

## Research Article

# Determination of Managerial and Accounting Competencies Required of Business Education Graduates for Successful Entrepreneurship by Practicing Entrepreneurs in Imo State

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**Abstract:** The study aimed at determination of managerial and accounting competencies required of business education graduates for successful entrepreneurship by practicing entrepreneurs in Imo State. Two specific purpose, two research questions guided the study and two null hypotheses were tested. Descriptive survey research design was adopted for the study. The population consisted of all 200 practicing registered entrepreneurs in Imo State. The entire population was studied because the size was manageable. A 20 items five-point rating scale questionnaire validated by three experts was use for data collection. The test re-test was used to establish the reliability of the instrument using Pearson Product Moment Correlation Co-efficient and with overall coefficient value of 0.70 were obtained. Mean and standard deviation were used to answer the research questions determine the closeness of the respondents mean, while t-test were used to test the null hypotheses at 0.05 level of significance.

The findings revealed that managerial and accounting competencies were much required of business education graduates for successful entrepreneurship in Imo State. Gender significantly influenced the respondents' mean ratings on managerial but did not significantly influenced accounting competencies.

Based on the findings, it was concluded that, business education graduates who venture into entrepreneurship without adequate managerial skills and accounting skills will achieve little or no success. It was, therefore recommended among others that, Business education graduates in Imo State and country at large should carefully venture into entrepreneurship ventures upon graduation as they have relevant competencies to succeed.

**Keywords:** Determination, managerial, accounting, competencies and entrepreneurship.

## Introduction

The driving force behind all human development and civilization is education. Education anchored on a solid foundation, is capable of bailing man from poverty, intellectual and technological backwardness. Having this in mind, the best way to inculcate entrepreneurial spirit into the lives of business education graduates is through entrepreneurial education which helps the graduates to be self-reliant. The essence of any educational programme is to ensure that its products are equipped with the relevant knowledge, skills, attitude and competencies needed to contribute meaningfully to the economic development of a nation.

Globally, business education students require some competencies that are recognized as powerful instruments for national development. It is in realization of this that Nigeria adjusts the educational system and diversifies the curriculum to integrate academic knowledge with vocational skills so as to empower business education students with relevant knowledge and competencies. The aim is to

make the students become self-employ graduation and useful members of the society. The Federal Republic of Nigeria (FRN), (2014) states that education in Nigeria is an instrument per excellence for effecting national development. It has become pertinent for governments all over the world to refocus on how educational programmes can help or contribute significantly to individuals' welfare no matter the level. This means that products of any educational system should be equipped with the relevant knowledge, skills, attitude and competencies needed to contribute meaningfully to the economic development of the nation, by so doing reducing unemployment through entrepreneurship education.

Entrepreneurship education is referred training for development of entrepreneurial attitudes, skills, and values which involve developing certain personal qualities focused on the creation of new businesses and how to minimize failure or the risk of being entrepreneur (Pribadi in Ezenwafor, 2012). This type of education is believed by many as education for life because of its uniqueness in terms of flexibility and accommodation (Linan, 2014).

Entrepreneurship is a process of bringing together creative and innovative ideas, combining them with management and organization skills in order to combine people, money and resources to meet their needs and thereby create wealth (Agumuo, 2010). It is the willingness and ability of an individual to seek for investment opportunities, to establish and competently run an enterprise successfully.

Competency, according to Iwu (2015), is the performance of discrete tasks, identified by functional analysis of task roles. Iwu opined that competency is the ability to excel in psychomotor domain. Mastery of competencies is acknowledged by the result of evaluation of skills, knowledge and attitudes.

Entrepreneurship competencies are occupational survival attitudes and skills. Entrepreneurship competencies are the ability of an individual to exploit an idea and create an enterprise (small or big) which combines resources and opportunities in new ways. These competencies as identified by Ezenwafor (2012); Ezeani (2012) includes managerial, accounting, ICT, office occupation, marketing, risk taking, human relation, and among others. This study, however, covered managerial and accounting competencies because they appear to be very important areas of competencies needed for successful entrepreneurship.

Managerial refers to coordination of the human, financial and material resources of an organization to achieve its goals and objectives. It involves good planning, organizing, directing and controlling of workers and materials to effectively and efficiently meet set objectives of an enterprise. According to Akpotohwo, Watchman and Ogeibiri (2016), managerial competencies are the type of skills and attitudes required of individual entrepreneur to formulate and execute policies enterprise which constitute management.

