



Challenges of Global Financial Crisis and Opportunities for Growth through Entrepreneurial Skill Development in Anambra and Ekiti States, Nigeria

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Abstract

The main purpose of this study was to determine the traits, characteristics and intrapreneurial climate required by job seekers and industrialists for the development of entrepreneurial skills required in industries to combat the influence of global financial crises in Nigeria with particular emphasis on Anambra and Ekiti states. A descriptive research design of the survey type was adopted in the study. The sample consisted of 100 industrialists and 200 job seekers from the two state using purposive random sampling techniques. The instrument used for data collection was a 44 items researcher designed questionnaire on identification of entrepreneurial traits, characteristics and intrapreneurial climate required in industries or business organization. The instrument was developed from literature on global economic crisis and entrepreneurial skill development. The instrument was content validated and there after pre-tested; yielding reliability co-efficient by 0.87. Frequency counts, percentage scores and ranking order were used for the data analysis. The study among others revealed the 20 traits that were adjudged to be needed, the 10 characteristics required and the 12 factors required to promote entrepreneurship in industries. Based on the findings it was recommended, among others, that rebranded and effective entrepreneurial schemes developed between the schools and industries should be evolved and sustained in Nigeria. Specific learning experience and traits that would enable students and graduates to form high habits and strong thinking necessary for success in their business should also be encouraged in schools and during the one year National Youth Service Corps. Lastly, government in Nigeria should diversity the fund realized from crude oil production to the development of small and medium business and enterprises.

Keywords: Entrepreneurs, Entrepreneurial studies, Job seekers, Intrapreneurs, Economic dysfunctions, Financial crisis, Skill development.



Introduction

The concept economic crisis can be conceptualized as the difficult moment for the economy of a country or the whole world, when there is less trade and industrial activities than the usual; whereby more people are jobless or unemployed. Wikipedia (2009) defined global economic meltdown as an economic scenario where the economies of countries all over the world have taken a beating; when the Gross Domestic Products (GDP) of countries goes down in negative zone. The economic meltdown started in the United States in late 2008. The crisis has slowed down economic activities around the world. It has also affected productivity, business operations and investments by way of reducing domestic and international demand for goods and services. It has pushed up unemployment, because many industries and organizations are laid off their workers. Lewis (2009) noted that the economic melt down has also affected global oil price, exchange and interest rates and national economic and budgets. As stated in the Wikipedia Encyclopedia (2009), all economic activities are slowed down, and characterized by unemployment and decline investment.

Akinbami (2011) however opined that one way of tackling economic depression is to reduce unemployment and increase the GDP of concerned countries because the end product of economic depression is increase in poverty level most especially in the developing countries. It has been observed that the developing countries economies are the worst hit by the global economic crisis by trying to model their economies along the “Casino Capitalism” without solid productive base which the big economies already have. Akinbami (2011) remarked that the developing countries, like Nigeria, risk being torn asunder if the current situation persists without creating a productive solid base whereby Nigerians could be exposed to entrepreneurial schemes so as to be able to own business enterprises and being able to afford to live above poverty line.

Fadakinni and Famiwole (2001) defined an entrepreneur as an individual who initiates, owns and runs a business successfully. He is a someone who can organize human, financial and material resources for the production of goods and services to maximize profit. They are capable of effecting a positive change in the business activities of their environment no matter how small it maybe. They can be described as a person who organizes, manages a business undertaking and assume risk for the sake of maximizing profit. According to Awe (2002) an entrepreneur is an



individual who perceives needs, conceives goods and services to satisfy the needs and manages the factors of production to achieve predetermined set goals. As we noted that the role an entrepreneur performs is called the entrepreneurial function, while the process is called entrepreneurship. The traits an entrepreneur should cultivate to develop a good entrepreneurial mind set involve flexibility, positive interest with the zeal to acquiring most of the desired skills to perform effectively. According to Aderogba (2011) the concept of entrepreneurship revolves around activities including identification of enterprises, combination and allocation of resources, planning and controlling business management, mobilization and utilization of local materials, risk bearing, marketing, innovation and the creation of employment opportunities. According to him, entrepreneurship fosters economic growth, increases productivity and creates new technologies, products and services required for economic growth and development of a country. Entrepreneurship is a multidimensional concept. It is the willingness and ability of a person, to seek out investment opportunities establish in an environment and be able to run an enterprise successfully based on the identified opportunities.

