



## **BUSINESS EDUCATION: A TOOL FOR POVERTY ALLEVIATION**

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### **Abstract**

*This paper examined the impact of Business Education in alleviating poverty among graduates of business education. Poverty is a global phenomenon and Nigeria unfortunately happens to be a victim of this ugly situation as it is one of the poorest countries of the world. It is believed that poverty can be greatly influenced by the type and level of education acquired by the individual, as it is a tool for economic empowerment. This paper also discussed factors that if not addressed and improved upon will contribute to a greater poverty level being experienced by the learners. Identification of viable business opportunities was also discussed. It is recommended that government should take issues of providing more functional equipment in schools, strengthening the teaching staff and funding of business education very seriously.*

**Keywords:** *Business Education, Poverty Alleviation, Economic empowerment*

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### **Introduction**

Poverty is a global phenomenon and Nigeria unfortunately happens to be a victim of this ugly phenomenon as it is one of the poorest countries of the world. There is the strong belief that poverty can be greatly influenced by the type and level of education acquired by individuals as functional education is a tool for economic empowerment. The poverty situation in Nigeria has become so serious that it is regarded as one of the major developmental challenges to her economic and social growth. Poverty is antithetical to human right (Zanna, 2000). Research has it that about 50% of Nigerian population is living in poverty. With these Nigerians cannot, with any degree of comfort, afford the basic needs for human living (viz food, clothing and shelter). Moreover, Nigerian leaders on their part have made various efforts and attempts to check and arrest these unprecedented situations. Fabulous sums of money have been spent over decades to alleviate the degree of poverty in the country.

Todaro and Smith (2003) also observed that in the developing world, more than 1.2 billion people live on less than \$1 per day at purchasing parity and more than 2.8 billion (that is half the world population) live on less than \$2 per day. These sets of impoverished people often suffer from malnutrition and poor health; and live in environmentally degraded areas or dilapidated urban slum. Osuyi (2005) posited that nearly one third (1/3) of the developing world is very poor, including 48% of the those in Asia, 33% of these in middle East and North Africa and 25% of those in Latin America. According to the United Nations Report (1999), the Nigerian Human Development Index (HDI) was only 0.416, which placed Nigeria among the 25 poorest nations in the world.



This assumption has made successive Nigerian governments to initiate some measures to reduce or eradicate poverty and its impact on the people. These measures as identified by Idowu, Gberevbie, Moses, Duruji and Bankole (2013) include: setting up of the directorate of food, road and rural infrastructures (DFFRI); better life for rural women (BLRW); national directorate of employment (NDE); bank of industry (BOI); family support programme (FSP); the national poverty eradication programme (NAPEP), subsidy-reinvestment and empowerment programme (Sure-P), national economic empowerment and development strategies (NEEDS) among others. The list of poverty interventions already carved out in Nigeria is inexhaustible. Implementation of these programmes seems not to tackle poverty. Sustaining it is what tackles poverty (Aliyu 1999a). According to Aliyu (1999b), several poverty alleviation programmes in Nigeria have failed due to overlapping functions among institutions which led to unhealthy rivalry and conflicts between the public institutions charged with poverty alleviation programmes. The Federal Government of Nigeria in the year 2013 started a programme known as the framework for the integration of out-of-school children from the South-East and South-South States into the Basic education programme. One of the objectives of this programme was to empower the youths from these areas with functional skills for self-reliance and ability to contribute to the development of the society. If implemented, the initiative was expected to reduce the out-of-school syndrome occasioned by the get rich-quick attitude of youths. The initiative would among other things ensure human capacity development and poverty reduction. (UBE, 2013). However, these laudable programmes were never fully implemented by government, therefore there were not impactful in alleviating poverty as initially planned.

In one of the four key strategies of NEEDS, (that is, implementing a social charter which emphasis welfare, health, education, employment, poverty reduction, empowerment, security and participation), business education has a vital role to play in poverty alleviation in this country. With about 50% percent of the population as children, education is seen under the National Economic Empowerment and Development Strategy (NEED) as most important bridge to the future and a powerful instrument of empowerment (Aliyu, 2000). Business education as the instrument of empowerment possesses the basic preparation for two of the most important endeavours known to mankind, business and education.

