

Entrepreneurial Development and Interventionist Agencies in Nigeria

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Abstract

The focus of this paper is on entrepreneurial development and analysis of Interventionist Agencies in Nigeria. It examines the critical stages or sphere of development required of the entrepreneur in order to enable him perform his strategic functions in the organization and in the context of organizational strategic management in Nigeria. In pursuit of the focus of this paper, it treats numerous issues (an overview inclusive). It also examines the entrepreneurial roles and factors affecting its strategic management importance. Furthermore it x-rays in detail the three-skill approach to entrepreneurial development. These include technical, human and conceptual skills. It analyzes some government interventionist institutions and agencies established to encourage entrepreneurial development in Nigeria. The paper posits that though there is a widespread knowledge of the efficacy of entrepreneurial development mix, integrated entrepreneurial development efforts indicates that several of the institutions established by government concentrated on a partial approach to entrepreneurial development programme. Finally, it concludes and recommends four priorities agenda to enhance the entrepreneurial development in Nigeria.

Introduction

Entrepreneurial development has been conceived by successive government as a programme of activities to enhance the knowledge, skill, behaviour and attitudes of individual and groups to assume the role of entrepreneurs. Taking this into account they have put in place confidence for building successful programmes in different parts of Nigeria (Owualah, 1999). In this regard the Federal Government has adopted several strategies and policies towards entrepreneurial development in Nigeria, by establishing Institution~ and Agencies, which provide variety of support services to entrepreneurs. Some of these Institutions and Agencies and their' contributions towards entrepreneurial development are discussed in other sections of this paper.

The policy implementation saw the introduction of entrepreneurship development programmes (EDP) in Nigeria. These programmes are usually targeted at owner-managers of small business firms as well as those identified to possess' potential for self- employment (Owualah, 1999). For instance, participants in Nigeria's National Directorate of Employment (NDE) and similar programmes in the country are expected to undergo EDP training. This usually include entrepreneurial tool which ranges from the preparation of a business plan with emphasis on finance, marketing, management and production, identification of new business opportunities, alternative suppliers and market, sources of finance, cash flow analysis and record keeping to training people to think and act in an entrepreneurial way (Amaeshi 2005).

Since this paper is on entrepreneurial development and interventionist agencies in Nigeria, the rest of the paper is structured and, discussed as follows:

- (i) Conceptual Definitions
- (ii) Entrepreneurial Roles and Factors affecting its Strategic Management Importance
- (iii) The Three-Skill Approach to Entrepreneurial Development with analysis of Interventionist Agencies
- (iv) Summary, conclusion and recommendations

Conceptual Definition

The term entrepreneurial development has been defined in various dimensions (Ndechukwu, 2001, McOliver, 1998, Ameashi, 2006). However referring to the productive transformation of an entrepreneur, a single thread runs through all of them: the ability to identify business opportunities, the ability to be able to harness the necessary resources to use opportunities identified, the ability and willingness to initiate and sustain appropriate actions towards the actualization of business objectives.

Entrepreneurship Development refers to the process of enhancing entrepreneurial skills and knowledge through structured training and institution-building programmes. ED aims to enlarge the base of entrepreneurs in order to hasten the pace at which new ventures are created. This accelerates employment generations and economic development. Entrepreneurial development 'focuses on the individual who wishes to start or expand a business. Furthermore, entrepreneurship development concentrates more on growth potential and innovation. Essentially this means the acquisition of skills that will enable an entrepreneur to function appropriately and adequately in terms of:

- Attaining present result based on previous decisions and planning for the future, based on present circumstance.
- Maintaining and developing the organized capability which makes achievement possible, and
- Coordinating the specialist functions that should enable a firm to perform the technical task in marketing, personnel, research and development, manufacturing, finance and control, especially in the face of changing technology and dynamic industry trend.

To perform these functions, the entrepreneurial development process, procedures and skill acquisition must entrench certain skills. These include conceptual skills, human skills and technical skills, which will transform the entrepreneur into a taskmaster, mediator and motivator. It is the purpose of this study to examine entrepreneurial development and also analyses the government interventionist Agencies established to encourage the development of entrepreneurship in Nigeria. That entrepreneurial development depends on three entrepreneurial skills, which affect positively the strategic management and development of entrepreneurial organizations in Nigeria.

