REFLECTIONS ON ENTREPRENEURSHIP EDUCATION IN AFRICAN TERTIARY INSTITUTIONS

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It is a well-established fact that several developed economies grew on the back of small businesses and entrepreneurial development. It stands to reason then that the development of Sub-Saharan Africa (SSA) can also be catalysed by a rise in the number of entrepreneurs and entrepreneurial activity. In that general regard, this paper sought to investigate the state of entrepreneurship education in Sub-Saharan Africa (SSA). The method adopted in investigating this phenomenon was to critique the existing tertiary education entrepreneurship structures (where these existed at all) and to proffer recommendations where anomalies were discovered. It came to light that despite the critical importance of entrepreneurs in the economic development of a nation, Sub-Saharan African (SSA) countries have not fully developed strategies to tap this resource. What the countries have, are haphazard policies designed to promote the lesser or uneducated individuals in the informal sector into entrepreneurship. SSA educational leaders must find ways to structure their curricula so that all or most of their students can take courses in entrepreneurship. This is essential for SSA countries in order to move them from their present disadvantaged economic status, to greater economic and social development. A tentative syllabus for African tertiary education is proffered at the end of the article but its robustness needs to be tested.

Keywords and phrases: Entrepreneurship, Education, Sub-Saharan Africa

THE ROLE OF THE ENTREPRENEUR IN ECONOMIC GROWTH

Economic growth is a function of the growth in resources and the rate of technical change. Land, labour, capital, and entrepreneurship are the resources in the factor of production. Lately, many economists have studied the effects of these resources or inputs to identify the causes of economic growth. They have identified entrepreneurship growth as the primary source of growth. Through empirical analysis, some have argued that capital which was supposed to be the primary factor in growth was less important in the growth of gross domestic product per capita as compared to technical growth (Slow, 1957). However, the growth in technical change needs to be explained. The major contribution to the growth of every nation is attributed to the entrepreneurial factor (Schumpeter, 1949). The entrepreneur comes up with the ways of doing things, that is, innovations that are responsible for growth of technical progress. It is not the growth in quantity of the other inputs that fosters economic development but rather it is the entrepreneur who takes the risk of innovation, organises and coordinates the inputs.

Economists have maintained that the major obstacle to economic growth of poor nations is lack of educated entrepreneurs who are able to mobilise and coordinate production inputs. For financial institutions that are able to lend funds to uneducated entrepreneurs who lack managerial expertise, is to throw their money away. It is not the financial capital that is lacking but rather knowledge, ability, and skills of entrepreneurship that people possess. All other resources of production can be substituted for one another, but entrepreneurship is a complement. The more of other resources a nation has, the more entrepreneurial resources needed to organise, combine and coordinate them. Thus, the bottleneck of developing nations is lack of entrepreneurial skills. The world community has discovered that to create jobs in countries means they must enhance potential entrepreneurship. As noted by Timmons (1989), the General Assembly of the United Nations in its deliberations during the 48th session came up with a resolution to encourage its members to cultivate and expedite the growth of entrepreneurship in the countries. Any country’s
economic growth depends on its ability to create new jobs through entrepreneurship. The countries that will succeed must develop well-trained aspiring entrepreneurs who are willing and able to take on the leadership role in job creation.

In SSA countries, a staggering number of people are engaged in informal business that dominates their economies. Approximately, fifty percent of the businesses are owned by women who buy and sell their products in the market places. The products are comprised mainly of imported goods and some processed and unprocessed farm products. This has been the trend in the post-independence period and it is alarming. In this activity there is little or no production that adds value to the economy that is needed for growth.

THE IMPORTANCE OF THE ENTREPRENEUR IN SSA’S DEVELOPMENTAL AGENDA

Entrepreneurs perform a vital function in the economic development of a nation. This is well accepted in the literature. They are recognised as the human agents needed to replace old products with new and better products. They also add value to economic resources, create employment, and add much more to the national income than what it would have been under normal circumstances. The rate of economic growth depends upon the size and rate of growth of entrepreneurs in the economy. They act as an engine for sustainable long-term economic growth. They discover new technologies and new profit opportunities that ultimately direct national resources towards the most productive activities. As Kraft and Sobel (2003) put it, the driving force between economic freedom and economic growth is entrepreneurial activity. Economic freedom creates the environment to put one’s ideas into effect without any repercussions. The person has the right to enjoy the success of ideas in the form of profit or bear the agony of defeat in the form of loss of resources. The sovereign power does not have the right to frustrate or impose its will on the enterprise. Thus, to have development, the country must foster economic freedom that tends to usher in entrepreneurs.

