

## **Essential Skills Needed by Business Education Graduates for Effectiveness in Entrepreneurship**

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### **Abstract**

The study investigated essential skills needed by the Business Education graduates for effectiveness in entrepreneurship. Two research questions and two null hypotheses guided the study. Population consists of 659 respondents. Questionnaire was used for data collection. It was face-validated by five experts and reliability test was analyzed with the use of cronbach alpha which yielded coefficient of .91. Data were analyzed using mean, standard deviation, and t-test at 0.05 significant levels. Findings reveal 12 essential skills for idea generation/opportunity evaluation and business start-up including: skills to cultivate, develop and analyze business idea; recognize and evaluate business opportunities; create, evaluate business goals and attain the goals through self ambitions, confidence and motivation. Others are 25 essential skills for management of business for growth and sustainability which include: skills for raising capital; creativity, business, among others. Recommendations include that: Universities should integrate the identified skills into their curriculum for the training and retraining of BEUS.

**Keywords:** Essential, Skills, Entrepreneurship, Business, Education

### **Introduction**

Economy of many developing countries has experienced great Entrepreneurship impact in the 21<sup>st</sup> century. Larger percentage of adults in Nigeria engaged in diverse entrepreneurship for a promising and sustainable economy. In spite of the involvement, Nigeria nation is still faced with harsh problems in creating and managing entrepreneurship effectively. Entrepreneurship is a process of innovating and creating new valuable products, using available resources, devoting time and effort, and marketing them for further values,

assuming the accompanying psychic, financial and social risks, and receiving the resulting rewards of monetary and personal satisfaction and independence. Ikeme (2007), in reference to Anyakoha, Azikwe and Onu, (2006) asserted that Nigeria nation is faced with myriad of local and global problems which include poverty, unemployment, diseases and conflicts. The situation still poses great challenges to the existence of individuals and families in the country.

Nigeria society is perturbed by decrease in number of jobs available, continued privatization of government

owned organizations and reduction of government interference in private sector (Anyakoha, 2012). Individuals and families are worried about what future holds if the situation persists. To meliorate the situation, Federal Republic of Nigeria (2007) stressed acquisition of entrepreneurial skills and stated that education shall be geared towards self-realization, economic and technical progress. Government made entrepreneurship studies compulsory in tertiary institutions to equip university graduates with basic entrepreneurial skills that will enable them utilize available opportunities after graduation (Anyakoha, 2012). The need to equip university graduates with basic entrepreneurial skills that will enable them utilize available opportunities after graduation enforced the challenge of getting Nigerian universities Business Education undergraduates (BEUS) empowered to acquire entrepreneurial skills for creating employment for self and others, a critical challenge for the development of small, medium and large scale businesses that will later metamorphose into promising, sustainable economy and national development.

In response to the government's demand that education shall be geared towards self-realization, economic and technical progress, Business Education undergraduates (BEU) training is channeled towards acquisition of appropriate entrepreneurial skills that will enable the graduates function effectively in the society. Possession of the essential entrepreneurial skill is demonstrated in the habit of acting,

thinking and behaving on a specific activity in such a way that the process becomes natural to the individual through repetition or practice. As stated by Lawal, Famiwole and Muhammed, (2014), ability to manipulate input resources effectively within a particular enterprise to achieve a production goal is entrepreneurial skill.

Rita, (2013) stated that entrepreneurial skills are the abilities to encourage or seek investment, establish and run an enterprise successfully based on identified opportunities. Adeyemo, (2016), defined entrepreneurial skills as the ability of the individual to exploit an idea and create an enterprise, not only for personal gains but also for social and developmental gains. Skill is an excellent performance which does not depend only on the performer's fundamental abilities or innate capacities but is developed through training practice and experience. Skills are efficient, flexible and economy in performance. Adeyemo (2016) noted that skill depends essentially on learning and includes the concept of efficiency and economy in performance. According to Adeyemo skills represent particular ways of using capacities in relation to environmental demands, with human being and external situation forming a functional system.

