



Private Cost and Benefit of Entrepreneurship Education and Employment Opportunities Amongst Graduates in Lagos State, Nigeria

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Abstract

This study investigated the private cost and benefits of entrepreneurship education and their impact on employment opportunities amongst graduates in Lagos State, Nigeria. In the face of youth unemployment, entrepreneurship education is promoted as a pathway to enhance employability by fostering job-creation skills. However, the private costs, including tuition fees and material expenses impose significant financial burdens. Employing a descriptive survey design, data were collected from 400 graduates of public tertiary institutions using structured questionnaires. Pearson analysis and ANOVA revealed that while entrepreneurship education has a positive impact on graduate employability, the financial constraint disproportionately affects students from low-income backgrounds. The findings showed a weak, non-significant relationship between private costs and the benefits of entrepreneurship education but a stronger, significant relationship between its benefits on graduate employability. These findings emphasized the need for policy interventions, government support and institutional reforms, to make entrepreneurship education more accessible and effective, to address financial barriers in order to take full advantage of entrepreneurship education to decrease unemployment; its private costs need careful consideration to gain valuable development in Nigeria.



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INTRODUCTION

In an era marked by high unemployment rates among graduates, particularly in Nigeria, entrepreneurship education has gained prominence as a critical component in tertiary institutions. The aim of entrepreneurship education is not only to enhance the employability of graduates but also to equip them with skills for self-employment and entrepreneurial ventures (Ezeani, 2018). Lagos State, as the economic hub of Nigeria, presents a unique case for exploring the relationship between entrepreneurship education and employment opportunities among graduates due to its high concentration of educational institutions and diverse job market.

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Research consistently highlights the importance of entrepreneurship education in enhancing graduates' employability by fostering innovative thinking, self-reliance, and job creation skills (Ezeani, 2018; Oboreh & Nnebe, 2019). Entrepreneurship education is particularly vital in Nigeria, where graduate unemployment rates remain high. Studies by Nuhu (2021) and Wale-Oshinowo et al. (2018) indicate that students who undergo entrepreneurship training are often better equipped to create employment for themselves and others, thus contributing to economic growth. Despite this, the full potential of entrepreneurship education is sometimes hindered by structural challenges, such as lack of practical exposure and resource constraints in tertiary institutions (Ubogu, 2020).

Entrepreneurship education in Nigerian tertiary institutions often requires students to bear additional financial costs, which can include higher tuition, fees for specialized courses, and expenses for materials needed for practical training (Okoro, 2024). Such costs are considered "private costs," borne directly by the students or their families rather than subsidized by the government or institutions. These expenses may pose a significant barrier for students from low-income backgrounds, reducing their access to these programs or increasing their debt burden after graduation (Awogbenle & Iwuamadi, 2010).

Furthermore, a study by Otache, Oluwade & Idoko (2020) highlights that while many students perceive entrepreneurship education as a worthwhile investment for enhancing employability, others question the high costs relative to the uncertain returns. The private cost of entrepreneurship education remains a concern, especially as Nigeria's economy becomes more challenging for young graduates seeking to recover their educational investments (Igbozuruike & Agabi, 2020).

There is evidence that entrepreneurship education can positively influence employment opportunities, but these effects vary. Research by Nwambam, Nnennaya & Nwankpu (2018), shows that graduates with entrepreneurship training are more likely to engage in self-employment, yet they may struggle to achieve stability due to factors like market saturation, limited business support, and economic volatility (Nwambam et al., 2018). Wale-Oshinowo et al. (2018) argues that although entrepreneurship education enhances job creation potential, not all graduates can succeed without ongoing financial and structural support (Wale-Oshinowo et al., 2018). Thus, while entrepreneurship education is generally beneficial, its success in facilitating long-term employment opportunities remains uncertain. In the study of Osaro-Martins (2024), the significance of entrepreneurship education is seen as the key to the generation of jobs and economic growth, recognised by the dynamics of all economies.

The cost-benefit analysis of entrepreneurship education has become a growing area of interest among scholars. Scholars such as Okoro (2024) have examined the balance between costs incurred and employment benefits. Their findings suggest that while entrepreneurship programs have potential benefits, the financial costs borne by students are sometimes higher than expected returns, especially in volatile economies. In Lagos State, where educational costs are rising, the cost-benefit dynamics of entrepreneurship education remain a crucial concern for stakeholders (Nuhu, 2021).