Entrepreneurial Roles and Factors Affecting Its Strategic Management Importance

Having examined the concept of entrepreneurial development, the paper will proceed to examine it as a strategic management tool. In this regard it serves as a tool in:

(i) Leadership, (ii) risk taking, (iii) decision-making, (iv) business planning, (v) use of time effectively

Leadership

The strategic management of business organization in Nigeria is mainly determined by the attitude of the entrepreneur and his effectiveness as a leader and by the results he achieves. As a strategic management tools, entrepreneurial development requires that staff or employees be motivated. This it requires that (inspiration and not drive) motivation be infused for the purpose of optimal performance or hard work. Because it is critical for building achievers in an organization, to achieve this strategic role it demands the following (Amadasun, 2003):

(i). informing employees (ii) delegating authority and responsibility (iii) be an active listener (iv) apply the reinforcement principle (v) set specific goals and continually review them- (vi) take corrective action. The concern of the leader is to achieve the set up objective and enforce performance to meet the entrepreneurial goals through the enhancement of the welfare of the workers whom will be encouraged to realize the goals of the organization. Strategic management, according to Greene and Storey, (2004) states the typical functions of leadership as follows:

(a) enabling people and groups to achieve their objectives, (b) setting and communicating objective, (c) monitoring performance and giving feedback, (d) establishing basic values, (e) clarifying and solving problems for others, (f) organizing resources, (g) administering rewards and punishments, (h) providing social and emotional support for others, providing information, advice and expertise, (i) making decisions on behalf of others, (j) representing the group or organization to others, (k) arbitrate in dispute among his group members, amongst others.

Risk Taking

The attractiveness of a particular strategic alternative is partially a function of the amount of risk it entails. Risk is composed not only of the probability that the strategy will be effective, but., also of the amount of assets the entrepreneur must allocate to that strategy and the length of time the assets will be unavailable for the entrepreneurial development. (Palmer and Wiseman, 1999) Risk might be one reason that significant innovations occur more often in a small business enterprise in Nigeria than in large established cooperation.

The small business enterprise managed by an entrepreneur is willing to accept greater risk than would a large firm of diversified ownership run by professional management (Busenitz and Benney, 1997) Adopting a strategic management approach, the entrepreneur takes decisions in conditions of uncertainty, balancing potential success against potential loss whether or not he choose a "risky" alternative or a conservative alternative which depends on:

- The attractiveness of the alternative
- The extent to which he is prepared to accept the potential loss,
- The relative probabilities of success and failure
- The degree of which one's efforts increase the likelihood of success and decrease the likelihood of failure (Cooke, 2002)

In addition, the entrepreneur strategically and systematically assesses the likelihood of the enterprises success and the extent to which his efforts could influence the overall development of the enterprise before taking the risk. The entrepreneur's approach to risk taking is that of willingness to accept personal responsibility for the consequences of decision, regardless of whether consequences are favourable or unfavourable. In risk taking, there is also the entrepreneurial excitement regarding uncertainty. The risk taking ability of an entrepreneur is enhanced by: his self-confidence, his willingness to use his capacities to the fullest extent, his capacity to assess realistically the risk situations and the ability to alter the odds, looking at the situation in terms of their established goals. (Wheelen and Hunger 2004) Although risk taking is style behaviour, calculated risk-taking is a skill that can be improved. Here are suggested procedures for analyzing risk situation: (i) assess the risk, (ii) goal and objectives, (iii) clarify the alternatives, (iv) gather information and weigh the alternatives

Strategic Decision-making

To be entrepreneurial, it requires that the entrepreneur must be creative, especially in relation to strategic decision-making. He must strongly believe in himself and his ability to make good strategic decision. The distinguishing characteristic of strategic management in the entrepreneurial development in Nigeria is its emphasis on strategic decision-making. As organization grows larger and more complex with more uncertain 'environments, decision becomes increasingly complicated and difficult to make (Fiet 2002). In agreement with the strategic choice perspective, this paper is proposing a strategic decision making framework that can help entrepreneurs make strategic decision regardless of their level and function in the organization. One bold question that needs an answer is what makes a decision strategic? Unlike many other decisions, strategic decision deals with the long-run future of the entire organization and has three characteristics:

Rare: Strategic decisions are usual and typically have no precedent to follow.