The field of Business Education (BE) trains the students in cognitive, affective and psychomotor domains for enrichment in skills required for the practice of the practical entrepreneurship (Azubuike, 2008). Business Education curriculum provides experiences that when properly

acquired, develops in the students various skills including, technical, managerial, accounting and marketing skills for entrepreneurship. As a result, the training embarks on possible tactics to develop in the students, skills for critical and divergent thinking, productive conception and decision making, creativity, interpersonal and communication skills among others. The skills tallied with Frank's (2016) report that skills necessary for successful entrepreneurship are planning, marketing, management, accounting and interpersonal skills among others. Possession of entrepreneurial skills makes BEGS self-reliant and employable. It enables them live in and contributes to the development of the society. BEGS have the ability to redefine risks as an opportunity to use their expertise rather than as a possible reason for failure. They have the ability to recognize and analyze market opportunities, ability to mentally identify, discuss, persuade and communicate with customers, clients, suppliers, competitors and other stakeholders in the business environment. They comprehend their needs, expectations, apprehensions and requirements better. They act responsibly with regard to the social environment and community. BEGS have the ability to establish linkages with other business persons for mutual learning, collaborative undertakings and other joint activities aimed at achieving common objectives. Unfortunately, some BEGS still move about aimlessly in the name of unemployment. Those BEGS lack

communication ability that can enable them market their possessed skills. Some BEGS cannot establish and manage an enterprise successfully (Tichagwa, 2016). Some among those who were employed in industries lost the job as a result of inefficient or poor performance (Ndubuisi-Amadi, 2016). Termination of those BEGS employments was in consonance with Heneman, (2015), who stated that the aim for selection in an organization is to fill existing vacancies with personnel who will be effective contributors to unit and system goals and eliminate candidates unlikely to succeed. Some BEGS complained of absence of capital to go into business, showing that they lack the ability to raise capital in absence of already made cash. The scenario did not conform to the aim of entrepreneurship training and practice in Business Education. The study investigated the essential skills needed by BEGS for effectiveness in entrepreneurship.

The study is significant to Nigerian universities, business educators and undergraduates, researchers, National Universities Commission (NUC), Policy Makers and Employers of Labour. The findings will encourage Nigerian universities, business educators, NUC and undergraduates to demonstrate high level of commitment to entrepreneurial skills acquisition by placing it on its priority table. The findings will motivate them to give full financial and nonfinancial supports for the acquisition of the skills. It will serve as a guide to Policy makers and NUC in planning entrepreneurship education

curriculum to be taught and learnt at the university level; and to employers of labour in employment processes. It will provide an empirical basis for supporting the mandatory entrepreneurship education for university/BEU and serve as reference material for those venturing into similar research. It will direct the minds of the BEU to what the appropriate entrepreneurial skills for effectual production after school are. And the experience will extensively ameliorate the problems and effects of unemployment in the families and society, and enhance Nigerian economy.

**Purpose of the Study:** The general purpose of the study was to investigate the essential skills needed by the business education graduates for effectiveness in entrepreneurship. Specifically, the study determined the essential skills needed by the business education graduates for:

1. idea generation/opportunity evaluation and business start-up
2. management of business for growth and sustainability

**Research Questions:** What are the essential skills needed by the business education graduates for:

1. idea generation/opportunity evaluation and business start-up?
2. management of business for growth and sustainability?

**HOs:** There is no significant difference between the mean ratings of the Business Educators and final year

Business Education students on the essential skills needed by Business Education graduates for:

- Ho<sub>1</sub> idea generation/opportunity evaluation and business start-up.
- Ho<sub>2</sub> Management of business for growth and sustainability.

**Scope of the Study:** The study was delimited to the determination of essential skills needed by the Business Education graduates for effectiveness in entrepreneurship.

### **Methodology**

**Design of the study:** The study was a descriptive survey.

**Area of the study:** The study was carried out in Northwest and Southeast geopolitical zones of Nigeria.

The two zones have 13 States and 34 Universities including Federal, States and Private Universities. Eight Universities out of the 34 offer Business Education courses. Among them were Ahmadu Bello University, Zaria in Kaduna State and University of Nigeria, Nsukka, in Enugu State, two out of the first four oldest universities in Nigeria offering Business Education courses with equitable resources for standard entrepreneurship education.

**Population for the Study:** The Population consisted of 659 respondents. That included 584 final years Business Education Undergraduates and 75 Business Educators in the 8 universities offering Business Education in Northwest and Southeast geopolitical zones of Nigeria as at 2015/2016 session. The study made use of Business Educators with masters' degree and

above. Business Educators were chosen because of their possessed wealth of knowledge and experiences in entrepreneurship. Final year BEUS were chosen because they possess theoretical knowledge of entrepreneurship, some of them were in petty businesses already; and they will become graduates soonest. No sample was drawn. The entire population was studied because the number was manageable.