Despite the wealth of research on entrepreneurship education and graduate employability, there remains a significant gap concerning the specific "private costs" incurred by students and the direct impact these costs have on their post-graduation employment opportunities. While many studies focus on the effectiveness of entrepreneurship education, few address the financial burden that these programs impose on students and their families, particularly in the context of Lagos State, Nigeria. Additionally, existing studies have yet to provide a nuanced analysis of how graduates' employment outcomes correlate with the level of financial investment made in their education. This gap highlights the need for a more in-depth investigation into whether the private costs of entrepreneurship education are justified by the employment benefits received by graduates.

Addressing this gap could offer valuable insights for education policy reform and contribute to the development of more equitable access to entrepreneurship education for students from diverse financial backgrounds.

However, the private cost associated with acquiring entrepreneurship education such as tuition fees, additional expenses for materials, and potential income loss from time investment is a considerable factor that influences students' ability and willingness to participate in these programs (Nuhu, 2021). While previous studies have examined the general effectiveness of entrepreneurship education on employability, few have focused on the cost implications for students and their families. Understanding the private costs borne by students and how these expenses affect their employability outcomes can provide valuable insights for policymakers and education providers.

Despite the increasing emphasis on entrepreneurship education as a solution to graduate unemployment, there is limited understanding of the financial burden this education places on students and their families in Lagos State. Wale-Oshinowo, Raimi, Olarewaju & Mbah (2018) stated that it remains unclear how private costs of entrepreneurship education impact graduates' employment opportunities and whether the potential employment benefits justify these costs (Wale-Oshinowo et al., 2018). As economic pressures rise, students and policymakers require a clearer understanding of whether the investment in entrepreneurship education translates to tangible employment benefits.

This study aims to examine the intricate relationship between the cost and benefit of entrepreneurship education in public tertiary institutions within Lagos State, Nigeria. It seeks to assess how these financial and educational investments contribute to the overall effectiveness of entrepreneurship programs in higher education. Additionally, the research explores the interconnectedness between the cost and benefit of entrepreneurship education and its impact on graduate employability. By investigating these relationships, the study aims to provide insights into how entrepreneurship education can be optimized to enhance employment opportunities for graduates of public tertiary institutions in Lagos State.

METHOD

Research Design

The study adopted a descriptive survey research design to capture the questionnaire data. This design allows for a comprehensive analysis of the variables and its correlation.

Population and Sample

The target population included graduates from public tertiary institutions in Lagos State, who have completed entrepreneurship education programs. A stratified random sampling method was used to ensure that diverse educational backgrounds, such as students from different institutions and fields of study were represented. A sample size of approximately 400 participants was targeted to enhance generalizability.

Data Collection Instrument

A structured questionnaire was designed to collect data on the variables of the study, which involved using quantitative data survey.

Data Analysis

Descriptive and inferential statistics was used for data analysis. Descriptive statistics provided an overview of the survey collected. Inferential statistics including Pearson, ANOVA and

regression analysis tested the relationship between private costs and benefit of entrepreneurship education and employment outcomes. SPSS Statistical software was utilized to facilitate data analysis.

RESULT AND DISCUSSION

Research Hypothesis One

There is no significant relationship between cost and benefit of entrepreneurship education in public tertiary institutions in Lagos State, Nigeria. In order to test the hypothesis, Pearson's Product-Moment Correlation Analysis was conducted between cost and benefit of entrepreneurship education. The scores of responses on items of cost of entrepreneurship education were computed and used as a single variable to correlate the sum of scores on items of benefit of entrepreneurship education. The result is presented in Table 1.

Table 1. Correlation showing relationship between cost and benefit of entrepreneurship education in public tertiary institutions in Lagos State, Nigeria

		Cost of Entrepreneurship Education	Benefits of Entrepreneurship Education
Cost of Entrepreneurship Education	Pearson Correlation	1	.051
	Sig. (2-tailed)		.311
	N	400	400
Benefits of Entrepreneurship Education	Pearson Correlation	.051	1
	Sig. (2-tailed)	.311	
	N	400	400

Source: Researchers' Computation, 2024

The result in Table 1 shows that there is a positive, weak and non-significant relationship between cost and benefit of entrepreneurship education in public tertiary institutions in Lagos State, Nigeria ($r = 0.051$, $p > 0.05$). This implies that the higher the cost of entrepreneurship education, the more the benefit of entrepreneurship education in public tertiary institutions in Lagos State, Nigeria, vice-versa. The result, however, suggests that cost of entrepreneurship education does not significantly influence benefit of entrepreneurship education in public tertiary institutions in Lagos State, Nigeria. Therefore, the hypothesis which states that there is no significant relationship between cost and benefit of entrepreneurship education in public tertiary institutions in Lagos State, Nigeria was hereby not rejected.