Despite the critical importance of entrepreneurs in the economic development of a nation, Sub-Saharan African (SSA) countries have not fully developed strategies to tap this resource. What the countries have, are haphazard policies, which does not really reflect the importance of entrepreneurship to the development of the respective Sub-Saharan African (SSA) countries. National programs have been developed with the aim of increasing entrepreneurial activity by means of reforms, but these have proven to be infeasible or disappointing. There are numerous management training programs that have been developed to strengthen accounting, finance, marketing, and management skills, but these do not constitute entrepreneurship education. The skills are those of a small business management education that is quite different from entrepreneurship education. Entrepreneurship courses are those that deal with innovations and starting a business by an individual whereas small business management education deals with running a business once it has been established (Klatt, 1988).

In much of SSA, the need for identifying and motivating potential entrepreneurs is underscored by population pressure, the need for government to reduce its hiring of employees, and lack of adequate growth in the private sector. Many young graduates from tertiary institutions apply for employment in the private sector that simply does not exist because the expected growth in these businesses does not materialise. In addition, governments are forced by the World Bank, International Monetary Fund, and other International Finance Institutions (IFIs) from whom the countries borrow monies to undertake stringent fiscal and monetary policies. By implication, SSA countries must reduce the bloated public sector jobs. Thus, these countries need strategies that increase and create jobs in the private sector. The countries also need employers instead of just employees if they are going to be productive and add to the national product. This is the crux of the problem facing the SSA countries.
It is critical for SSA leaders to think about entrepreneurship education. While it is true that some of their citizens may be born with genetic and environmental proclivities that destined them for entrepreneurship, the preponderance of evidence suggests that more people can be trained to become entrepreneurs. That is, a country can increase its potential entrepreneurs by formal education. As Kent (1990) has put it succinctly, "education... can make a profound difference in the future supply of entrepreneurs" There is a plethora of evidence in the literature to support this view.

INTRODUCTION TO ENTREPRENEURSHIP EDUCATION

According to Brazeal and Herbert (1999), the study of entrepreneurship is still in its infancy. That notwithstanding, there appears to exist a consensus that entrepreneurship education and training has a major role to play in the development of entrepreneurial attitudes, abilities and related skills (European Commission, 2002). According to Brockhaus (2001) "one of the first courses [in entrepreneurship or small business] was offered at the Harvard Business School in 1947. Peter Drucker taught another early course at New York University in 1953". However, it was only in the last two decades of the twentieth century that any considerable attention was paid by academia to the role of higher education in the creation of graduate entrepreneurs (Hills, 1986; Scott and Twomey, 1988). It is possible to agree with Timmons (1989) that "Entrepreneurship is the ability to create and build something from practically nothing. It is initiating, doing, achieving, and building an enterprise or organisation, rather than just watching, analyzing or describing one. It is the knack for sensing an opportunity where others see chaos, contradiction and confusion.

Research evidence from a variety of sources seems to suggest that individuals attending entrepreneurship courses have a higher tendency to start their own business at some point in their career then those attending other courses (Kolvereid and Moen, 1997; Carter and Collinson, 1999; Klofsten, 2000; Galloway and Brown, 2002; Ibrahim and Soufani, 2002). Whilst the entrepreneurship education literature might still be ambivalent about whether or not entrepreneurs are born or made, there is ample evidence to show that university entrepreneurship programs could have a positive bearing on entrepreneurship development in a country. In Canada for example, university entrepreneurship programs tend to be the driving force behind training Canadian entrepreneurs. Menzies (1998) and Menzies and Gasse (1999) found that 53 Canadian universities offer courses in entrepreneurship and small business management. Upton et al. (1995) found that 40 percent of those who attended courses in entrepreneurship have started their own businesses, while 30 percent joined family businesses and only 30 percent worked for large organizations. Ibrahim and Ellis (1986) reported similar results. Those attending entrepreneurship courses have a high tendency to start their own businesses compared with those attending other business courses.