Consequential: Strategic decisions commit substantial resources and demand a great deal of commitment from people at all levels.

Directive: Strategic decisions are set precedent for lesser decisions and future actions throughout the organization.

An entrepreneur makes some strategic decisions. According to Henry Mintzberg, the three most typical approaches, or modes, of strategic decision-making are entrepreneurial, adaptive and planning. Quinn added the fourth mode, logical instrumentalism, later (Mintzberg, 2003). As an aid to better strategic decision-making, good arguments can be made for using either the entrepreneurial or adoptive modes (or logical instrumentalism) in certain situations. The paper proposes however that in most situations, the planning mode, which includes the basic elements of the strategic management process, is a more rational and thus better way of making strategic decision. Planning mode is not only more analytical and less political than are the other modes, but it is also more appropriate for dealing with complex, changing environments.

Therefore, the proposed strategic decision making process for entrepreneurial development in Nigeria is composed of the following eight interrelated steps:

(i) Develop the basic business idea, (ii) scan and assess the external environment to determine the strategic factors that pose opportunities and threats, (iii) scan and assess the internal factors, (iv) analyze the strategic factors in the light of current situation using SWOT, (v) decide go or no go, (vi) generate a business plan, specifying how the idea will be transformed into reality, (vii) implement the business plan, via programs, budgets and procedures, (viii) evaluate the implemented business plan (Wheelen and Michaels Jr. 1997).

Success of an entrepreneur depends on its ability to make strategic decision, which improves the future profitability of the enterprise. Intuitive decision making ability, a most valuable entrepreneurial resource, comes from year of experience of being exposed to making necessary decision in increasing complex situation. Critical decisions are not easy to make and they may be required frequently. The thing worse than making a wrong decision is avoiding making any decision, remember that decision-making is an art; and the more the practice the more an expert the entrepreneur will become (Ndechukwu, 2001).

Strategic Business Planning

Planning helps to establish companies' goals. As a company grows, the grater there is need for strategic planning. Strategic planning is an elaborate systematic analysis which, influence the entrepreneurs choice of long term goals that define the corporate strategy of a firm and also the components of corporate strategy which implement the corporate strategy through programlnes / projects, policies, budgets and strategy control measures to accomplish the objectives of an organization (Onwuchekwa, 2000). Strategic business planning is the process of selecting an organization's goals, determining the policies and strategic programmes/projects necessary to achieve specific objectives, en-route to the goals and establishing the methods necessary to ensure that the policies and strategy programmes are implemented.

The importance of strategic planning includes

Strategic planning helps entrepreneurs to provide their organizations directions and purpose; it helps organizations to improve their functions in order to achieve the corporate objectives and it help entrepreneur to be responsive to a changing environment. Cole (2005) describes strategic planning as an activity, which involves decision about ends as well as results. Strategic planning is a process, which has to start at the top. That whatever else may be planned at the operating and administrative levels, the first priority has to be given to the strategic goals of the organization to enhance its development An organization that does not know where it is going and how broadly it will get there is to put it mildly, at a considerable disadvantage compared with its competitors. This were strategic planning becomes necessary. A technique that has been variously discussed as a style of management and as a process with the aim of ensuring that the organization:

- Knows why it exists and what its' principal objectives are
- Knowing what its strength and weakness are
- Knows what opportunities and threats are posed by its external environment,
- Has a base for long-term (strategic planning) and for operational (tactical) planning.
- Can identify and establish appropriate performance, and has a set of rules of conduct (polices) to guild its employees in the pursuits of its objective.

Strategic planning has process through which entrepreneurial development could be achieved. Onwuchekwa (2002) presents the strategic planning process/ steps as follows:

(a) goal formulation, (b) identifying current objective/strategy (c) environmental analysis, (d) resources analysis (e) identifying opportunities and threats (f) gap analysis (g) strategic' decision (h) strategic implementation (i) measurement and control.

Monitoring the implementation of strategic plan requires that the entrepreneur establish checkpoint to ensure that each phase of the plan is completed according to a time schedule; specific individuals should be held accountable for specific aspects of implementing the plan. Those accountable for certain out comes should be given the authority and responsibility needed to complete their tasks successfully. Good strategic planning includes making a time schedule for implementing the plan, and also includes control necessary to implement the plan successfully.