**Instrument for data collection:** The instrument for data collection was questionnaire. Items were generated through the literature reviewed and consultation with Business Educators and entrepreneurs. The instrument consisted of 37 items organized under two clusters. Each cluster elicited information on one research question. The items were subjected to four-point scale labeled from “strongly agreed” to “strongly disagreed”, with their corresponding value of 4,3,2 and 1. Face validity of the instrument was done by five experts from UNN and ABU, three experts in BE, one in measurement and evaluation and one in education research. It was subjected to internal

consistency test using Cronbach alpha to establish reliability for the instrument. The valutors were provided with the purpose of the study, the research questions and the instrument for the validation. Their recommendation resulted in deletion, restructure, acceptance and suggestion of some items. The reliability coefficient was 0.91. The high reliability co-efficient implies that the instrument was highly reliable for the purpose of the study.

**Method of Data Collection:** Six hundred and fifty-nine copies of the questionnaire (100%) distributed to the respondents through research assistants and personal contacts were properly completed and returned.

**Techniques for Data Analysis:** The data collected were analyzed using mean and standard deviation. Items that attracted mean rating of 2.5 and above on the four-point scale were regarded as “agreed”, but items that attracted less than 2.5 were regarded as “disagreed”.

## **Findings**

**Table 1:** Mean, standard deviation and t-test results of the respondents' responses on the essential skills needed by the Business Education graduates for idea generation/opportunity evaluation and business start-up

S/N	Essential skills	Business Educators		Under-graduates		X <sub>3</sub>	SD <sub>3</sub>	t-value at 0.05	Dec
		x <sub>1</sub>	SD <sub>1</sub>	x <sub>2</sub>	SD <sub>2</sub>				
	Business Education graduates should be able to: cultivate, develop & analyze								
1.	business ideas	3.6	.518	3.7	.52	3.6	.58	.256	NS
2.	recognize and evaluate business opportunities	3.6	.52	3.7	.52	3.6	.58	.168	NS
3.	create and evaluate business goals and attain the goals through self ambitions, confidence and motivation	3.6	.518	3.7	.52	3.6	.58	.256	NS
4.	develop vision and mission	3.8	.62	4	.75	3.9	.72	.019	NS
5.	use brainstorming techniques successfully	3.8	.62	3.9	.71	3.8	.64	.217	NS
6.	use problem inventory analysis (PIA) successfully	3.9	.89	3.8	.62	3.8	.64	.196	NS
7.	hold effective discussion with the focus groups	3.8	.62	4	.75	3.9	.72	.292	NS
8.	be confident in himself to face obstacles and achieve definite goals	3.8	.62	3.9	.71	3.8	.64	.217	NS
9.	source and raise initial capital with ease	4	.75	4	.75	4	.75	.292	NS
10.	kickoff an establishment	4	.75	4	.75	4	.75	.019	NS
11.	fund establishment	4	.75	4	.75	4	.75	.019	NS
12.	Exercise effective leadership	4	.75	4	.75	4	.75	.019	NS

**Note:** N = Number of the respondents: N<sub>1</sub> = 75, N<sub>2</sub> = 584; SA = Strongly Agreed; SD = Standard Deviation;  $\bar{x}$  = mean, NS = Not Significant, df = degree of freedom = 657, critical t-value 1.96

Table 1 shows that all the respondents strongly agreed that all the items listed as essential skills needed by the BEGS for idea generation/opportunity evaluation and business start-up were very important for their effectiveness in entrepreneurship. The items numbered 1 to 12 had mean ratings of 3.6 to 4 by the respondents. Items 1, 2&3 attracted grand mean of 3.6; items 4 & 7; had mean ratings of 3.9; 5, 6&8 had 3.8; items 9,10,11&12 had 4 respectively. The table also revealed that the calculated t-value

for all the items for essential skills needed by the BEGS for idea generation/opportunity evaluation and business start-up were less than critical t-value of 1.96 at 0.05 level of significance and 657 degree of freedom. The calculated t-value for all the items ranged from .019 to .292. That implied that there was no significant difference in the respondents' opinion about entrepreneurial skills necessary for BEGS effectiveness in entrepreneurship.



