

CONCEPTUALIZATION OF ENTREPRENEURSHIP EDUCATION FOR FUTURE WORKFORCE IN DEVELOPING COUNTRIES IN THE 21st CENTURY

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ABSTRACT

The discourse on entrepreneurship has been growing in both developed and developing countries but less focus is given to its importance as a response to the changing face of the future workforce in developing countries. The primary objective of this paper therefore is to practically explore entrepreneurship education in preparing the youths for future workforce in the 21st century. The methodology of the paper is content analysis of secondary data considering systematic literature review (SLR) which was extensively explored. Majorly, three theories of entrepreneurship were used namely: Neo-Classical, Innovative and Alert theories are contextualized in connection with entrepreneurship education for future workforce. The findings indicate that, the triadic theories showed that, level of labour, hard work, knowledge, innovation and market factors are essential for entrepreneurship education in fulfilling the needs of future workforce in developing countries. The paper also lucidly explains that the future workforce requires high levels of competence especially in decision making and team working in order to fit into the labour market of the 21st Century. Hence, it is reiterated that institutions of higher learning need to prepare students for the challenge of the workforce by preparing them with entrepreneurial skills that will make the adequately function well in the work place in the future. In conclusion, the significance of entrepreneurship education as an important element for propelling entrepreneurial activities in particular and overall socio-economic development cannot be underestimated. It is thereby suggested that, various entrepreneurship centres should be established in institutions of higher learning where creative and innovative ideas of entrepreneurship would be cultivated in youth in order to prepare them for the future of workforce in developing economies.

Keywords: Entrepreneurship Education, Future Workforce, Labour Market, Neo-Classical, Innovative and Alert Theories.

INTRODUCTION

Remarkably, the high rate of unemployment population in the contemporary society calls for a concern by the economic leaders across the world. There are a number of factors emanating from global economic competitiveness as a result of an emphasis on knowledge driven economy which is considered as part of significant changes occurring in the workforce. As a result of this, many countries have been trying to harmonize entrepreneurship training in its mainstream education. It is in the light of this that, since many decades ago, US began with a slogan of “back to basics” while UK emphatically stressed on competency-based education. It is on this basis that, UK introduced National Curriculum that is market- based in order to address the challenges of high rate of unemployment among the teaming youth (Betcherman & Lowe, 1997). Nonetheless, most contemporary economic activities in most developing countries are undoubtedly regarded as perforated economic system because less attention is given to

harmonization between education and entrepreneurship in fulfilling the needs of future work force as literature contends (Henchey, 1999). It is henceforth necessary to posit that the future of school and education should be responsive to the future of work (Spring, 1999; Frey & Osborne, 2013).

Several studies have examined entrepreneurship in connection with Small and Medium Scale Enterprises (SMEs) and little attention is given to entrepreneurship education in the context of most of developing countries. There has been challenge of unemployable graduates and entrepreneurship education will be helpful in solving and reducing the rate of unemployment in many developing countries Africa (e.g. Nigeria). Hence, motivation for this paper is to practically examine the extent of assertion of World Bank (2014) that education is instrumental in promoting entrepreneurial skills and attitudes especially by bridging the gap between the earlier classical theories (i.e. neo-classic theory, innovative theory & alert theory) (Marshall, 1961; Schumpeter, 1991; Kirzner, 1997) and recent theory of entrepreneurship education with specific focus on status and performance of entrepreneurship; capability and mindset as literature contends (Valerio et al., 2014) in the context of developing countries.

The spirit of entrepreneurship has not been clearly solidified through the instrumentality of education in most developing countries despite the fact that World Bank (2014) has lucidly confirmed explored the entrepreneurship education and training programmes in different parts of the world. For instance, it is affirmed that the developed economies such as USA nurtured innovators successfully when compared with the economies of Europe and East Asia. This is so because, USA used to show encouragement for dynamism among youngsters and high-growth businesses. More importantly, entrepreneurship education has not been made viable especially as a process of discovery opportunities of creating new wealth through entrepreneurial activities.

It is therefore important to cultivate the spirit of entrepreneurship in undergraduate students in order to utilize it in meeting up with the needs of future workforce in both developed and developing countries. The paper explores an overview of entrepreneurship, theoretical basis of entrepreneurship, entrepreneurship education for future of workforce and conclusion and suggestions are drawn.