### **Clarification of Business Education**

Business education plays a prominent role in preparing students to become responsible citizens, capable of making astute economic decisions that will benefit their personal and professional lives. Business teachers introduce students to the basics of personal finance, decision-making techniques needed to be wise consumers, the economic principles of an increasingly international marketplace, and the processes by which businesses operate. In addition, they provide a solid educational foundation for students who want to successfully complete their business education programmes which will enable them to be versatile in the business environment.

Ezeani (2012) and Olise (2014), opined that business education produces responsible, productive and self-reliant citizens. Ezeani and Olise further stated that due to the quality of business education graduates in terms of skill acquisition and creation of jobs, it the importance of business education in inculcating in the recipients knowledge, values, attitudes and skills needed in the business world cannot be overemphasized. According to Igboke (2000), business education is a



dynamic field of study geared towards preparing youths and adults for and about business. It is a preparation for a career in business where instruction is designed to prepare youths and adults for actual practice in the world of business. On the other hand, education about business involves preparation of youths and adults for intelligent and effective consumption of economic goods and services offered to society in a free enterprise economy.

It could be deduced from the definitions above that business education is an education for and about business. It combines both theoretical and practical knowledge. In the same vein, it exposes the recipients to the economic system of the country and equips the recipients with lifelong skills that would enable them to make reasonable judgments as producers (entrepreneurs), employer or consumers of goods and services. Finally, Obi and Otamiri (2010) summarized the objective of business education to include:

- 1 to produce efficient and effective management, secretarial, accounting and marketing managers.
- to produce lecturers who will handle business and related courses in our universities and colleges.
- to propagate the development of business thought and philosophy in business and management.
- to prepare people for self-employment in situations where there is no available paid employment.
- to expose the students via the available courses to the limitless horizon of the business world and prepare them for roles as qualified administrators and managers in business organizations.
- to develop in the students requisite skills and expertise in management of both private and public enterprises and arm them with the analytical ability needed to meet the growing challenges of present and future Nigerian and international environment.

A career in business education includes knowledge in the technical education commercial education, entrepreneurship education and vocational education. This is to enable the beneficiary to be competent enough to contribute greatly to national acquisition of business skills, understanding and attitudes to enable the recipients identify problems and to proffer lasting solution to such problems in order to have a beneficial effect on both himself and the society at large (Ojo, 2005).

Business education enables the recipients to develop employment and entrepreneurial skills, Okenwa (1999), perceived entrepreneurship as the willingness and ability of individuals to seek out employment opportunities, establish and run an enterprise successfully. Others are pooling of various scarce resources for production and distribution of goods and services, organization and management of the human and material resources for the attainment of the objectives of the enterprise.

Business education leadsto gainful employment and productivity thereby alleviating poverty. Moreover, the World Bank Report (1995) clearly stated that education is a major instrument for promoting economic growth and reducing poverty and specifically, indicated the linkage between business education and poverty alleviation. Business education goes a long way in enhancing the capacity of the individual in conducting business, be it in engineering, medical, legal or other forms of business endeavours.

The growth of business education in the country seem not encouraging owing to so many factors. These factors if not addressed and improved upon will contribute to a greater poverty level being experienced by the learners. Oloidi, (2000) outlined the problems of business education:



- Lacks of modern equipment for proper training of the students. Most of the available equipments are obsolete and do not meet needs of the time.
2. Dearth of staff in the business education departments. Most of those trained prefer working in companies to teaching. This is because of poor societal perception of teachers in the country in particular.
- Few lecture halls/classrooms for the business education courses. If available, there are few or no desks for the students. In its totality, the learning environment is not conducive. Little or no emphasis is made on the place of business education in the current UBE programme. As such, people are not willing to enroll for the programme of study and as such fail to acquire the skill needed for them to be self-reliant and employable.
- The Nigeria society has poor regard for vocational education programme (with business education being an integral part of it). Most Nigerians view this form of education as education for the never do wells or drop outs. This is evident on the very low population of students receiving vocational education nation-wide. Most of the States in the country till date have not and are still not willing to set up separate boards for the management of vocational and technical education in States. This is because they have little or no value and regard for vocational education.
- The government finds it extremely difficult to release reasonable fund to this programme. Consideration is not given to the acquisition of machines, tools and materials for practicals which will enhance students' skill acquisition. This therefore makes it difficult for the students to acquire the proper skills.