Ezenwafor (2012) also identified managerial competencies as ability to make long term business plan, identify opportunities and generate suitable ideas, manage time and meet job schedules, set standard for work performance, conduct personnel evaluation, make inventory control and turnover, manage people effectively, motivate self and others for business growth and among others. Other entrepreneurship competencies needed for business education graduates include accounting and office occupation. Ezeani, Ifeonyemetalu and Ezemoyih (2012) noted that every business education graduate acquired competencies on the ability to keep and control stocks, to avoid unplanned expenditure, to determine profit of a particular business, to find out sources of capital to start business and to detect fraud.

Accounting is the systematic recording of financial transactions. It is a service activity, the function of which is identifying, measuring, recording and communicating quantitative information, primarily

financial in nature, about economic entities. Accounting competencies is the totality of skills ranging from record keeping and communicating quantitative information, primarily financial in nature. Azih (2013) identified accounting competencies to include ability to prepare bank reconciliation statement, keep adequate sales and purchases records, process accounts receivable and accounts payable, apply suitable procedure in obtaining loans for the business, interpret financial statement, apply relevant deductions in the payroll, calculate gross and net profit, maintain debtor's ledgers and among others.

Okoro (2014) noted that business education graduates are competent in ability to plan for small or medium scale businesses, ability to source funds for the running of a small scale business among others. This could be done by taking a determination. Determination is a positive emotional feeling that involves persevering towards a difficult goal in spite of obstacles (Odigili, 2015). Determination occurs prior to goal attainment and serves to motivate behavior that will help achieve one's goal.

The subjects used in this study are male and female, and years of experiences of registered entrepreneurs on the entrepreneurship competencies as applied in this study. These variables are likely to influence their level of acquisition of managerial and accounting competencies for successful entrepreneurship by practicing registered entrepreneurs. Gender refers to the roles of male and female that are socially or culturally-based. Gender relates to the difference in sex (that is, either male or female) and how this quality affects people's dispositions and perception toward entrepreneurship competencies (Oduma, 2011). Abanyam (2014) reported that male and female respondents differ on managerial and accounting competencies for self-employment.

In addition, Okoro (2014) reported that of all businesses started each year in Nigeria, only 50 percent exists up to 18 months while less than 20 percent last beyond two years. This shows a high failure rate of 40-45 percent in the first two years and more than 50 percent not surviving beyond five years of their being established. This shows that gender has a great role to play in business operation. The high failure rate of business in Nigeria clearly shows that they are associated with numerous challenges which the operators could not handle. It was on this background that the researchers conceived this study to determine the managerial and accounting competencies required of business education graduates for successful entrepreneurship by practicing entrepreneurs in Imo State.

### **Statement of the Problem**

Business education as a discipline is designed to turn out knowledgeable and skilful graduates who will succeed in teaching, office work or entrepreneurship. It is therefore, surprising and at the same time disappointing that many graduates of the programme search for scanty employment opportunities because they appear not to adequately possess managerial and accounting competencies for self-employment.

The problem of this study, therefore, is that business education graduates do not engage in entrepreneurships as expected in order to create jobs and reduce the level of graduate unemployment in the country. A large number of them enroll in postgraduate programmes merely to avoid staying idle possibly because they are not sure they possess the requisite competencies for entrepreneurship success.

Therefore the study sought to determine the managerial and accounting competencies required of business education graduates for successful entrepreneurship by practicing entrepreneurs in Imo State to discover their deficiencies and use suitable strategies to upgrade themselves.

### **Purpose of the Study**

The main purpose of the study was to determine the level of entrepreneurial competencies required of business education graduates for successful entrepreneurship by practicing entrepreneurs in Imo State. Specifically, the study determined level of:

- ✓ Managerial competencies required of business education graduates for successful entrepreneurship by practicing entrepreneurs in Imo State.
- ✓ Accounting competencies required of business education graduates for successful entrepreneurship by practicing entrepreneurs in Imo State.

### **Research Questions**

The following research questions guided the study:

- ✓ What is the level of managerial competencies required of business education graduates for successful entrepreneurship by practicing entrepreneurs in Imo State?
- ✓ What is the level of accounting competencies required of business education graduates for successful entrepreneurship by practicing entrepreneurs in Imo State?