Further research evidence suggests that entrepreneurship training is critical to venture success (Ibrahim et al., 2001; Béchard and Toulouse, 1997; Vesper, 1993; McMullan and Vesper, 1987; Ibrahim and Goodwin, 1986). Research evidence in the UK has shown that most new jobs were created by a small proportion of high quality, fast growing SMEs (Storey et al., 1987; Smallbone et al., 1995). It would seem that most SMEs are born out of entrepreneurial activity. As Rae (1997) has suggested "... the skills traditionally taught in business schools are essential but not sufficient to make a successful entrepreneur". While students still need to develop their business skills and understanding, more attention needs to be paid to the development of their entrepreneurial skills, attributes and behaviours. This means introducing modules and courses specifically designed to develop in students the awareness and characteristics of the entrepreneur. According to Rae (1997), these need to include, among others:
• communication skills, especially persuasion;
• creativity skills;
• critical thinking and assessment skills;
• leadership skills;
• negotiation skills;
• problem-solving skills;
• social networking skills; and
• time-management skills.

ENTREPRENEURSHIP EDUCATION IN AFRICA: SOME RECENT EVIDENCE

Contributions from Tertiary Institutions

It would seem as if the study of entrepreneurship globally is a response to a criticism of the traditional educational systems where many African countries train tertiary students into thinking that they should always be aiming to be employed by someone. In what seemed like an attempt to rectify this anomaly, the University of Ghana (in 2004) decided to introduce a course in entrepreneurship as a compulsory course for all freshmen entering into the university in the 2005 academic year. The Ghana Institute of Management and Public Administration has also been running entrepreneurship courses for several years and has even introduced an undergraduate program in entrepreneurship for businessmen who might not have the necessary pre-entry qualifications for standard undergraduate university programs. These moves are part of attempts at the broad macro policy levels to develop and cultivate an entrepreneurial mindset amongst Ghanaian youth.

Contributions from Governmental Agencies

In Ghana, 92% of all businesses are also classified as SMEs and consequently the government has seen the wisdom in promoting innovation and entrepreneurship at the tertiary level so that tertiary students can get involved in entrepreneurial activity at relatively young ages. The Ministry for Private Sector Development (MPSD) was set up in Ghana just over two years ago with one of its keeping mandates: to fan the flames of entrepreneurship amongst Ghanaian youth. In furtherance of that vision Hinson (2004) notes that "MPSD has done a lot of quality work in the Entrepreneurship arena". In relation to this work Hinson (2004) alludes to, notable achievements have included the facilitation of entrepreneurial activities in the orange growing and salt mining sectors. Entrepreneurial financing, and several entrepreneurship youth competitions like the “Grow the Young Entrepreneur Competition” are also testimonies to the entrepreneurial development work being carried out by the MPSD. These entrepreneurship competitions have resulted in the doling out of thousands of dollars to start up young entrepreneurs. Another activity being organized by the MPSD is “Captains of Industry” Programme where documentaries are being produced to showcase and disseminate success stories of Ghanaian entrepreneurs to spur more Ghanaian youth on to becoming entrepreneurs. The Ministry is also funding Student in Free Enterprise (SIFE) activities.

Contributions from International Organizations

International organisations like Students In Free Enterprise (SIFE), which is a global non-profit organization, have also sought to improve the quality of life and standard of living around the world by teaching the principles and values of free market economics and entrepreneurship. An interview with the Ghanaian SIFE president revealed that in 2002 alone, SIFE programs—which operated in 1,700 universities in 42 countries, sponsored well over 5,000 community-based business development training/educational projects worldwide. Examples of SIFE Africa Projects implemented in 2002 & 2003 are explored below:
Examples of SIFE activities

University of Ghana SIFE (Accra, Ghana)
The Team’s village Industry Project made a significant difference to the village of Kporimkpo by teaching women and unemployed youth how to make soap from locally available coconut and palm oil. From a village of approximately 350, most of whom were subsistence farmers with a monthly wage of 10,000 cedis (9,200 cedis = 1 dollar), 20 participants were randomly selected to learn the process of soap-making, how to practice business in a socially responsible manner, and proper record-keeping. After three weeks of intensive training with support from the GHACOE Women’s Ministry, production began in earnest, with thirty cakes of soap produced per day. The initial 20 participants have since taught 40 others, and the people have formed a cottage industry. Production has increased to two hundred cakes per day. Another 20 villagers were taught marketing strategies, and receive commissions for selling the product. Participants now make approximately 150,000 cedis per month.