Nwafor (2007) noted that the developments of entrepreneurship are sometimes seen as stemming from economic theorist, psychological and behavioural approaches. According to him, all the three approaches have contributed significantly to the understanding of the entrepreneurship process. In which case any attempt to look at an entrepreneur from only one dimensional approach may not work, except a holistic approach is used – to describe the entrepreneurs personality traits influenced by his behaviours (psychologists view), when he is influenced by the society in which he lives sociologists view) and influenced by the economic opportunities and government incentives, (economist view). In line with this projection, entrepreneurship can be defined as the process of creating new economic entity centred on a novel product or service or at the very least, one which differs significantly from products, or service offered elsewhere in the market. Similarly, Nwafor emphasized that entrepreneurship is the process of creating new enterprise that gives value to humanity by filling up neglected area(s) or a yearning vacuum left unfilled. Entrepreneurs on the general terms are the pivot on which the economy of a nation rotates. A nation that has entrepreneurial and intrapreneurial deficiency will find it difficult to industrialize and grow economically {Ogunjobi (2012)} defined intrapreneurship as a method of stimulating and capitalizing on individuals in



an organization who thinks that something can be done differently and better to increase output according to him. Intrapreneurship is another dimension which enhances the entrepreneurial efforts in an organization. For example entrepreneur starts an organization and in due courses, employs hundreds of talented engineers, technocrats, accountants etc. to work in his company. These employees get involved in the organization work and they too would have entrepreneurial skills and talent to display in their departments and areas of jurisdiction. If they are allowed to exhibit their entrepreneurial skills and innate abilities, rather than routine work, then their innovative efforts and contribution will help them to grow better with reward. This process is referred to as Intrapreneurship and the word “Intra” means within the organization. “Developing a spirit of entrepreneurship within an existing organization is referred to as Intrapreneurship.” Intrapreneurship is necessitated due to pressure of competitive calls for extra market share, business leadership, price supporting business reliability and brand image. To engender creativity and enhance continuous innovation, intrapreneurship, as a factor, plays a vital role {Ogunjobi (2012)}noted that intrapreneurship requires a persistent and deliberate effort to involve all employees and get the commitment of top management to play a supportive role for monetary and non monetary motivation. Intrapreneurial leaders, just like entrepreneurs, have to be visionary and flexible, understand the business environment, stimulate and support the team work and encourage suggestion and open discussion. The intrapreneur gets involved with the dream, mission and vision of the newly created venture, and will do almost everything possible to help ensure its success. Reward system should take care of the intrapreneur for the energy and efforts and risks expended in the creation of the new venture. The reward should be based on the attainment of an established performance goal.

Purpose of the Study

The main purpose of this study was to determine the traits and characteristics required by job seekers and industrialist towards the development of entrepreneurial skills to combat the influence of Global Financial Crisis in Anambra and Ekiti States, Nigeria. Specifically, the study sought to:

- (1) identify the traits needed by job seekers towards the development and adoption of entrepreneurial skills In industries or business set ups.
- (2) determines the characteristics required of job seekers to enhance the development of entrepreneurial skills in business set up.



- (3) to identify the factors required for promoting intrapreneurial climate for entrepreneurs.

Research Questions

The following research questions were raised and answered in this study.

- (a) What are the traits needed by job seekers towards the development of entrepreneurial skills and adoption of industries and to set up a business?
- (b) What are the major characteristics required to enhance the development of entrepreneurial skills among job seekers?.
- (c) What are the factors required to promote intrapreneurial climate for entrepreneurs?.

Methodology

A descriptive research design of the survey type was used in the study. The sample consisted of 115 industrialist and 250 job seeker from Anambra and Ekiti states; using purposive random sampling technique. The instrument used to collect the relevant data was a 44 item researcher designed questionnaire on Identification of Entrepreneurial Traits and Characteristics and Intrapreneurial climate required in business set ups. The instrument was developed from literatures on global economic crisis, intrepeneurial and intrapreneurial skill development. The questionnaire was content validated, and thereafter pre-tested, yielding a reliability co-efficient of 0.89. Frequency counts, percentage scores and ranking order statistics were used for the data analysis.