Using Time Effectively

Time is a vital item that the entrepreneur cannot save. He simply loses more and more of it as the day progresses. By the end of the day there is none left to use. An entrepreneur must manage time effectively and the key to using time effectively is through better management. Entrepreneur achieves better time management through time budgeting. The specific ways to make better use of his time include establishing goals; determine deadlines and allocating time for each important activity. Creativity, problem solving and opportunity seeking are the hallmarks of entrepreneurs.

He must therefore set aside time for activities of these kinds and all other duties should be given lower priority and be carried out later. He must use time effectively to accomplish those things that he believes are most important. He has no choice whether or not to save or spend time. Time is one of the greatest assets but time must be spent. To understand the idea of mastering time, the entrepreneur should divide time into two categories. Time determined by influences outside the control of the organization and time determined by influences within the control of the organization, for effective entrepreneurial development, the entrepreneur sets daily goals (in terms of outside influences and internal influences) this is key stone to scheduling the organizations time. If the organization daily goals are specific and attainable, the entrepreneur will have a sense of purpose during the day and a sense of accomplishment at the end of each day.

Collaborating this view, Longe (1999) says that time spent thinking about the nature of the organization may be very productive. He went further to say that the under listed questions may offer opportunities for improving entrepreneurial organizations in Nigeria:

- What economic trends during the next 5 years might affect the business?
- What new products and services should we plan to develop during the next five years?
- What research is been conducted which might affect his business development and operations?
- To what extent will technology have an impact on labour requirement for the next five years?

Critical Factor Affecting Entrepreneurial Development

Entrepreneur development takes place within a framework of forces that constitute the system environment, which are either external or internal. A critical issue in the entrepreneurial development and growth is firms' ability to adapt to its strategies to a rapidly changing system environment to which the entrepreneurs' role is critical to the success or failure of such firm (Amadasun, 2003) For the entrepreneur to be successful, he must be able to identify and find a useful niche within the large environment were it takes its risk, make strategic business plan and take/implement decisions. The various institutions and forces which determine the success or failure of the entrepreneur is its habitat also referred to as its eco-system or critical factors affecting the entrepreneurship which is equally dependent on the stability of the environment within which he operates, stability of environment exists in various degrees.

For entrepreneurial development to survive in these varying degrees depend on strategic management of the environment (Gerber, 2002). Generally, the internal forces that the business eco-system entrepreneur must face and take strategic action to adapt in Nigeria are controllable, while the external forces are generally uncontrollable.

This paper will limit itself to the under listed interrelated macro external environmental forces which impact seriously on entrepreneurial development in Nigeria. These are General environmental forces that do not directly touch on the short-run activities of the organization but that can, and often do influence its long-run decision: These external factors are: (i) demographic forces, (ii) economic conditions (iii) social and cultural forces, (iv) political and legal forces, (v) technological innovations. The entrepreneur should understand that both the social (External) and task environment must be monitored to detect the strategic factors that are likely to have strong impacts on corporate success or failure.

The Three-Skill Approach to Entrepreneurial Development with Analysis of Interventionist Agencies

This approach is based not on what good entrepreneurs are (their innate traits and characteristics) but rather on what they do (the kind of skills), which they exhibit in their strategic management approach towards entrepreneurial development. A skill implies an ability which can be developed, not necessarily inborn, and which is manifested in performance, not merely in potential. "So the principal criterion of skillfulness must be effective action under varying condition" (Wehrich and Koontz (2005). The approach suggests that effective entrepreneurial development in Nigeria rests on three basic developable skills which obviate the need for identifying specific traits and which may provide a useful way of looking at and understanding the entrepreneurial process. There has been a long-held belief that successful entrepreneur's posse innate trait that drives their behaviour (Amaeshi, 2007, Kassicieh, Padosevich and Banbury 1997). However, no one has ever been able to identify even a single innate characteristic that can be found across the entire population of successful entrepreneurs. A compelling literature has emerged that suggests that entrepreneurs are made rather than born (Fiet 2002).