An Overview of Entrepreneurship

Entrepreneurship education has not universally acceptable definition but the term is being used depending on the perspectives of scholars defining it. The term entrepreneurship has been used commonly in US and Canada and UK and European countries preferred the use of enterprise (Betcherman & Lowe, 1997). Several studies used the term entrepreneurship and few studies used it interchangeably with the term enterprise as being used in the aforementioned countries (US and Canada and UK and Europe) (Frey & Osborne, 2013). Entrepreneurship education refers skills that develop creation of large or small scale business or enterprise which has significant impact on socio-economic development as literature posits (Acs et al., 2008). Creative and innovative ideas that bring about development in various aspects such as social, governmental and economic aspects are required especially by making education and training instrumental to broadly design to accommodate entrepreneurial skills (Walker & Joyner, 1999; William, 1999). The features of creativity and innovation should be stimulated in students in order to develop new mindsets in them towards starting up a new business or enterprise because the quality of education has impact on the economic growth (David & Alan, 1996).

There has been meticulous attention on entrepreneurship education by the academicians, policymakers and researchers in both developed and developing countries. Literature such as

Azim & Kahtani (2014) highlighted that the situation necessitating the need for entrepreneurship education is as a result of high level of unemployment among the teeming youths. In order to address the challenge of unemployment and unemployable graduates, governments and corporate bodies have been striving in equipping the students with entrepreneurial knowledge and skills necessary for them to excel after graduation (Kostoglou & Siakas, 2012). It is as a result of this that, researchers have greatly emphasized on the paramount importance of education and training as impetus for intervening in solving the problem of unemployment and improvement on economic development (William, 1999). There are different assertions by the research as regard to whether entrepreneurship education can be taught or not.

On one hand, some researchers contend that some people are naturally endowed with entrepreneurial skills and they can be successful without education and training. On the other hand, it is not doubtful to say that, people enroll into business institutes mainly to acquire entrepreneurial skills. It is because of the assumption that entrepreneurship skills can be acquired that many academic researches-theoretical and empirical studies- have made entrepreneurship education to be grounded as a field of study to be acquired. Literature contends that, entrepreneurship is considered as an innovation in curriculum by harmonizing it with the contents of academic programmes in various institutions of learning despite the fact literature stresses on need for women entrepreneurship knowledge and skills especially in developing countries (De Groot, 2001; **Azmi & Kahtani, 2014**). According to the World Bank (2014), it is specifically mentioned that:

“Over the last 20 years, entrepreneurship education and training (EET) programmes have mushroomed, given their promise and potential to promote entrepreneurial skills and attitudes. While the number of such programmes continues to expand worldwide, global knowledge about these programmes’ impact remains thin”.

The significance of entrepreneurship education and training cannot be underestimated in making graduates to become independent entrepreneurs with cultivation of appropriate skills that will prepare them for employability in the labour market after graduation from the university. In not shell, the entrepreneurship cannot be trivialized in the contemporary period, thus, theories of entrepreneurship are important to be explained.

Theoretical Framework of Entrepreneurship

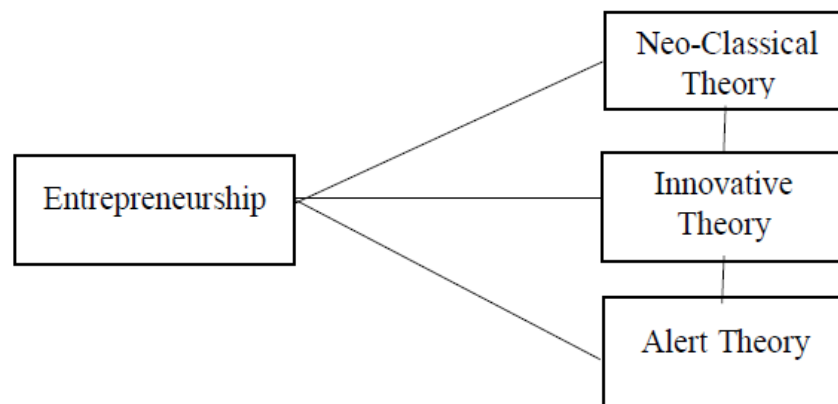
This part explains theoretical basis of this paper in connection with paramount importance of entrepreneurship education. Thus, there are two major theoretical frameworks namely: classical and new theoretical approaches of entrepreneurship examined in this part as an integral part of economic development of the nation. On one hand, there are three theories under classical theoretical framework and the framework adapted from Valerio et al. (2014) is considered as a new theoretical framework used in the study. Each of these segments is explained in the subsequent paragraphs.

Pertaining to the classical theories of entrepreneurship, indeed, the theories of entrepreneurship have been investigated since few decades ago; it should be given sufficient practical attention in fostering economic prosperity in the developing countries. Nonetheless, three theories of entrepreneurship are examined in this paper namely: Neo-classical theory, Innovative theory and Alert theory. Each of these theories is explicated in the subsequent paragraphs.

