



ENTREPRENEURIAL COMPETENCES REQUIRED OF BUSINESS EDUCATION GRADUATES FOR SMALL SCALE BUSINESS OPERATIONS IN DELTA STATE, NIGERIA

Eziechine, Charity Uche (Ph.D) & Agwazie, Bridget (Ph.d)

Department of Vocational and Technical Education

(Business Education), Faculty of Education.

University of Delta, Agbor, Delta State.

charity.eziechine@unidel.edu.ng, bridget.agwazie@unidel.edu.ng

Abstract

The study examined entrepreneurial competences required of business education graduates for small scale business operations in Delta State, Nigeria. Descriptive survey research design was employed. Three research questions and one null hypothesis guided the study. The study was conducted in the two Universities (University of Delta, Agbor and Delta State University, Abraka) where business education is offered. The population of the study comprised 240 lectures and students that made up of 35 business education lecturers and 205 final year business education students. The entire population of the two hundred and forty (240) was used as sample due to its manageable size. A structured questionnaire with four rating scale was used for data collection. The instrument was face and content validated by three research experts from the Department of Vocational and Technical Education, Faculty of Education, University of Delta, Agbor. The reliability of the instrument was determined through test re-test method. Data collected were analyzed, using Cronbach Alpha. Reliability coefficient index of 0.86 was obtained. Data collected from the questionnaire were analyzed using mean and standard deviation for the research question while independent sample t-test was used to test the null hypothesis at an alpha level of 0.05. Findings indicated that entrepreneurial competencies are paramount in small scale business operations. The study concluded and recommended that acquiring financial management problem- solving ethical skills among others are ideal and should be used to promote small scale business operations.

Keywords: Entrepreneurship, Business Education Entrepreneurial Competencies, Small-Scale Business Operations

Introduction

Entrepreneurship has become a widely recognized key driver for sustainable business growth and job creation, especially in developing nations where small-scale enterprises play vital roles in economic growth and development. However, the success of establishing and growing small scale business largely depend on the entrepreneurial competencies possessed by business owners. Entrepreneurial competencies are critical factors in business operations and goals particularly in this current era of increasing dynamism in business operations

(Mojab, 2018). Fundamentally, Business Education programme equips students with entrepreneurial competencies that will enable them establish small scale business. The programme through its entrepreneurial-based courses is geared towards skill acquisition, facilitation & business establishments, development, and growth. Okoye and Ashibogwu (2018) describe business education as the aspect of educational training received by individuals with the aim of acquiring attitudes, concepts, knowledge, understanding, and skills needed in business operations. It is the education for and about business, a kind of concept that signifies quality education with attention on development of skills, capabilities and attitudes for wealth creation. The European Commission (2014), asserts that business education is a new way of acquiring proficiency that promotes students' creative perception that allow them gain suitable careers opportunities of becoming professional entrepreneurs and wealth creators

The fundamental position of business education in fostering skill acquisition for entrepreneurship cannot be over-estimated. The European Commission (2014) asserts that business education enhances students' innovative competencies in establishing small-scale business. This global recognition of the invaluable functions of business education in equipping students and graduates with entrepreneurial competencies has made entrepreneurship education to be an important component in the global business world. With a structured learning environment, business education empowers graduates with theoretical and practical knowledge and attitudes needed for smooth navigation in any business environment. According to Ogburn (2019), business education creates business awareness and opportunities for individuals to create business and become wealth creators. Entrepreneurial competencies enhance capabilities and creativity through real-life learning experiences. In the opinion of Olawolu and Kaegon (2022), entrepreneurial competencies enable graduates to become entrepreneurial thinkers. The authors further assert that becoming entrepreneurial thinker requires the combination of several skills, such as financial management skills, problem-solving skills, ethical/social responsibility, communication/public relation skills, opportunity recognition skills, among others. Among these valuable skills which are required in business operations are essentially, the financial management skill, problem solving skills and ethical/social responsibility skills.

Financial management skills are crucial for making informed decision on financial disbursement procedures. The acquisition of financial management skills enables



business owners to adequately distribute fund and maintain good business financial records. According to Okpan (2016), financial management skills refer to the ability to manage funds and keep concise and adequate financial records. The skill also refers to the ability to effectively plan, classify, regulate and monitor financial resources to achieve business goals. There are several key financial management skills, these include, budgeting, analysis, cash flow management, cost control, risk management among others. The ability to optimize these key skills requires identifying financial risk and minimizing them, critical thinking in translating figures into practical terms and ability to create financial plan to track income and expenditures. Effective financial management capabilities are widely regarded as essential for addressing financial challenges within organizations. Numerous scholars emphasize that sound financial practices contribute significantly to a business's ability to navigate economic uncertainties and ensure sustainability (Williams & Lee, 2019; Ahmed & Zhang, 2020; Thompson et al., 2021; Rivera & Gomez, 2023).