Instead of focusing on descriptive characteristic of entrepreneurs, which can be misleading and unhelpful when it comes to entrepreneurial development, attention should be paid to their level of skill and how they can advance that level. Skills can be cultivated, or developed (Lichtenstein and Lyons 1996, Fiet 2002). In this section, an attempt has been made to define and demonstrate what these three skills are, namely: Conceptual Skill, Human Skill, and Technical Skill, with an analysis of Government interventionist Agencies established to encourage entrepreneurial development in Nigeria. It is assumed here that an entrepreneur is one who directs achieving certain objectives through these government efforts. Within this definition, successful entrepreneurial development appears to rest on these three basic skills. It would be unrealistic to assert that these skills are not interrelated; yet there may be real merit in examining each one separately, and assess the extent the Government interventionist agencies had on entrepreneurial development in Nigeria.

Conceptual Skill

Conceptual skill involves the ability to see the enterprises as a whole. It includes recognizing how the various functions of the organization in Nigeria depend on one another and how, changes in anyone part affect all the others and it extends to visualizing the relationship of the individual business to the industry, the community, and the political, social, and economic forces of the nation as a whole, recognizing these relationships and perceiving the significant elements in any situation. The entrepreneur should then be able to act in a way, which advances the over-all welfare of the total organization. Hence the success of the strategic decision-making depends on the conceptual skill of the entrepreneur who makes the decision and those who put it into action. When for example an important change in making policy is made; it is critical that the effects on production, control, finance, research, and the people involved be considered. And it remains critical until the new policy is successfully implemented.

Consequently, the chances for succeeding are greatly increased, and the policy makers aware of this were able to initiate developmental policies and established interventionist agencies to ensure entrepreneurial development in Nigeria (Imaga 2004). Not only does the effective coordination of the various parts of the business depends; on the conceptual skill of the entrepreneur involved, but so does the whole future direction and tone of the organization. The attitude of the entrepreneur colour the whole character of the organization's response and determine the "corporate personality, which distinguishes one company's way of doing business from another's. These attitudes are a reflection of the entrepreneurs' conceptual skill (referred to by some as his "creative ability")

Human Skill

Human Skill is the entrepreneur's ability to work effectively as a group member and to develop cooperative effort within the term he leads. As technical skill is primarily concerned with working with "things" (processes or physical objects), so Human Skill is primarily concerned with working with people. This skill is demonstrated in the way the individual perceives and recognizes the perceptions of others (people).

The entrepreneur with highly developed human skill is aware of his own attitude assumptions, and belief about other individuals and group, he is able to see the usefulness and limitation of these feelings. "By accepting the existence of viewpoints, perception and beliefs which are different from his own, he is skilled in understanding what others really mean by their words and beliefs and behaviour (Wehrich et al 2005). Because Human Skill is so vital a part of strategic management of an enterprise, the entrepreneur must develop his own skill, rather than learn on the advice of others. This will enable him. recognize the feelings and sentiments which he brings to a situation, have an attitude about his own experiences which will enable him re-evaluate and learn from them, develop ability in understanding what others by their actions and words (explicit or implicit) are trying to communicate to him, and develop ability in successfully communicating his ideas and attitudes to others to effectively actualize the development of Human Skill potentials in our Youths the Government made and sustained efforts directed at inculcating the spirit of entrepreneurship in young people and introduced EDP into the curriculum of higher educational institutions in Nigeria.

Technical Skill

Technical skills imply an understanding of, and proficiency in, a specific kind of entrepreneurial activity, particularly one involving methods, processes, procedures, or techniques.

Technical Skill involves specialized knowledge, and technical ability within that specialty, and facility in the use of the tools and techniques of the specific discipline of the three skills described in this paper, Technical Skill is perhaps the most familiar because it is the most concrete, and because in our age of specialization, it is the skill required of the greatest number of entrepreneurs. Most of our vocational and on-the-job training programs are largely concerned with developing this specialized Technical Skill. This led the Federal Government to establish various interventionist Agencies to improve the vocational Skill of the Nigerian Youths towards solving the growing unemployment problem of the economy.

The Interventionist Agencies Include

National Directorate of Employment (NDE), Small and Medium Enterprises Development Agency of Nigeria (SMEDAN), Small and Medium Industries Equity Investment Scheme (SMIEIS) and Development Finance Institutions (DFIs). These Agencies help to remove constraints on entrepreneurs and expand the opportunities available to them by providing information and needed training, financial assistance, which are considered germane to entrepreneurial development.