First, neo-classic theory of entrepreneurship was propounded by Marshall (1961). There are three underlining predictors ascribed with this theory which are: level of labour, hard work

and knowledge. It is further elucidated that the level of labour by anyone indulging in business transaction is a determinant for the actual profit being earned. Thus, hard work is a basic attribute for getting an exorbitant profit according to this theory. Also, knowledge and skills about entrepreneurship is important for an entrepreneur to excel in any business transaction. Lastly, the theory repudiates an assumption or an attempt to attribute exploitation with the business transaction (Yu, 2001). This theory is important as it will encourage students to be assiduous or laborious, hard work and acquiring knowledge that will promote economic prosperity at individual and collective levels. Nonetheless, the weaknesses of theory are that it does not take other factors into account such as political, social, and technological factors among others. For instance, the government interventions in business transaction must be taken into consideration in any attempt to explain theory of entrepreneurship education.

Second, Innovative theory is a commonly familiarized theory entrepreneurship in different parts of the world. The exponent of the theory was Schumpeter (1991). This theory criticizes the earlier theory of Marshall (1961) that emphatically stresses on the level of labour, hard work for successful entrepreneur. Undoubtedly, Schumpeter (1991) contends that innovative or creative idea is an essential requisite for successful entrepreneurship education. Instead of Schumpeter (1991) criticizing the earlier theory, it would have been appropriate to harmonize innovative or creative idea with the neo-classical theory because no theory claims superiority over others; however, each theory bounds to have shortcomings or limitations inherent in it. Nonetheless, Schumpeter (1991) is supportive or in agreement with Marshall (1961) with regard to the paramount importance of knowledge as an essential factor in fostering entrepreneurship education. It is thereby important that undergraduates of various universities in Nigeria are exposed to innovative or creative idea while exposing them to entrepreneurship education.



Note: Adopted from Marshall (1961); Schumpeter (1991); Kirzner (1997)

FIGURE 1
THEORETICAL FRAMEWORK OF ENTREPRENEURSHIP

Third, alert theory of entrepreneurship was propounded by Kirzner (1997). This theory attempts to explicate and harmonize between neo-classical theory of Marshall (1961) and innovative theory of Schumpeter (1991). The alert theory, thus, elucidates that it is significant for an entrepreneur should be aware that market is an essential determinant for being a successful entrepreneur. This theory claims to integrating between the earlier theories, however, its

emphasis on market inferably means that it does not take other factors as mentioned by the previous theories into consideration. Thus, market factor, should rather be a complementary with underlining factors highlighted in the earlier theories of Marshall (1961) and Schumpeter (1991).

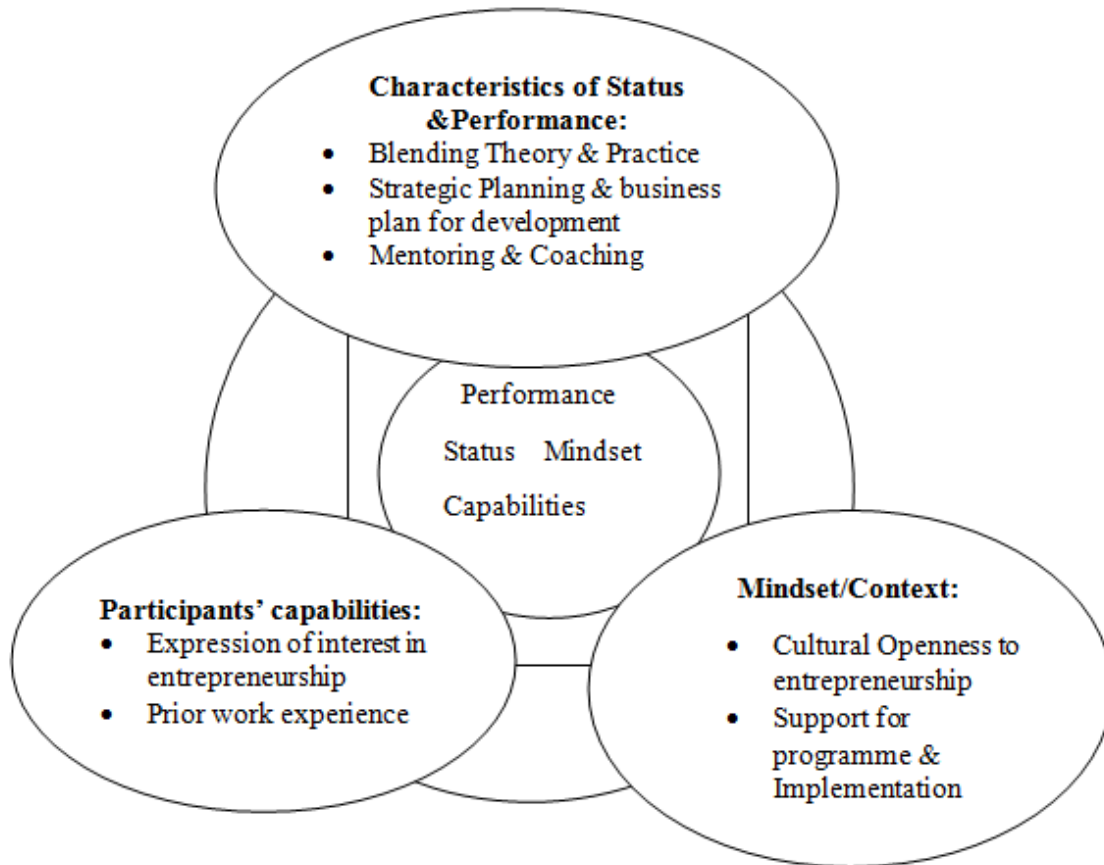
Figure 1 illustrates entrepreneurship and three theories related to it as explicitly explicated by their exponents.