Problem solving skills are highly sought after by entrepreneurs as most business operators rely on each other to identify and solve business problems. This skill is among the most important that potential entrepreneurs must possess before starting a business. Saygili (2020) noted that problem solving is a process of moving towards a goal when the path is uncertain. The author further explained that being effective in problem solving requires some other key skills like critical thinking skills and creativity skills because defining and solving problem often requires emotional intelligence and risk management. Problem solving skill is the ability to identify problem and profile immediate solution. In the view of Abazou (2016), problem solving skills involve the identification of problems, defining the cause of the problem, examining the possible solutions and acting on the resolution. The process of solving business problem is complex and as such requires the acquisition of ethical and social responsibility skill to be able to resolve issues related to business ethics and socio- cultural concerns in business.

Ethical and social responsibility skills are inevitable skills required for stress free business operation. Ethical responsibility competencies guide business operators in making fair and moral decisions. Trevino and Nelson (2021) assert that ethical skills involve the ability to identify ethical concerns while social responsibility skills involve

possessing the capacity to discern wrong from right, exercise moral reasoning and take responsibility in line with business ethical principles and societal expectations. They also encompass abilities to identify ethical dilemmas, make concrete decisions and act in a manner that will benefit the individual and the society. According to Carroll (2021), ethical responsibility skills involve some key aspects of moral awareness, integrity and honesty, transparency and accountability while social responsibility skills involve corporate social responsibility, diversity and inclusion among others. These skills help business operators to navigate legal requirement and adherence to corporate laws. In the view of Harrison and Klein (2023), ethical and social responsibility skills are fundamental to personal integrity, sustainable business practices and entrepreneurial success. Entrepreneurs are potential risk-bearers that require calculated step in order not to void progression and sustainability in business. Risk-bearing in business is a social responsibility that involves solving business and societal problems. Managing business risks effectively requires not only resilience and crisis-handling abilities but also adherence to ethical standards and alignment with societal expectations. Several researchers argue that ethical crisis management and socially responsible risk-taking are essential components of sustainable business practices (Brown & Keller, 2019; Hassan & Rivera, 2020; Mendez et al., 2021; Chen & Wallace, 2023). Possessing entrepreneurial competencies therefore could enhance the aspirations of business education graduates to becoming great entrepreneurs that can build, nurture and flourish in business operations.

Statement of the Problem

Business education is fundamental in the equipping of graduates with the theoretical and practical knowledge and skills needed in business. The programme enhances graduates' valuable proficiencies in financial management, problem-solving, ethical/social responsibilities, opportunity recognition among others. These critical remain a prerequisite in running a smooth and successful business. Examining the extent of the acquisition of these entrepreneurial competencies has become inevitable due to some inefficiencies observed in the operations of small scale businesses by some business education graduates. There Observations seem to reveal that some categories of business education graduates lack proficiency in small scale business operations. Despite the increasing awareness and academic teachings in business education and entrepreneurship, previous researches have shown that some categories of business education graduates still lack capabilities and skills



in growing and sustaining small scale businesses. These fundamental lapses have generated doubts on the effectiveness of business education programme and the entrepreneurial competencies embedded in it. In view of the fore going, it has become imperative to critically examined the entrepreneurial competencies required of business education graduates for small scale business operation in Delta State, Nigeria.

Purpose of the study

The main purpose of the study was to examine the entrepreneurial competencies required of business education graduates for small scale business operations in Delta State, Nigeria. Specifically, the study:

1. ascertained the financial management skills required of business education graduates for small scale business operations
2. identified the problem-solving skills required of business education graduates for small scale business operations
3. ascertained the ethical/social responsibility skills required of business education graduates for small scale business operations.

Research Questions

The following research questions guided the study

1. What are the financial management skills required of business education graduates for small scale business operations?
2. What are the problem-solving skills required of business education graduates for small scale business operations?
3. What are the ethical/social responsibility skills required of business education graduates for small scale business operations?

Hypothesis

1. There is no significant difference between perceptions of business education lecturers and students on entrepreneurial competencies required of business education graduates for small scale business operations.