Results

The results of the study are presented below based on the stated research questions.

Research Question 1: What are the traits needed by job seekers towards the development and adoption of entrepreneurial skills in industries to set up a business?

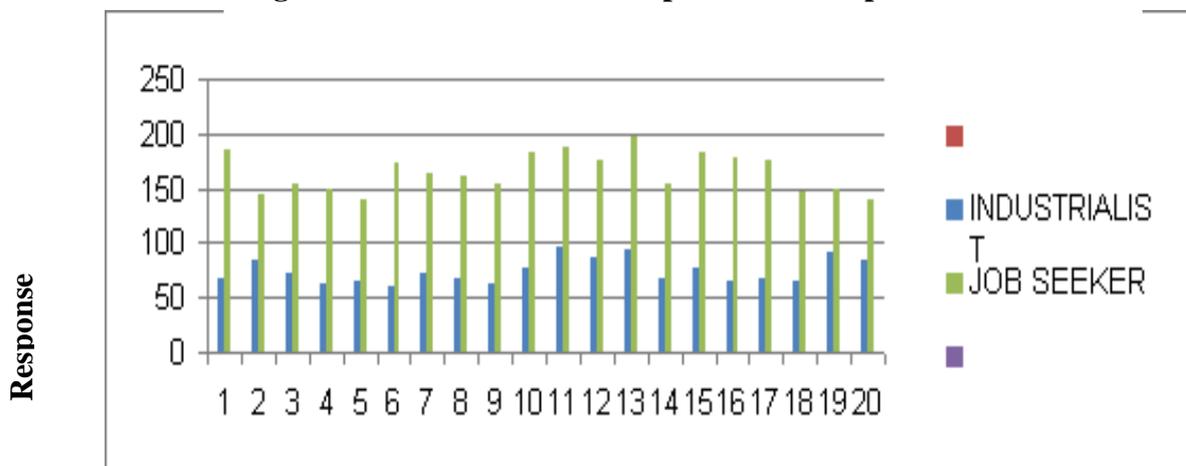
Table 1: Percentage Perception of Respondents on the Traits needed by Job Seekers towards the Development of Entrepreneurial Skills to set up a business

S/N	Needed Traits	Industrialists N-100		Job Seekers N-200		Remark
		Frequency	%	Frequency	%	
1.	Optimistic	67	67	184	92	Needed



2.	Foresight	83	83	144	72	Needed
3.	Positive drive	73	73	153	76.5	Needed
4.	Perceptive	63	63	148	74	Needed
5.	Openness of mind	66	66	140	70	Needed
6.	Getting along well with others	60	60	174	87	Needed
7.	Hardworking	73	73	164	82	Needed
8.	Responsible to suggestion and criticism	68	68	160	80	Needed
9.	Individualistic	62	62	155	77.5	Needed
10.	Like challenges	78	78	182	91	Needed
11.	Risk taking ability	95	95	188	94	Needed
12.	Need for achievement	86	86	175	87.5	Needed
13.	Profit or goal oriented	93	93	196	98	Needed
14.	Independent individual	68	68	155	77.5	Needed
15.	Confidence	77	77	182	91	Needed
16.	Persistence	65	65	177	88.5	Needed
17.	Knowledgeable	68	68	175	87.5	Needed
18.	Perseverance	66	66	146	73	Needed
19.	Determination	92	92	148	74	Needed
20.	Versatility	85	85	140	70	Needed