Based on the foregoing explanations of the three theories, the fragmented ideas embodied in them should be integrated together in order to foster entrepreneurship education among undergraduate students of various universities in developing countries. Table 1 shows the differences between the theories:

S/N	Theories of Entrepreneurship	Proponents	Differences
1.	Neo-classic Theory	Marshall (1961)	It emphasizes on three levels namely: labour, hard work and knowledge and no consideration for political, social, and technological factors
2.	Innovative Theory	Schumpeter (1991)	It emphasizes on innovative or creative idea is an essential requisite for successful entrepreneurship education
3.	Alert Theory	Kirzner (1997)	Market is an essential determinant for being a successful entrepreneur and there is an emphasis on the harmonization between neo-classical theory and innovative theory

Nonetheless, recent studies have re-examined the theoretical basis of entrepreneurship. It is paramount to say that, apart from the review of classical theoretical framework of entrepreneurship education, it should be complemented with new trend in entrepreneurship education. It is thereby important to stress that, the purpose of entrepreneurship education is to foster all activities that will activate entrepreneurial mindsets, skills and attitudes. It can be said that, creativity and innovation are important elements or qualities for the activation of entrepreneurship mindset. Literature contends that innovations and inventions entrepreneurship are inseparable because it successful businesses. In addition, Volkmann et al. (2009) contend that World Economic Forum posits that, *“The pursuit of opportunity beyond the resources you currently control”*. Notably, stimulation of entrepreneurship fosters businesses. According to European Commission (2015) asserts that, entrepreneurship is a learnable skill that can make business to be successful.

Furthermore, recent literature specifically Valerio et al. (2014) provides a theoretical framework for entrepreneurship education with an emphasis on considering status and performance of entrepreneurship; capability and mindset. Of each factor mentioned, there are characteristics associated with each. First, the important characteristics of status and performance of entrepreneurship are blending theory, strategic planning for business plan development and provision of mentoring and coaching for the young entrepreneurs. Second, building capabilities of entrepreneurs requires showing interest and connecting prior work experience by the participants. Third, the mindset of entrepreneurs needs cultural openness to entrepreneurship and support for implementation of the programme. Figure 2 shows the recent framework of entrepreneurship education.



Source: Recent Framework Adapted from Valerio et al. (2014)

FIGURE 2
FRAMEWORK OF ENTREPRENEURSHIP EDUCATION

Entrepreneurship Education for Future Workforce

Undoubtedly, information revolution of the contemporary time is compelling schools and educators to change pattern of overall education in order to meet the demands of economy specifically towards promoting creation of new venture mainly mass production in the era industrialization (Timmons et al., 2003). More importantly, Valerio et al. (2014) contend that:

Education is the clearest path to individual opportunity and societal growth, and entrepreneurship education is especially vital to fueling a more robust global economy. Entrepreneurs bring new ideas to life through innovation, creativity and the desire to build something of lasting value. Therefore, we must continually foster educational cultures within our companies, governments and communities to keep the entrepreneurship pipeline filled for generations to come.

This change is necessary for the school and education because quality of education is considered as necessary input in order to achieve quality output that would significantly impact the socio-economic development of the society (Manasse, 1997; Barbara & Samuel, 1997; Petridou et al., 2009). It is in the light of the above submission that Spring (1999) notes that:

Across- the developed and the developing- there is now an increasing demand for high levels of literacy, numeracy, technological skills and the competencies such as problem solving

and team-working abilities that required for successful work. It is safe to predict that the demand for these skills will remain strong in the future.