Methodology

The study adopted descriptive survey research design. Three research questions guided the study with one null hypothesis formulated and tested at a significance level of 0.05. The study was conducted in the two Universities (University of Delta, Agbor and Delta State University, Abraka) Delta State where business education programme is offered. The population of the study comprised 240 lecturers and students of Business education in the

two universities. This was made-up of 35 business education lecturers and 205 final year business education students. The entire population of the two hundred and forty (240) was used as sample based on total enumeration technique. A structured questionnaire with four rating responses of Strongly Agreed (4points), Agreed (3points), Disagreed (2points), and Strongly Disagreed (1point) was used for data collection. The questionnaire titled “Entrepreneurial Competences Required of Business Education Graduates for Small Scale Business Operations” (ECRBEGSSBOQ) was face and content validated by three research experts from the Department of Vocational and Technical Education Faculty of Education, University of Delta, Agbor. The reliability of the instrument was determined through test re-test method. Data generated was analyzed using Cronbach Alpha reliability method and it yielded a reliability coefficient index of 0.86. Data collected with the validated questionnaire were analyzed using mean and standard deviation for the research questions while t-test was used to test the null hypothesis at an alpha level of 0.05. The decision rule for the research questions were based on an average mean score of 2.50, where any item with a mean score of 2.50 and above was regarded as Agreed, while items with mean score below 2.50 were regarded as Disagreed. The null hypothesis was formulated based on alpha level at 0.05, Where the observed t- value exceeds the critical t-value, null hypothesis was rejected and accepted if the critical t-valve is greater than the observed t-value.

Results

Research Question 1: What are the financial management skills required of business education graduates for small scale operations?

Table 1: Mean responses on the financial management skills required of business education graduates for small scale operations

S/N	Entrepreneurial Competencies	X̄	SD	Remark
1	Ability to set clear financial goals and develop strategies to achieve them	3.08	0.54	Agreed
2	Ability to monitor cash flow to ensure enough fund	2.54	0.69	Agreed
3	Ability to determine product price based on cost analysis	2.47	0.92	Disagreed
4	Ability to analyze business break-even point to understand profitability	3.01	0.86	Agreed
5	Ability to take financial decisions based on financial reports	2.96	0.84	Agreed
6	Ability to evaluate different funding options before making financial commitments	2.84	0.56	Agreed
7	Ability to understand key financial statements and cash flow	2.53	0.89	Agreed
8	Ability to comply with financial tax regulations	2.56	0.74	Agreed
9	Ability to understand generally accepted accounting principles	2.55	0.51	Agreed
10	Ability to adjust financial budget based on market forecast	3.24	0.23	Agreed
	Grand Total	2.78	0.68	Agreed



The analysis of research question one as shown in Table 1 reveals that the mean response of respondents ranged from 2.47-3.24. Apart from item number 3 that achieve a mean score of 2.47 indicating disagreed, the rest of the item mean scores fall above 2.50 depicting agreed. With an aggregate mean score of 2.78, it implies that respondents' assertions lean towards the affirmation that financial management skills are required for small scale business operations. With a standard deviation range of 0.23-0.92 and an aggregate of 0.68, this suggests slight variation in responses.

Research Question 2: What are the problem-solving skills required of business education students for small scale operations?

Table 2: Mean (\bar{X}) rating of respondents on the problem skills required of business education graduates in small scale operations

S/N	Entrepreneurial Competencies	\bar{X}	SD	Remark
1	Ability to articulate business goals to stakeholders	2.54	0.43	Agreed
2	Ability to identify business challenges and their root causes	3.04	0.23	Agreed
3	Ability to generate solutions when faced with business difficulties	2.62	0.34	Agreed
4	Ability to apply critical thinking skills when solving business problems	3.23	0.46	Agreed
5	Ability to handle business feedback professionally	2.85	0.76	Agreed
6	Ability to identify and analyze potential risks before launching a business	2.64	0.68	Agreed
7	Ability to adapt effectively to unexpected business challenges	2.73	0.56	Agreed
8	Ability to use data and facts to support problem-solving decisions	3.20	0.89	Agreed
9	Ability to be proactive in finding innovative ways of solving business problems	2.76	0.68	Agreed
10	Ability to learn from past mistakes to improve business strategies	2.73	0.85	Agreed
	Grand Total	2.63	0.59	Agreed

From the analysis of research question two in Table 2, it is apparent that all the ten items are the problem-solving skills required of business education graduates for small scale business operations. The mean responses were ranged from 2.54 -3.23 with an aggregate of 2.63 above the criterion mean of 2.50. The result indicates that respondents agreed that problem-solving skills are required of business education graduates for small scale business operation in Delta State, Nigeria. With the standard deviation range of 0.23-0.85 and an aggregate score of 0.59, it signifies the existence of gap among respondents' perception, this could be possibly due to difference experiences or background knowledge.