University of the Free State (Bloemfontein South Africa)
The SIFE Team partnered with Technikon Free State, the Department of Agriculture, Managing Municipality, MUCPP, and various private companies, to start Etsa Phanpan Agricultural Project. ‘Etsa Phapang’, which means ‘making a difference’, is a community-based program where vegetables are grown in hydroponics tunnels and broiler chickens and eggs are produced. SIFE UFS conducted two workshops for the 16 beneficiaries of the project on conflict management and marketing techniques. SIFE UFS trained the attendees on how to secure contracts with produce markets in order to increase profitability.

THE NEED TO EDUCATE TERTIARY STUDENTS IN ENTREPRENEURSHIP

The entrepreneur is a motivator, risk taker, and self-confident person who wants to take control of his or her destiny. Failure is not in his or her vocabulary even though there is high probability of failure. When failure comes, it will be accepted and he/she will try again. Such a person manages success very well. These are the attributes of an entrepreneur. If we accept the fact that teaching entrepreneurship will develop or enhance the traits of entrepreneurial potential, then we must follow this. This will be a broad-based process and a long-term survival instrument of any set-up business.

But who are the potential entrepreneurs among the tertiary students that must be educated? Educators cannot screen the student population for potential entrepreneurs. They do not have any proven method of selecting those who have the innate potential of entrepreneurial spirit. Thus, the educators should provide the much needed general education in entrepreneurship to embrace all students regardless of their majors. While it is true that entrepreneurial education is in economies, it ought not to be limited to that field alone. Since potential entrepreneurial talent is found in all disciplines, curricula should be developed to accommodate for all.

THE URGENCY FOR ENTREPRENEURSHIP EDUCATION

As a measure of the urgency of the problem particularly for those countries that are trying to practice democracy, it should be noted that the more entrepreneurs a country has, the lower the probability that there will be a coup d’etat or social upheaval. The reason is that as more jobs are created by entrepreneurs with subsequent higher incomes for workers, there will be less economic discontent among the populace to give the military the excuse to interfere in politics. But more important is the story of black Africans taking the enormous risk of crossing the Sahara desert to go to Europe. Some of these people are graduates of tertiary institutions. They take
battered transportation and sometimes walk many miles in conditions that are totally unimaginable.

CURRENT EDUCATION

Formal education today in SSA is unabashedly oriented towards preparing students for employment in the public sector and already established business entities. The curricula content and context conveyed are that students must be prepared for careers in which they will be working for an existing private business or a public institution. This presumption in our educational system is largely reflected in the old colonial system of education. During that era, the educational system was to educate students to fill the bureaucratic positions or the limited positions in the private sector. The education for entrepreneurship was and is to a large extent absent. But, as stated before, it is having the knowledge, skills, and abilities about entrepreneurship that are needed to create jobs which are lacking in most SSA countries. The feeding of SSA’s young men and women into employment by business or public agency is damaging for at-risk youth populations. There is nowhere for them to get access to knowledge about entrepreneurship except in the family environment. They observe their families particularly, fathers and mothers, or in some rare cases participate in the family’s informal business themselves. Since most of the fathers and mothers have little or no education, these ad-hoc experiences provide only a few at-risk youth the chance of acquiring entrepreneurship experience. The young are often trained to take over the management of the firms when their parents retire or die. In effect, they are replacing the old entrepreneurs who are no longer able to work. This does not bode well for these countries since these small businesses do not increase employment for the foreseeable future. Another crucial point is that it is the informal sector to which jobs gravitate, but it lacks the potential for real growth. The tunnel for entrepreneurial vision is then limited to what they learn from their parents or the extended families. The wide vision that they do have access to includes going to work for somebody or becoming the managing director of an existing business. This ironically tends to narrow their vision because it confines them to better their grades in school for their objective choice of becoming “hot-shots” at a later time.