### **Identification of Viable Business Opportunities**

Business education equips the recipients with skills that would enable them to identify viable investment opportunities in the society. Through this, they would be able to see opportunities where others see chaos. It would also equip them with skills that would make it possible for them to use the SWOT (strengths, weaknesses, opportunity and threats) analysis to function well as entrepreneurs. With this background in mind, it could be observed that business education could promote entrepreneurship by promoting people to strive toward the utilization of the identified opportunities through taking calculative risks (Gidado & Akaeze, 2014).

**Skills for Financial management:** Accounting education is an integral part of business education. It is thus, a potent tool for promoting financial prudence and business success. According to Adamu (2009), the inability of some small and medium-scale entrepreneurs to keep financial records negatively affects the growth of their businesses, ability to secure loans from financial institutions and determination of cost and profit. The knowledge of business education would therefore help toward proper keeping of financial records. It would also guide the entrepreneur in cost analysis, inventory control and profit determination.

**Utilization of Proper Marketing Skills:** The Inculcation of marketing skills is among the focus of business education. According to Gidado (2011), marketers conduct surveys leading to the identification of people's needs and wants and develop products that would meet those needs and wants. This implies that business education could promote entrepreneurship through making entrepreneurs to properly perform their entrepreneurial functions. This is because the knowledge of marketing would prompt them to make good use of the seven-ps of marketing namely; product, price, promotion, place, people, process and physical evidence. It is expected that this would lead to the development of sound product idea which would be translated into an acceptable product mix which



will make an entrepreneur to procure products that will be appealing to the customers. Finally, acquisition and utilization of the right marketing skills will promote entrepreneurship by leading to proper and acceptable pricing of the product, making it available at the right place and time as well as using the right promotional technique(s) to stimulate customers to buy the product.

**Skills for Proper business management:** Management is crucial to the success of any entrepreneurial effort. As deduced from Aruwa (2006), managerial incompetence of some Nigerian entrepreneurs is among the problems of entrepreneurship in Nigeria. Business education can therefore help in ameliorating this problem and thus become a tool for promoting entrepreneurship. This is because attaining proficient skills in economics and management skills would make both current and potential entrepreneurs to successfully manage their ventures through the processes of planning, organizing, directing and controlling the available human and material resources. Similarly, their knowledge of economics is expected to make them to be rational and also ensure proper allocation and utilization of the available resources.

**Avoidance of Business Failure:** It is the desire of every entrepreneur to ensure that his business survives over a long period of time. But some business ventures do not last long. According to Gana (2001), once a business ceases to be in operation, it is said to have failed. Based on the nature of business education, it has the potentials of helping entrepreneurs to avoid business failure. This owes to the fact that it equips its recipients with skills for identifying the symptoms of business failure. Some of these symptoms include; declining sales, deteriorating working capital, declining profit and high debt ratio. With this information in mind, the entrepreneurs stand the chance of avoiding the failure of their businesses.

### **Conclusion**

Business education is a practical oriented programme. Thus, it is a tool for poverty alleviation. In this study it was discussed that business education is a vital tool that equips students with the needed knowledge and skills to be self reliant. In another vein, business education students can also be productive individuals who will become factors or drivers of the economy by applying the skills and ability learnt in the classroom situation into becoming entrepreneurs. The government at all levels through appropriate agencies should actively create policies that will positively enhance the participation of graduates who are equipped with business competence (skills and knowledge) to actively engage in entrepreneur business by providing facilities such as accessibility and minimal interest rate on loans, provision of adequate infrastructure and conducive business environment to operate in. Undoubtedly, business education is the proper education for poverty alleviation.

### **Recommendations**

Enough infrastructures should be put in place with modern and adequate facilities provided, for conducive teaching and learning exercise.

Government at all levels should mount campaigns on the essence of business education for self-reliance, prestige and national development by introducing the course, business studies in all junior secondary schools in the whole federation, so that students can start appreciating the course at the early stage of their education.

More functional equipment should be provided in every institution offering business education. This will enhance proper training of the students towards the acquisition of the right skills.



Governments, communities, business organizations and philanthropists should key into business education in Nigeria by funding it properly in order to meet the objectives of ensuring self-reliance and poverty alleviation.

More and adequately trained teaching staff should be recruited and well remunerated so that they can put in their best.

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