For instance, analysis of these agencies showed that NDE, which was established in 1987, has the main task of creating job opportunities and implementing government policies directed at solving the growing unemployment problem of the economy. It also serves as a vehicle for promoting entrepreneurship. The directorate has four programmes viz. (i) Small-scale Industries and Graduate Employment Programme, (ii) National Youth Employment and Vocational Skills Development Programme. (iii) Agricultural sector Employment programme (iv) Special Public Works programmes (Nigeria Rural Development Sector Strategy Main Report, 2004).

Furthermore, **SMEDAN**, which was established by the small and medium industries development Act, 2003 to facilitate and promote micro, small and medium enterprises access to resources required for their growth training and Development, and also lay down a structured medium and small industrial enterprises sector which will encourage and enhance sustainable economic development of Nigeria. The agency is therefore a one-stop shop for starting, resuscitating and growing micro, small and medium enterprises in Nigeria. Recently, SMEDAN has begun training of graduates under National Youth Services Corps (NYSC) on investment and entrepreneurial skills. The programme tagged: Coppers Entrepreneurial Programme (CEP) is being organized with a view to helping in the exploitation of the opportunities that abound, in the country's small-scale industry. The Agency has considered it necessary to intervene on Technical Skill development because life after graduation is becoming more challenging to the youth. In the past, most graduates depended on government for employment after graduation, but now, that is not the case, and it is therefore necessary for SMEDAN to come up with initiatives to empower NYSC members becoming self-employed and financial independent. The main target for this programme are graduates of Nigerian Universities and Polytechnics' on National Services, but there are other programmes from which other youths that fall outside this category can benefit from. Therefore "graduates are rather than job seekers" (Guardian, 2006).

In view of this, the Central Bank of Nigeria (CBN) engaged three (3) consultants to evaluate the pilot phase of entrepreneurship development centers, covering the period April 2008 to June 2010. The report has been submitted to management for consideration. Meanwhile, the centers have so far (CBN Annual Report, 2010)

In addition, an analysis of the small and medium industries equity investment scheme (**SMEIS**) revealed that it is a voluntary initiative of Bankers committee approved at its 246th meeting held on 21st December 1999. The initiative was in response to the present administration's concerns and policy measures for the promotion and development of small and medium industries (SMI) as vehicles for rapid industrialization, sustainable economic development, poverty alleviation and employment. The scheme requires all banks in Nigeria to set aside 10 (ten) percent of their profit before tax (PBT) for equity investment and promotion of small and medium industries. This serves as the banking industry's contribution to the Federal Government's efforts towards stimulating economic growth, developing local technology and generating employment through adequate entrepreneurial development policies. Funding was provided under the scheme for equity investment in eligible industries. This will reduce the burden of investment and other financial charges expected under normal bank lending, as well as provide financial, advisory, technical and managerial support from banking industries (Bankers' Committee, 2001).

Research has shown that as at end-December 2004, the cumulative sum of N28.8billion had been set aside by eight-two (82) banks under the SMEIS, compared with N20.1billion as at end-December, 2003. As the end-December, 2004 Banks had invested the cumulative sum of N8.5billion, compared with N7.1 in the previous year.

The value of investments made by banks in 2004 amounted to N1.4billion, compared with N4.7million recorded in 2003. An analysis on the cumulative investments showed that the aggregate volume and value of investment, as the end December 2004 stood at 168 and N8.5 billion, respectively. The share of the real sector was 68.0% (114 projects) and 66.0% (N5.5billion), respectively. Investments in the services sector accounted for 32.0% (S4 projects) and 34.0% (2.9S billion) respectively. A further breakdown showed that 81 investments were made in the manufacturing sub-sector (including printing and publishing) and accounted for 48.0% and 44.0% of total number and value of projects respectively, (CBN Annual Report, 2004).