**Table 2:** Mean, standard deviation and t-test results of the respondents' responses on the essential skills needed by the Business Education graduates for the management of business for growth and sustainability

S/ N	Essential skills	Business Educators		Under-graduates				t-value at 0.05	Dec
		x <sub>1</sub>	SD <sub>1</sub>	x <sub>2</sub>	SD <sub>2</sub>	X <sub>3</sub>	SD <sub>3</sub>		
<b>A Creativity:</b>									
1.	critical thinking	3.6	.07	2.6	.01	3.1	.06	.0395	NS
2.	divergent thinking	3.5	.06	3.5	.06	3.5	.06	.028	NS
3.	creative thinking	3.9	.09	3.8	.08	3.9	.006	.0586	NS
4.	visionary/foresight	2.8	.02	2.8	.02	2.8	.02	.0231	NS
5.	met cognitive	2.5	0	2.6	.01	2.5	.006	.0225	NS
6.	inventive mindset	3	.03	2.8	.02	2.9	.012	.0414	NS
7	venturing and risk taking	2.9	.03	2.7	.01	2.8	.012	.0414	NS
8	problem solving	2.9	.03	2.8	.02	2.8	.006	.0025	NS
9	information and technology (ICT)	2.6	.01	2.6	.01	2.6	.01	.0228	NS
10	team building/negotiation	3.1	.04	3.2	.05	3.1	.006	.0025	NS
11.	productive	3.9	.09	4	.13	3.9	.09	.0012	NS
12	analytical	2.7	.01	2.7	.01	2.7	.012	.0414	NS
<b>B Business Skills:</b>									
13	communication	3.9	.09	3.5	.06	3.7	.025	.0199	NS
14	administrative	2.8	.02	2.6	.01	2.7	.012	.0414	NS
15	organization behavioural	2.9	.03	3.4	.06	3.1	.03	.0414	NS
16	leadership	3.3	.05	3.1	.04	3.2	.012	.0414	NS
17	marketing/sales	3.9	.09	3.9	.09	3.9	.09	.0012	NS
18	human and industrial relationship	3.7	.08	3.9	.09	3.8	.08	.0028	NS
19	accounting/record keeping	4	.13	4	.13	4	.13	.0018	NS
20	financial management	3.9	.09	3.9	.09	3.9	.09	.0012	NS
21	project control and accountability	2.8	.02	2.7	.01	2.8	.076	.0025	NS
22	continuous learning	2.7	.01	2.5	0	2.6	.012	.0414	NS
23	time management	3.9	.09	4	.13	4	.13	.0018	NS
24	business planning and management	4	.13	4	.13	4	.13	.0018	NS
25	decision making	3.8	.08	4	.13	3.9	.09	.0012	NS

**Note:** N = Number of the respondents: N<sub>1</sub> = 75, N<sub>2</sub> = 584; SA = Strongly Agreed, A = Agreed; NS = Not Significant; SD = Standard Deviation; x = mean; df = degree of freedom = 657, critical t-value 1.96

Table 2 Shows that items 1, 4,5,6,7,8,9,10,12,13,14,15, 16& 22 were rated 'Agreed' while items 2,3,11,17,18,19,20,21,23,24&25 rated 'Strongly Agreed' by the respondents for the essential skills needed by the BEGS for the management of business for growth and sustainability. The means were within the positive decision

levels. Items 1,10 & 15 had a grand mean of 3.1; item 2, had 3.5; items 3,11,17,20&25 had 3.9; 4,7,8 & 21, had 2.8; 5, had 2.5; 6, had 2.9; 9 &22, had 2.6; 12&14 had 2.7; 13, 3.7; 16, 3.2; 18, 3.8; 19, 23,&24, had 4. The results depict that the respondents' responses for the management of business for growth and sustainability were less than critical t-

value of 1.96 at 0.05 level of significance and 657 degree of freedom. The calculated t-value for all the items ranged from .0012 to .0414. That implied that there was no significant difference in the opinions of the respondents on the essential skills needed by BEGS for management of business for growth and sustainability.

### **Discussion of the Findings**

The skills identified in the study were paramount to BEGS' effectiveness in entrepreneurship as indicated by BETS' and BEUGS' ratings. The results shown on table 1 revealed that ability to: cultivate, develop and analyze business ideas; recognize and evaluate business opportunities; create and evaluate business goals and attain the goals through self ambitions, confidence and motivation; develop visions and missions; successfully use problem inventory analysis (PIA); raise capital and fund the establishment; among others were essential skills needed by the BEGS for idea generation/opportunity evaluation and business start-up. The findings were in consonance with Kisyombe, (2014), whose work dwelled on challenges and opportunities of financing a start-up. Kisyombe noted that process of building business from the scratch demand that BEGS possess skills in developing the vision and business idea; raising capital for start-up; finding good employees and customers among others. The findings tallied with EU Skills Panorama (2014), who noted that perception of business opportunities, recognizing, evaluating and

implementing opportunities among others for business creation and growth were skills required variously by Commercial managers and creative workers. Turkish Science Education (TSE) agreed with the findings, and stated that an essential leadership skill entrepreneurs must possess is the ability to develop a vision and inspire others to pursue the vision as a team. The skills are essential and paramount to the BEGS effectiveness in entrepreneurship.