### **Hypotheses**

The following null hypotheses were tested at 0.05 level of significance:

- ✓ Male and female practicing entrepreneurs do not differ significantly in their mean ratings on the level of managerial competencies required of business education graduates for successful entrepreneurship in Imo State.
- ✓ Male and female practicing entrepreneurs do not differ significantly in their mean ratings on the level of accounting competencies required of business education graduates for successful entrepreneurship in Imo State.

### **Method**

Descriptive survey research design was adopted for the study. The population for this study consisted of 200 practicing registered entrepreneurs in the Ministry of Commerce and Industry in Imo State. The entire population was used for the study without sampling as the sample size was not too large. A 20-item structured questionnaire was used to collect data for the study using a five-point rating scale with response categories of very much required (VMR), much required (MR<sup>1</sup>), moderately required (MR<sup>2</sup>) slightly required (SR) and very slightly required (SLR).

The questionnaire was validated by three experts; two in business education and one from measurement and evaluation unit from the Faculty of Education, Nnamdi Azikiwe University, Awka. A test re-test method was used to establish the reliability of the instrument by administering it on 20 registered entrepreneurs in the Ministry of Commerce and Industry in Anambra State who were not included in the study population. Data collected were analyzed using Pearson Product Moment Correlation Co-efficient and obtained overall reliability co-efficient values of 0.70.

The instrument was administered to the subjects in their schools through direct approach which facilitated a response rate of 192 copies (representing 96 percent) were retrieved with an attrition rate of twelve copies (representing 4 percent) and used for data analysis.

Mean and standard deviation were used to answer the research questions based on the real limits of numbers on a five-point scale and determine the closeness of the respondents' means. The z-test was used to test the null hypotheses at 0.05 level of significance. A null hypothesis was rejected where the calculated z-value is equal to or greater than the critical z-value, otherwise the null hypothesis was not rejected.

### **Results**

#### **Research Question 1**

What is the level of managerial competencies required of business education graduates for successful entrepreneurship by practicing entrepreneurs in Imo State?

**Table 1. Respondents’ mean ratings of managerial competencies required of business education graduates for successful entrepreneurship by practicing entrepreneurs in Imo State (N=192)**

S.No	Managerial Competences	$\bar{X}$	Remarks
<b>Ability to:</b>			
1	Make long term business plan	4.06	Much Required
2	Identify opportunities and generate suitable ideas	3.59	Much Required
3	Manage time and meet job schedules	3.74	Much Required
4	Set standard for work performance	3.67	Much Required
5	Conduct personnel evaluation	3.78	Much Required
6	Make inventory control and turnover	4.07	Much Required
7	Manage people effectively	4.26	Much Required
8	Motivate self and others for business growth	3.74	Much Required
9	Organize human resources for goal attainment	3.74	Much Required
10	Apply material resources for goals attainment	3.48	Moderately Required
11	Supervise business effectively	4.27	Much Required
<b>Cluster Mean</b>		<b>3.85</b>	<b>Much Required</b>

Table 1 shows that out of the 11 items on managerial competencies listed ten have the mean scores ranging from 3.67 to 4.27 which mean that they are much required, while the remaining one have mean rating ranged of 3.48 which indicates that they are moderately required. The cluster means score of 3.85 showed that, on the whole, practicing entrepreneurs in the area of the study indicate that business education graduates required much managerial competencies for successful entrepreneurship.

**Research Question 2**

What is the level of accounting competencies required of business education graduates for successful entrepreneurship by practicing entrepreneurs?

**Table 2. Respondents’ mean ratings of accounting competencies required of business education graduates for successful entrepreneurship by practicing entrepreneurs in Imo State (N=192)**

S.No	Accounting Competences	$\bar{X}$	Remarks
<b>Ability to:</b>			
1	Preparing bank reconciliation statement	4.08	Much Required
2	Keep adequate sales and purchases records	4.16	Much Required
3	Process accounts receivable and accounts payable	4.20	Much Required
4	Applying suitable procedure in obtaining loans for the business	4.02	Much Required
5	Interpret financial statement	4.03	Much Required
6	Apply relevant deductions in the payroll	3.95	Much Required
7	Calculate gross and net profit	4.21	Much Required
8	Maintain debtor’s ledgers	3.79	Much Required
9	Prepare final accounts, profit and loss accounts and balance sheet	4.13	Much Required
<b>Cluster Mean</b>		<b>4.06</b>	<b>Much Required</b>

Table 2 shows that out of the nine items on accounting competencies listed all have the mean scores ranging from 3.79 to 4.21 which mean that they are much required. The cluster means score of 4.06 showed that, on the whole, practicing entrepreneurs in the area of the study indicate that business education graduates required much accounting competencies for successful entrepreneurship.