The lack of education in entrepreneurship also has consequences for rural developments and their youth. Many students from rural areas finish tertiary education without any desire to go back to the village or towns they came from because there are no jobs and the living conditions there are not good. They aspire to get big jobs with good living conditions in the big cities or urban areas. Thus, the rural areas are left with those who have little or no education and who depend on small-scale farming. Those without farms are left to fend for themselves and many times a large number of them go to the big cities hoping to find a formal or informal job. This gives rise to overcrowding of cities with accompanying negative externalities such as infectious diseases that can eat up national resources without any benefit.

REFLECTIONS, CONCLUSIONS AND RECOMMENDATIONS

In SSA, only few colleges and universities offer a degree program in Entrepreneurship. Makerere University, Uganda stands out as the best. Noted in the introduction to the Bachelor of Entrepreneurship and Small Business program at Makerere, is a statement that globalisation of business and the recent privatisation of State Enterprises have resulted in loss of government jobs for graduates of the institution. Most colleges and universities have a course in either entrepreneurship or small business management. Examples are the Small Business Management (or SME management) course of the University of Ghana, University of Swaziland, and University of Nairobi, and Entrepreneurship at the University of Swaziland. All of them are located in the School or College of Business.

The first type of program is devoted to a degree program from a department of entrepreneurship. It uses integrated systems that offer course work to its students who choose to do the degree
program. The program is located in the traditional academic business schools or colleges. As in Makerere University, the courses are drawn from traditional academic business schools or marketing, and management principles with one or two courses devoted to entrepreneurship. This approach, while not complete, is better than offering a course in entrepreneurship or small business management as it is done in most SSA colleges and universities. At least, it is a start that can attract the attention of administration of these schools. It shows a higher commitment of the financial and management of the department.

However, the program prevents those majoring in other degree programs such as Engineering, Economics, and Medical Science the opportunity to take a course or two because of the structuring of the curricula in SSA tertiary education. The same thing can be said of small business management or entrepreneurship course at the Department of Business or Management. The rationale for this pedagogical problem is that, unlike the United States of America, the Colleges and Universities in SSA are structured after the ex-colonial nations’ higher education systems. Each degree program is set for its students and they cannot go into other programs to take a course or two. The curricula are structured in such a way that the students must follow them religiously. The SSA educational leaders must find ways to structure their curricula so that all or most of their students can take courses in entrepreneurship. This is essential for SSA countries to wake up from deep sleep and march towards economic development. In conclusion, it would seem that the reasons for introducing entrepreneurial studies in African tertiary institutions could be summed up below:

i. Graduate unemployment
ii. Paradigm shift – from being an employee to becoming an employer
iii. In response to making the private sector as the true engine of growth – with entrepreneurs as drivers of that engine.
iv. A way of enhancing on human resources of African economies – towards self-employment
v. Entrepreneurial and innovative skills are also needed for renewal of the country’s decaying public institutions in Africa.

A tentative syllabus based on the reading of the socio-political climates in most African countries might dwell on the Entrepreneurship course being organised into two parts – concepts and practice. Part 1, which is theory, should focus on the basic concepts of Entrepreneurship. Part II, which is application of theory to Practice, should deal with entrepreneurial processes, organisation, market research and the relationship between entrepreneurship and the environment. More specific topics that might be treated would include: Entrepreneurship and Innovation, the Venture Creation Processes, Acquisition of Resources: different types of resources, Business Forms: Advantages and disadvantages, Legal frameworks, Capital Needs: Funds and Sources of Funding, Business Entry Strategies: Advantages and Disadvantages, Business Plan development, Business and Society: Understanding the Business Environment, Business Ethics and Corporate Responsibility and a Practical Orientation which might focus on linkages with the successful entrepreneurs for real time business experience, inspirational talks and tips for entrepreneurial success. It is finally useful to point out that this general syllabus will have to be tested in a cross section of African countries to determine whether its robustness is serving the needs of the African continent. African entrepreneurship education should begin to feature more regularly in African policy debates because innovation and entrepreneurship has a big role to play in the prosperity of the African continent in the new millennium.

REFERENCES