It was observed on table 2 that all the 25 skills listed were essential to BEGS for management of business for growth and sustainability. The study identified skills for critical and divergent thinking, business planning and management, financial management, accounting/record keeping, marketing/sales, communication, among others. In agreement with the findings, research work reported by Turkish Science Education (Retrieved April 5, 2017), stated that man's rehabilitation requires new skills with special consideration to his aptitudes and work functions. The 25 skill items listed on table 2 relate greatly to BEGS aptitudes and work functions in establishing and managing organizations. Turkish Science Education (TSE) stated that few entrepreneurs possess every skill needed to ensure business success. TSE noted that they look to outside experts for help in areas like strategic planning, accounting and specialized marketing. The results were supported by Frank, (2015), (Accessed Nov 2016), who identified and emphasized that every successful entrepreneur must possess marketing/sales, negotiation, leader-



ship, creativity, self motivation, financial management, administration, time management and a range of interpersonal skills. Frank emphasized the need for the business schools to equip the undergraduates with those skills, attitude and behavior enabling them to function effectively in the competitive atmosphere of the 21<sup>st</sup> century and become potentially entrepreneurs. The findings are in consonance with the Nigeria Entrepreneurship Education goal (2006), as documented by Onele, (2014), to inculcate in the trainees the ability to:

- ❖ Identify and solve problems using critical and creative thinking;
- ❖ Work effectively with others as a proactive team member and cultivate the ability to resolve conflict;
- ❖ Organize and manage one-self and one's activities;
- ❖ Collect, analyze and critically evaluate information (to make decisions that must be carried through);
- ❖ Communicate and negotiate effectively;
- ❖ Reflect experiences and explore various strategies for learning;
- ❖ Become curious leading to readiness to experiment and innovate (being never satisfied with the status quo);
- ❖ Consider self employment as a viable option upon graduation from their institution.

The BEGS should have abilities for business planning, finance and accounting skills, as well as ability to create new and innovative marketing

plans that utilize modern communication technology. That was supported by Carlson, (2016) that small business enterprises have numerous challenges because of their lack of knowledge for proper techniques related with procedures in marketing. Confirming the negative effect of lack of essential entrepreneurial skills on business performance, Baker, (2016) noted that an entrepreneur who does not have the essential skills or the ideas about marketing in business tend to have marketing problem. Baker classified lack of marketing orientation as a major factor for failure in business. The Universities should endeavour to inculcate in the BEUG the knowledge of those essential skills for adjustment in the world of work.

### **Conclusion**

Most Universities in Northwest and Southeast geopolitical zones of Nigeria are less effective in inculcating in Business Education students Entrepreneurship Education goals stipulated by the presidency in 2006. Business Education students graduate without acquiring meaningful skills that would offer those means of livelihood. The students appear not to be encouraged to generate and nurture their ideas into reality due to lack of education that offers challenges and enforces diligence and commitment in the students. And the educational programmes in the country tend to produce no solution to the problem The graduates of BE will be efficiently and effectively creating, controlling and managing businesses when the essential

skills identified in this study are acquired. More job opportunities will be created and youths' unemployment and poverty drastically reduced when the students are graduated with the identified skills. Income for most families will be enhanced and there will be unspeakable improvement in the family resources and standard of living; national economic growth, stable and sustainable economy attained as a result of full employment of youths.

**Recommendation:** Based on the findings, the following recommendations are made:

1. The Universities should integrate the identified skills into their curriculum for the training and retraining of BEUS.
2. The Universities should endeavour to inculcate in the BEUG the knowledge of those essential skills for adjustment in the world of work.
3. The NUC should integrate the identified skills into the Universities' mandatory curriculum for Entrepreneurship Education of BEUS. NUC should investigate into the cause of failure in attainment of the actual Entrepreneurship Education goals by those Universities.
4. BEUGS should be encouraged to establish and run mini enterprise while in the school.

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