**Testing the Hypotheses**

**Hypothesis 1**

Male and female practicing entrepreneurs do not differ significantly in their mean ratings on the level of managerial competencies required of business education graduates for successful entrepreneurship in Imo State.

**Table 3. Summary of t-test analysis of male and female practicing entrepreneurs’ rating on the level of managerial competencies required of business education graduates for successful entrepreneurship in Imo State.**

Gender	N	$\bar{X}$	SD	$\alpha$	df	z-cal.	z-crit.	Remarks
Male	84	4.12	.15	0.05	190	4.00	1.96	Rejected
Female	108	4.07	.10					

Table 3 shows that z-calculated value 4.00 is greater than the critical z-value 1.96 at 190 degree of freedom at 0.05 level of significance. This means that male and female practicing entrepreneurs differ significantly in their mean ratings on the level of managerial competencies required of business education graduates for successful entrepreneurship in Imo State and the hypothesis was rejected.

**Hypothesis 2**

Male and female practicing entrepreneurs do not differ significantly in their mean ratings on the level of accounting competencies required of business education graduates for successful entrepreneurship in Imo State.

**Table 4. Summary of t-test analysis of male and female practicing entrepreneurs’ rating on the level of accounting competencies required of business education graduates for successful entrepreneurship in Imo State.**

Gender	N	$\bar{X}$	SD	$\alpha$	df	z-cal.	z-crit.	Remarks
Male	84	4.13	.17	0.05	190	1.89	1.96	Not Rejected
Female	108	4.11	.14					

Table 4 shows that z-calculated value 1.89 is less than the critical z-value 1.96 at 190 degree of freedom at 0.05 level of significance. This means that male and female practicing entrepreneurs do not differed significantly in their mean ratings on the level of accounting competencies required of business education graduates for successful entrepreneurship in Imo State and the hypothesis was not rejected.

**Discussion**

Findings of the study revealed the level of managerial competencies required of business education graduates for successful entrepreneurship by practicing entrepreneurs in Imo State and indicated that they are much required. This finding agrees with Akpotohwo, Watchman and Ogeibiri (2016) who revealed that managerial competencies are required of individual entrepreneur to formulate and execute policies enterprises which constitute management. It also agrees with Ezeani, Ifeonyemetalu and Ezemoyih (2012) who reported that every business education graduate acquired competencies on the ability to keep and control stocks, to avoid unplanned expenditure, to determine profit of a particular business, to find out sources of capital to start business and to detect fraud.

The finding further revealed that gender significantly influenced managerial competencies required of business education graduates for successful entrepreneurship by practicing entrepreneurs in Imo State. The finding agrees with Abanyam (2014) who reported that male and female respondents differ on entrepreneurial competencies for self-employment.

Furthermore, the study revealed that accounting competencies are much required of business education graduates for successful entrepreneurship by practicing entrepreneurs in Imo State. This is in line with Okoro (2014) who noted that business education graduates are competent in ability to plan for small or medium scale businesses, ability to source funds for the running of a small scale business among others.

Finally, the finding revealed that gender did not significantly influenced accounting competencies required of business education graduates for successful entrepreneurship by practicing entrepreneurs in Imo State. The finding disagrees with Abanyam (2016) who reported that male and female respondents differ on entrepreneurial competencies for self-employment.

### **Conclusion**

Based on the findings of this study, it was concluded that business education graduates who venture into entrepreneurship without adequate managerial skills and accounting skills will achieve little or no success.

### **Recommendations**

Based on these findings of the study, the following recommendations are made:

- ✓ Business education graduates in Imo State and country at large should carefully venture into entrepreneurship ventures on graduation as they have relevant competencies to succeed.
- ✓ Business Education lecturers should encourage and motivate Business Education students to start their own business on graduation instead of joining the long of unemployed graduates.
- ✓ The federal and state government should address the problems of insecurity to enhance entrepreneurship development in the country as a panacea to unemployment and poverty.

**Conflicts of interest:** The authors declare no conflicts of interest.

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