Fig. 1 Traits needed for development of entrepreneurial skills





Items

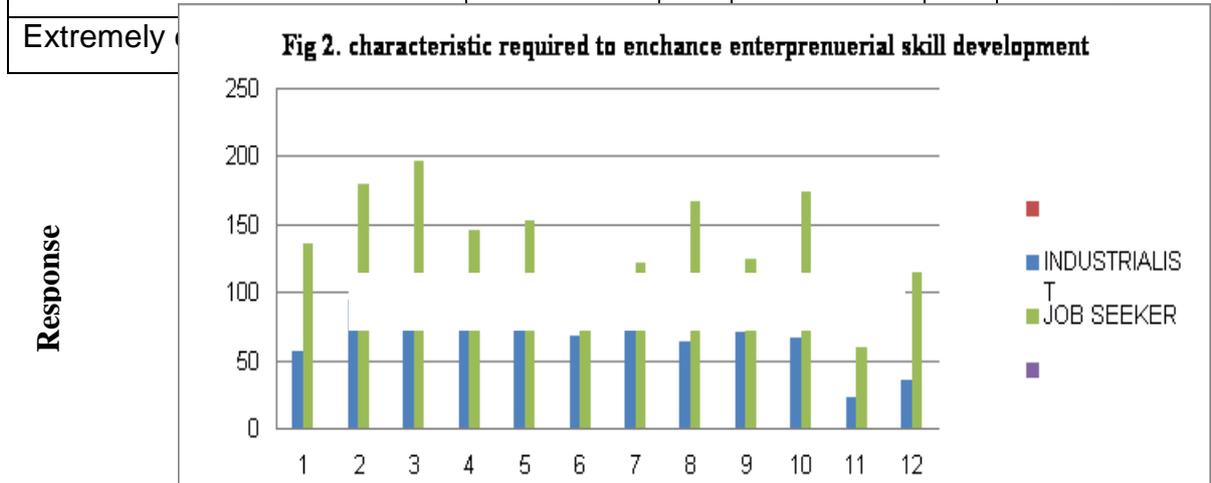
Key Q1-Q20 items on the questionnaire

Results contained in Table1 reveals twenty (20) needed traits by job seekers for the development and adoption of entrepreneurial skills needed for performance in an industry. The respondents indicated agreement that the traits are all needed to encourage process of starting a business and perform effectively in industries.

Research Question 2: What are the characteristics required to enhance the development and adoption of entrepreneurial skills among job seekers?

Table 2: Percentage perception of respondents on the characteristics required by job seekers towards the development and adoption of entrepreneurial skills.

Characteristics Required	Industrialists		Job Seekers		Remark
	Frequency	%	Frequency	%	
Self confidence	57	57	136	68	Required
Future-oriented mission	94	94	180	90	Required
Creativity	95	95	196	98	Required
Innovative	87	87	146	73	Required
Risk taking	98	98	152	76	Required
Originality	68	68	106	53	Required
Leadership	73	73	122	61	Required
Action oriented	63	63	166	83	Required
Being proactive	70	70	124	62	Required
Coordinatorof scarce resorts	66	66	174	87	Required
Wealthy	22	22	60	30	Not required





Items

Key: Q1 – Q20 on the Questionnaire

Data presented in Table 2 shows that the respondents agreed with ten (10) out of the twelve(12) characteristics presented. They most agreed that creativity is required (95%, and 98%) for the development and adoption of entrepreneurial skills so as to be self reliant. Respondents disagreed (22% and 30%) that a job seeker should be wealthy before he could take the option of establishing a business of his own. However, they have divergent views (35% and 57%) on the statement that a job seeker should be extremely educated before he could establish his own business

Research Question 3 what are the factors required to promote entrepreneurial climate for entrepreneurs

Table 3: Ranking order of entrepreneurs' perception on factors required to promote entrepreneurial climate in industries. N-100

S/N	Factors to Promote Intrapreneurship	%	Ranking Order	Remark
1.	Establishment organizational vision/mission statement	70	7	Required
2.	Top management support	94	3	Required
3.	Multidiscipline team work	73	6	Required
4.	Reinforcements to be encouraged	70	7	Required
5.	Encouragement of voluntary efforts	66	9	Required
6.	Encouragement of trial and error methods	58	12	Required
7.	The use of technology/modern machines	83	5	Required
8.	Encouragement of innovations	95	2	Required
9.	New ideas and creativity to be encouraged	98	1	Required
10.	Adequate resources to be made available	63	10	Required
11.	Failure to be taken as part of work	60	11	Required
12.	Reward on attainment of established performance goals	90	4	Required

Results contained in Table 3 indicated the raking order made by the entrepreneurs to encourage intrapreneurial climate in an industries. They opined that new ideas and creativity should be encouraged, followed by the encouragement of



innovations. They also ranked top management support as 3rd and reward on attainment of established performance goals as 4th. However, they agreed that all the identified twelve factors are required for intrapreneurial skills development in industries. However, they ranked least the statement that trial and error method should be encouraged even when it was believed to be required as a factor.