Going forward, after the banking consolidation in 2004, the cumulative sum set aside by 21 banks as at end December, 2008 was N42.0billion compared with a revised figure of N37.4 billion in 2007. This represented an increase of N4.6 billion (12.3 percent). The sum of N28.2 billion or 67.1 percent of the sum set aside was invested as against N21.2 billion or 56.5 percent of the sum set aside in 2007. The investments were in 333 projects, out of which the real sector accounted for 205 projects, and the service-related sector excluding trading, accounted for 128 projects, while Micro-enterprises did not attract any investment. In terms of the geographical spread of the investment, Lagos State received the highest of 41.3 percent or 205 projects followed by Ogun State with 6.8 percent or 26 projects and Oyo State with 1.6 percent or 18 projects. Abia, Edo and kano States collectively accounted for 6.1 percent or 9 projects. The remaining States accounted for 23.9 percent in 75 projects. Meanwhile, twelve (12) States were yet to record any investment under the scheme (CBN Annual Report 2008).

To assess its impact and determine the factors responsible for the disbursement of SMEIS funds, the Literature Survey revealed that:

- There are improvements in both the skills required and the operations on the beneficiaries, which could be attributed to a number of factors, including improved macroeconomic environment and improved access to SMEIS funds.
- The number of persons trained and employed by the enterprise rose by 72.0 percent from 1,261 before SMIEIS to 2169 in July 2008. Also the composition on the board's management on the funded enterprises changed significantly after accessing the SMIEIS FACILITY. The effects of investment of Banks' 'in the management of the projects were generally favourable.

To further, develop SMEIS, the central Bank of Nigeria in 2010, established N200billion Small and Medium Scale Enterprises Guarantee Scheme. The main objectives of the scheme were to: fast track the development of the SME/Manufacturing sector of the Nigerian economy; set the pace for the industrialization of the economy; and increase access to credits by promoters of SMEs and manufacturers. The scheme provides guarantees on loans by banks to the sector in order to absorb the risks that had inhibited banks from lending to the real sector. The activities covered under the scheme include: manufacturing, the agricultural value chain, educational institutions, and any other activity as may be specified by the CBN. Also at end- December, 2010 two applications valued at N7.5million and N100 million had been processed under the scheme. The applications were awaiting management approval.

Lastly, **Development Finance Institution (DFIs)** was set up by the Federal Government of Nigeria at various times to encourage the entrepreneurial developments which are in the form of small and medium scale business in Nigeria. The recent massive economic reform programmes of the Federal Government of Nigeria to synchronize the duplicated activities of Development Financial Institutions culminated in the merger of most of them into larger and more vibrant institutions towards entrepreneurial development.

As Nigeria moved into the millennium with sustainable democratic rule, the preponderance of opinion among stakeholders in the economy favoured strengthening the Development Financial Institutions (DFIs) (CBN Annual Report, 2008).

Consequently, as at end-December 2010, some of the re-engineered, reformed and reporting DFIs are: (i) The Nigerian Agricultural, co-operative and Rural Development Bank (NACRDB) (ii) Nigeria Export-Import Bank (NEXIM) (iii) The Federal Mortgage Bank of Nigeria (FMBN), (iv) Bank of Industry (BOI) and (v) Urban development Bank of Nigeria (UDBN).

The aggregate assets of the five reporting DFIs indicated an increase of 95.8 percent to N316.2 billion, compared with N161.56 billion as at the end of the preceding year.

Further analysis of the assets base of the five institutions indicated that the Bank of Industry (BOI) accounted for 56.9 percent of the total, FMBN, NACRDB and NEXIM accounted for 24.9, 25.3, 12.0 and 0.2 percent of the total respectively. The combined paid up share-capital of the DFIs was N50.1 billion, while the combined shareholders' fund was negative N3.0 billion compared with negative N25.1 billion recorded in the preceding year. Cumulatively, loan disbursed by the five institutions increased by 23.2 percent to N111.8 billion. The share of each institution in the total loan was 49.6, 23.2, 20.2, 6.8 and 0.2 percent for FMBN, BOI, NACRDB, NEXIM, and UDBN respectively. The improved loans portfolio of the DFIs, relative to the preceding year was attributed largely, to the repositioning and restructuring of most of the institutions which enhanced their capacity, efficiency and effectiveness (CBN Annual Report, 2010).

The above institutions provided a variety of finance and support services to entrepreneurs, but which do not directly involve themselves in developmental activities.