Thus, educational institutions should prepare students with entrepreneurial skills that will make them fit into the need of workforce of the 21st Century. Workers in a company or industry are referred to workforce. People who are employed are expected to acquire knowledge, competence and skills to in order to be able to discharge their responsibilities as expected of them. Undoubtedly, there is an overwhelming changes and challenges in the workforce throughout the world (Frey & Osborne, 2013). For instance, there had been substantial change of employment from what is known as resource sector of the economy (e.g. fishing, mining, agriculture) to service sector (e.g. business and personal service). Literature contends that in the modern time, there is an over 70 percent of jobs in the service while 30 percentage in the resource sector (Henchey, 1999). As a result of this, there has been a kind of polarization between low-skill jobs and high-skill jobs. The reflection of polarization is manifested in the distribution of working hours which determines the consequent earnings (Rifkin, 1995; Ministerial Task Force on Youth, 1996).

In addition, most countries are facing the challenges of how to respond to the need for knowledge driven economy predominantly attached with the 21st Century. Indeed, in every part of the world, there has been an emphasis on the high rate of unemployment in the workforce as a result of increase in population of employable individuals (Rifkin, 1995) where higher educational institutions have significant role to play (Petridou et al., 2009). It is on the basis of the shift of employment from resource sector to service sector which is an integral part of knowledge driven economy thus necessitates the need to emphasis on the entrepreneurship education as a response to the challenges of workforce in the contemporary time. It is important to stress that all employable people cannot get highly paid job, thereby, acquaintance with entrepreneurship will enable the younger ones to be self-employed.

It is not disagreeable to say that, technology has been meaningfully impacting the labour market, thereby; it must be taken into consideration and properly integrated with the discourse on entrepreneurship programmes of the future workforce. It is in line with this assertion that the study by David & Alan (1996) posit that, the school and educational quality have significant impact on students' earnings in the workplace.

The entrepreneurial spirit is reflected in the ability of entrepreneurs in exploring and searching for innovative business ideas as contrary to the exploitative behaviour of business opportunities by most managers. An inference can thereby be made that, most economists and social leaders like Schumpeter (1991) they focused much on innovation rather than economic profits. As a result of this, entrepreneurship is considered as innovation than imitation of economic ideas of creative individuals in establishing industries.

Hence, the learners must imbibe the entrepreneurship behaviour and initiative and consequently function as entrepreneurs. This is the reason why, literature contends that, entrepreneurship factor is considered as a new factor in the chain of production which is ability to discover and exploit various opportunities for the establishment or creation of a particular enterprise. However, in this context, it is explicitly differentiated from the classical factors of production such as: land, labour and capital. Thereby, entrepreneurship factor of production is explained as payment based on the income generated by entrepreneurs and lack of entrepreneurial capability in making progress in the industry.

Onwards, entrepreneurship initiative is important for the progress of existing industries of establishment of new industries. This is because; it embraces creation of new ideas, risk-taking

and innovation that broadens the progress of enterprise in order to attract the market. Furthermore, entrepreneurial behaviour is also paramount because it is related to the behaviour that harmonizes between innovation, risk-taking and proactiveness in the running of enterprise. This assertion is a further projection of classical theory innovative entrepreneurship by Schumpeter (1991) and risk-taking entrepreneurship theory. Hence, it can thereby be said that entrepreneurs are those that have innovative abilities in creating new enterprise opportunities.

CONCLUSION

This paper has lucidly identified the rate of unemployment among the team youth as a necessary factor for the need to cultivate entrepreneurial skills in them in order to fulfill the demand of the workforce as response to global economic competitiveness of the contemporary time. It has been elucidated that, entrepreneurship education should develop the spirit of creation of large of small scale enterprise predominant with creative and innovative ideas the education should be cultivated in learners before joining the workforce of which literature contends. The three theories of entrepreneurship are elaborated alongside with their predictors such as: level of labour, hard work, knowledge, innovation and market factors are necessary for entrepreneurship education. It is argued that, creation of new ideas, risk-taking and innovation are significant for the development of enterprise in order to attract the youth in the labour market. It is further reiterated that, the polarization between low and high skill jobs which required that entrepreneurial skills are essential for the functionality of students in the workforce and this may determine their future earnings. Therefore, it is suggested that, entrepreneurship centres are important to be established in various institutions of higher learning where creative and innovative ideas of entrepreneurship are cultivated in youth as an attempt to prepare them for the future of workforce.

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