.00	LE
18	Good business proposals	2.78	HE
19	Adequate application of agricultural skills for business	2.56	HE
	investment		
20	Working independently in a business establishment	2.34	LE
21	Proper use of bookkeeping for business management	2.63	HE
22	Use of teamwork system for business development	2.44	LE
23	Use of new ideas to increase production and services	2.55	HE
24	Good financial management and accountability	2.08	LE
25	Employability and adaptability in business organization	2.58	HE
26	Ability to raise capital for business establishment	1.88	VLE
	Grand Mean score	2.29	LE

Table 2 has item 12 to 26 mean scores respond. Highest mean score is 2.78 in item 7 showing good proposals as best utilized among others by business education graduates on entrepreneurship skills. Lowest mean score is 1.88 in the last item 26 indicating that ability to raise capital for business establishment is the major problem. Grand mean score of 2.29 revealed that business education graduates skills possessed in entrepreneurship are not adequately utilized for making business.

## **Discussion of Results**

From the study as data presented and analyzed in the two tables, it showed that among business education graduates there is enough entrepreneurship skills acquired for business establishment and development in major areas like trading (22%), fashion designers (18%), head-dressing skills (15%), decoration business (11%), etc. But, these skills are not adequately utilized for running business ventures. The responses from the entrepreneurs (2.29) showed that they have the skills after graduation from higher institutions but, those skills are not utilized enough to establish and sustain business ventures in Awka South LGA.

### Conclusion

The study investigated entrepreneurship skills as utilized for small scale business enterprises among business education graduates in Awka South LGA. The findings revealed that after graduation from higher institutions, business education students have more entrepreneurship skills in trading, fashion designing, decoration, etc. but, less skills in ICT knowledge for business establishment. It also showed that these entrepreneurship skills acquired among them are not adequately utilized for business in small scale enterprises in Awka LGA in Anambra state.

### Recommendations

From the findings and conclusion of the study, the following are recommended to help facilitate skills utilization among graduate entrepreneurs in Awka South and elsewhere:

- 1. Government policy on business should change to allow young entrepreneurs who graduated from higher institutions harness entrepreneurship skills in small scale enterprises in Awka and Nigeria in general.
- 2. Stakeholders in business enterprises should provide fund and more training for talented business education graduates who are ready to run a business in small scale enterprise. This will help them to apply their skills in the business which is not adequately utilized.
- 3. All business education graduates who possessed entrepreneurship skills in small scale enterprise should not focus on a different career other than entrepreneurship skills after school. This will help them to practice what they have learnt in school.

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