Findings and Discussion

The findings of this study shows that respondents agreed with the twenty identified traits as needed by job seekers towards the development and adoption of entrepreneurial skills required to set up and sustain a business of their own or to perform effectively in industries. This findings is in agreement with those of Nwafor (2007) and Aderogba (2011) who identified essential competencies and skills required for entrepreneurship development for students in schools and tertiary institution.

The study also revealed the ten (10) most important characteristics adjudged to be required by job seekers towards the development of entrepreneurial skills for self reliance. This findings is backed up by the earlier findings of Igbo (1998), Fadakini and Famiwole (2002) who listed the different qualities of entrepreneurs. In 2011, Aderogba quoted Leghara and Mbah (2009) to reveal the identified characteristics that are common to most successful entrepreneurs as ability to take reasonable risk, self confidence, hand work, as well as ability to set goals, accept the success and failure of one work and to be innovative.

The findings of the study shows in Table 3 the factors required to promote intrapreneurial climate for entrepreneurs in industries. The finding indicated that new ideas and creativity should be encouraged to promote intrapreneurship in industries. The finding is in consonance with Ogunjobi (2012) who defined an intrapreneur as a creative individual working for himself or working for an organization. According to him, where he works for an organization and still does the work of an entrepreneur, he is called an intrapreneur. According to Ogunjobi, to engender creativity and enhance continuous innovation, intrapreneurship, as a factor, plays a vital role.

Conclusion

Arising from the findings of this study are the identified traits and characteristics adjudged to be required by job seekers towards the development and



adoption of entrepreneurial skills needed to start and sustain a business or to perform effectively in industries. The finding also identified factors or climate required to promote intrapreneurialship in industries. Intrapreneurial leaders, just like entrepreneurs, have to be visionary and flexible, they should understand the business environment, stimulate and support the team work and encourage suggestions and open discussions aims at increasing the productivity of the organization or industry. It has been emphasized that one of the ways of tackling unemployment and economic depression is to reduce unemployment, encourage business establishment and increase the GDP. The end product of economic depression is increase in poverty level of the people; hence any attempt at reducing the poverty level and unemployment through the establishment of small and medium will go a long way to tackle economic depression.

Recommendations

Based on the findings of this study, the following are recommended.

1. Schools, Colleges and Tertiary institutions should review their curriculum to teacher or inculcate the identified traits and characteristics in their students.
2. Training institutions and apprenticeship programmes should also train appropriate traits and characteristics that are required for entrepreneurial skill development and adoption process.
3. Appropriate climate should be created in industries for more intrapreneur to emerge so as to improve the creativity of entrepreneurs and increase the output or productivity of the business set up.
4. More Vocational Education Schools and Vocational Community Centers should be established in all the states of Nigeria.
5. Specific learning experience and traits that would enable graduates to form high habits and thinking necessary for success in their business should be encouraged by teachers, educators and instructors in schools, training institutes and by in all apprenticeships programmes.
6. Industries and all small and medium enterprises should work more in partnership with vocational schools, training institutes and the apprentice to make known the specific traits and characteristics required for proficiency in a job areas in their organizations and industries.



7. Governments in Nigeria should diversify the money realized from crude oil production to the development of small and medium business and enterprises.
8. More funds should be allocated to Faculties and Departments where Entrepreneurial Studies are being undertaken in all tertiary institutions in Nigeria.
9. Approaches to solving economic crisis in Nigeria should includes a renewed, an integrated and systematic entrepreneurial skill development in schools, colleges, training institutes community Vocational and Technical Centres and through the National Youth Service Corps in Nigeria.

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