Summary, Conclusion and Recommendations

Summary

The paper examined entrepreneurial development and three basic entrepreneurial skills with analysis of interventionist agencies in Nigeria. The paper proposed that in most situations, the planning mode, which includes the basic element of the strategic management process, is a more rational and better way to making strategic decision. Thus planning mode is not only more analytical and less political than are the other modes but it is also more appropriate for dealing with complex changing environment. Such macro external environmental forces impact seriously on entrepreneurial development. These it states are general environmental forces that does not directly touch on the short run activities of the entrepreneurial organization, but that can, and often do influence its long-run decision. The entrepreneur should understand that both the societal (external) and task environment must be monitored to detect the strategic factors that are likely to have strong impact on corporate success or failure.

Finding

It is evident from the foregoing discussion that EDP in Nigeria is characterized by the followings:

- There are several institutions and Agencies, which independently engage in Entrepreneurial Development Programmes (EDP).
- Even though there is widespread knowledge of the efficacy of a full range, integrate entrepreneurial development efforts; several of institutions concentrate on a partial approach to EDP.
- Emphasis is quite clearly put on the provision of small and medium scale enterprises. Several institutions have been created for this purpose and the Government is doing all within its resources to sustain the development of entrepreneurs towards the reduction of poverty among its citizens.

Conclusion

The three-skill approach to entrepreneurial development that was extensively discussed stressed that in a very real sense, conceptual skill embodies consideration of both the technical and human aspect of the organization. Yet the concept of skill, as an ability to translate knowledge into action should enable one to distinguish between the three skills of performing the technical activities (technical skill), understanding and motivating individual and groups (human skill) and coordinating and integrating all the activities and interests of the entrepreneurial organization toward a common objective (conceptual skill).

This separation of entrepreneurial development into three basic skills is useful primarily for purposes of analysis. In practice, these skills are so closely interrelated that it is difficult to determine where one ends and another begins. Hence, all three basic skills are of importance at every level of entrepreneurial development. This approach suggests that effective entrepreneurial development rest on three basic developable skills which obviate the need for identifying specific traits and which may provide a useful way of looking at and understanding the entrepreneurial process.

Realizing the strategic importance of skills and entrepreneurial development in Nigeria, the Federal Government, adopting strategic management process made several policies and established Institutions and Agencies such as, NDE, SMEDAN, SMIEIS, AND DFIs etc to encourage effective entrepreneurial development.

The study revealed that most of the institutions and agencies established by the Federal Government to ensure appropriate entrepreneurial development skills are plagued with drawbacks such as inadequate of start-up loans, delays in loan disbursement, and loan diversion by participants, poor loan repayment performance and lack of requisite skills among the beneficiaries. Though there is widespread knowledge of the efficacy of a full range of services rendered by entrepreneurial development, integrated entrepreneurial development efforts indicate that, several of the institutions concentrate on a partial approach to EDP, as a result, in programmes where effort has been made to develop a full range services, such efforts are not sustained due to lack of funding, inexperience, poor coordination and bureaucracy.

Recommendations

Consequent upon the findings our recommendation agenda would be four priorities: First, the institutionalizing of entrepreneurship education within our school system, in ways that teachers have, the resources to be properly trained again using tried and tested curricula, and are able to integrate experiential entrepreneurship learning into the "No Child Left Behind Framework".

Second, financial support for community capacity-building and strategic planning using tried and tested models and curricula to maximize the chances of action. Entrepreneurs who are starting up larger business face difficulty raising investment capital and lack of sound market-based policies. Various Interventionist Institutions should be effectively monitored to make available funds for financing entrepreneurial development projects. Third, Infrastructures development such as roads, water, Electricity supply etc should be on the priority list of the government and vigorously pursue. The pursuit to fruition of the privatization of power holding Company is highly recommended.

Finally, legal and regulatory framework needs urgent attention. Government need to have a positive perception of entrepreneurial activity; reduce the administrative burden on entrepreneurs, and coordinate among their agencies to ensure that the necessary resources are directed to where they are mostly needed.

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Entrepreneur forces are relatively strong in Nigeria, as most people sees entrepreneurial activities as what is primarily based on necessity due to the poor economic situation. But what we have failed to realise is that; Entrepreneurship development is the bedrock of all economic evolution of any nation. Some of the challenges faced by entrepreneurs in Nigeria. 1. Difficulty in securing loans from financial institutions: the major challenges being faced by entrepreneurs in Nigeria is the issue of start-up capital. You will agree with me that it is very difficult to secure loans from banks as a