Research Question 3 What are the ethical/social responsibility skills required of business education graduates for small scale business operation?

Table 3: Mean (\bar{X}) rating of respondents on the ethical/social responsibility skills required of business education graduates for small scale business operation

S/N	Entrepreneurial Competencies	\bar{X}	SD	Remark
1	Ability to conduct business with integrity	2.65	0.96	Agreed
2	Ability to comply with legal and ethical standards	3.67	0.84	Agreed
3	Ability to treat business partners with fairness and respect	2.65	0.76	Agreed
4	Ability to take responsibility for business decisions	2.98	0.68	Agreed
5	Ability to avoid unethical practices such as fraud or false advertising	3.10	0.86	Agreed
6	Ability to prioritize the privacy of customers and employees	3.23	0.65	Agreed
7	Ability to support local community on social issues	2.89	0.76	Agreed
8	Ability to use ethical sourcing and environmentally friendly materials	2.90	0.79	Agreed
9	Ability to actively seek feedback from stakeholders to improve ethical practices	2.66	0.94	Agreed
10	Ability to ensure that my business contributes positively to the community and society	2.58	0.76	Agreed
	Grand Total	2.93	0.80	Agreed

The analysis of research question three as shown in Table 3 shows that the mean scores of all the ten items on ethical and social responsibility skills required of business education graduates for small scale business operations area all rated above the criterion mean of 2-50. With mean scores range of 2.58-3.67 and an aggregate mean of 2.93 above the criterion mean, it is obvious that there is agreement among respondents that ethical and social responsibility skills are required of business education graduates for small scale business operations in Delta State Nigeria. The standard deviation scores ranged from 0.65-0.96 with an aggregate of 0.80, this depicts consistencies in the respondents' responses.

Hypothesis

Ho: There is no significant difference between perceptions of business education lecturers and students on entrepreneurial competencies required of business education graduates for small scale business operations.



Table 4: Independent sample t-test result of the mean responses of business education lecturers and students on entrepreneurial skills required of business education graduates for small scale business operations

Répondents	N	\bar{X}	SD	df	t-value	p-value
Decision						
Lecturers	35	7.34	1.12	56.10	2.38	0.021
Students	205	6.83	1.47			
						Sig

The analysis of data in Table 4 reveals that the mean perception score of lecturers is 7.34 with a standard deviation of 1.12 while the mean perception score of students is 6.83 with a standard deviation of 1.47. The statistical t-value is 2.38 with a degree of freedom of 56.10. The p-value is 0.021 which is less than 0.05, therefore the null hypothesis which states that there is no significant difference between perceptions of business education lecturers and students on entrepreneurial competencies required of business education graduates for small scale business operations is rejected. This means that there is a statistically significant difference between perceptions of business education lecturers and students on entrepreneurial competencies required of business education graduates for small scale business operations in Delta State Nigeria. The standard deviation value of students is 1.47 and that of business education lecturers is 1.12, this suggests that students had more variability in their responses compared to lecturers' responses.

Discussion of Findings

The findings of the study were discussed in line with the research questions and the null hypothesis. The findings with respect to research questions revealed that financial management skills are highly required by business education graduates for small scale business operations. This is because ability to manage funds and keep concise and adequate financial records enhance business survival and growth. In support of this finding, Okpan (2016) postulated that financial management skills give individuals the capability to manage funds and keep concise and adequate financial records. Finding with respect to research question two also revealed that problem solving skills enhanced small- scale business operations. This is because business operations entail risks that require problem solving mentality and attitude. In corroboration with this finding, Saygili (2020) noted that problem solving skills are

highly sought after by entrepreneurs as most business operators rely on each other to identify and solve business problems. The finding of the study with respect to research question three further revealed that ethical and social responsibility skills play crucial roles in enhancing business operations. This is because ethical responsibility competencies guide business operators in making fair and moral decisions. In support of this findings, Harrison and Klein (2023) revealed that ethical and social responsibility skills are fundamental competencies that foster sustainability in businesses. Furthermore, these skills contribute positively to mutual understanding of the business practices and the operational environment. Also, Mendez et al. (2021); Chen and Wallace (2023) affirmed that ethical maintenance and taking social responsibility are crucial in building solid and mutual business environment by ensuring that business decisions are in coherence with business policies and the societal norms.

With respect to the null hypothesis, the finding showed that there is significant difference between perceptions of business education lecturers and students on entrepreneurial competencies required of business education graduates for small scale business operations. The finding of the study is naturally expected because lecturers have more cognitive abilities and technical experiences than their opinions with respect to perceived entrepreneurial competencies required of Business Education graduates for small scale business operation in Delta State, Nigeria.

Conclusion

Based on findings, the study concluded that success in small-scale business operation is rooted in entrepreneurial competencies. The study observed a significant difference in perceptions between business education lecturers and students on entrepreneurial competencies required for business operations. With a higher mean score for lecturers than that of the students, it suggests that business education lecturers have a better understanding than the students as regards the critical importance of entrepreneurial competencies in small scale business operations. Bridging this gap is integral to ensuring that students are adequately exposed practically to the inevitable entrepreneurial skills they require for success in small scale business operations



Recommendations

Based on the findings and conclusion of the study, it was recommended that;

1. Stakeholders (Curriculum planners and policy makers) should make adjustment in business education curricula for adequate and proper integration of entrepreneurial competencies/skill into academic programmes of tertiary education students to encourage undiluted practical academic teaching that will align graduates with the real-world demands in business operations in this era of graduate unemployment in Nigeria.
2. Business education lecturers should strive to bridge the gap between theoretical knowledge and practical skills for better perception on entrepreneurial competencies by incorporating their experiences and exposure into teachings for maximum understanding.
3. Regular training (workshop, conferences and seminar) should be organized for both lecturers and students to broaden their insight to financial management, problem-solving skills which are needed to promote job creation through effective operation of small business.

References

- Abazou, R. (2016). *How to improve your problem-solving skills*. Retrieved from <https://www.top.universities.com>.
- Ahmed, R., & Zhang, L. (2020). *Strategic financial management in turbulent markets: A resilience perspective*. *Journal of Business Economics*, 75(3), 312–330.
- Brown, L., & Keller, J. (2019). Ethics in corporate risk management: Balancing profitability and responsibility. *Journal of Business Ethics*, 154(2), 367–382.
- Carroll, A.B. (2021). Corporate social responsibility: A Review of concepts and research: *Business & Society Review*.
- Chen, Y., & Wallace, T. (2023). Crisis management, corporate resilience, and the role of ethical governance. *Corporate Governance Review*, 31(1), 59–78.
- European Commission, (2008). Entrepreneurship in higher education, especially within non business studies: *European Commission*. Brussels.
- Harrison, D.A. & Klein, K.J. (2023). *Diversity in Organization: A Critical Examination*: Routledge
- Hassan, R., & Rivera, S. (2020). Social responsibility and risk-taking behavior in emerging markets. *International Journal of Business and Society*, 21(3), 487–501.
- Mendez, F., Carter, L., & Singh, R. (2021). Resilient enterprises: Navigating crises with ethical foresight. *Global Business Review*, 22(6), 1231–1248.
- Mojab, F.Z. (2018). Applying competency-based approach for entrepreneurship education: *Procedia-Social and Behavioral Sciences*, 12, 436-447
- Ogwu, A.T., & Edet, E.U. (2021). The role of ethics and leadership in enhancing employability skills among business education graduates: *Nigerian Journal of Business Education*, 9(3), 67-78
- Ogwuogo, E. (2019). Business education as a panacea to economic emancipation in Nigeria: challenges and prospects: *Journal of Research and Methods in Education*, 11(1), 17-23.
- Olawolu, O.E., & Kaegon, L. (2022). Entrepreneurship education as a tool for youth empowerment through higher education for global work place: *European Journal of Social Science Education*, 9(1). <https://doi.org/10.26417/eiser.v4i1.p9-14>
- Okoye, K.R.E., & Ashibogwu, N.K. (2018). Strategies considered effective by business educators for quality assurance in business education programme in Universities in south- south Nigeria: *European Journal of Business Management*, 10(2). www.iiste.org
- Okpan, M.O. (2016). Business education competencies required for entrepreneurship development: *Business Education Journal*, 5(2), 24-31.
- Rivera, M., & Gomez, T. (2023). *Financial decision-making and performance outcomes in SMEs*. *International Journal of Financial Studies*, 11(1), 1–18.
- Saygili, S. (2020). Examining the problem-solving skills and the strategies used by high school students in solving non-routine problems. *E- International Journal of Educational Research*, 8(2), 91-114
- Thompson, J., Miller, A., & Singh, V. (2021). *Corporate finance strategies for sustainability and growth*. *Journal of Finance and Management*, 39(2), 145–161.
- Trevino, L.K., & Nelson, K.A. (2021). *Managing business ethics: Straight talk about how to do it right*. Wiley
- Williams, D., & Lee, H. (2019). *Financial literacy and management in modern enterprises*. *Business Strategy Review*, 28(4), 89–105.