Research Hypothesis Two

There is no significant relationship among cost and benefit of entrepreneurship education, and graduate employability in public tertiary institutions in Lagos State, Nigeria.

To test the hypothesis four, multiple regressions were employed. Data collected on cost of entrepreneurship education, benefit of entrepreneurship education and graduate employability in public tertiary institutions in Lagos State, Nigeria were subjected to Multiple Regression Analysis and the results of the analysis are presented in Table 2 and 3.

Table 2. Relationship among cost and benefit of entrepreneurship education, and graduate employability in public tertiary institutions in Lagos State, Nigeria

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.341 ^a	.116	.112	7.03408
a. Predictors: (Constant), Benefits of Entrepreneurship Education, Cost of Entrepreneurship Education				

ANOVA ^a						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	2579.198	2	1289.599	26.064	.000 ^b
	Residual	19642.879	397	49.478		
	Total	22222.077	399			

a. Dependent Variable: Benefits of Graduate Employability

b. Predictors: (Constant), Benefits of Entrepreneurship Education, Cost of Entrepreneurship Education

Source: Researchers' Computation, 2024

Table 3. Model summary showing cost and benefit of entrepreneurship education, and graduate employability in public tertiary institutions in Lagos State, Nigeria

		Coefficients ^a				
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	15.473	1.315		11.765	.000
	Cost of Entrepreneurship Education	.000	.000	.091	1.918	.056
	Benefits of Entrepreneurship Education	.269	.039	.324	6.854	.000

a. Dependent Variable: Benefits of Graduate Employability

Source: Researchers' Computation, 2024

Table 2 and 3 presents the statistical model summary on the relationship among cost of entrepreneurship education, benefit of entrepreneurship education and graduate employability in public tertiary institutions in Lagos State, Nigeria. The results show that there is a relationship among cost of entrepreneurship education, benefit of entrepreneurship education and graduate employability in public tertiary institutions in Lagos State, Nigeria with the Correlation coefficient (R) = .341 which indicates a positive and weak relationship among the three variables of the study. The results further indicated that independent variables (cost of entrepreneurship education, and benefit of entrepreneurship education) taken together made a prediction to the dependent variable (graduate employability) and the coefficient of determination, $R^2 = .116$ which is an indication that competency interests and personal growth accounted for 11.6% of the variation observed in

dependent variable (graduate employability) leaving the remaining 88.4% to other factors which this study did not consider.

From the results in Table 3, the analysis revealed through the unstandardized beta weight that cost of entrepreneurship education ($\beta = .000$) was found to have no statistical significant contribution to graduate employability, and benefit of entrepreneurship education ($\beta = .269$) was found to have a statistical significant contribution to graduate employability in public tertiary institutions in Lagos State, Nigeria. The findings indicated that, comparing the two independent variables (cost of entrepreneurship education, and benefit of entrepreneurship education), benefit of entrepreneurship education ($\beta = .324$, $t = 6.854$, $p < 0.05$) had the higher positive influence on graduate employability, followed by cost of entrepreneurship education ($\beta = .091$, $t = 1.918$, $p > 0.05$).

Also from the table, it was revealed that cost and benefit of entrepreneurship education exposed to by students in public tertiary institutions in Lagos State, Nigeria do statistically significantly influence the dependent variable – graduate employability ($F(2, 397) = 26.064$, $p < 0.05$). Hence, the null hypothesis which states that there is no significant relationship among cost and benefit of entrepreneurship education, and graduate employability in public tertiary institutions in Lagos State, Nigeria was rejected.

This study is significant for several reasons. First, it contributes to the literature on the cost-benefit analysis of entrepreneurship education by focusing on the private cost implications for students. This research will be valuable for policymakers in Lagos State and beyond who aim to support graduate employability through entrepreneurship programs. Second, it will aid educational institutions in assessing the affordability of their entrepreneurship programs and making informed decisions about resource allocation. Finally, the findings may assist students and their families in making better-informed choices about educational investments relative to expected employment outcomes.

Discussion

The findings reveal a weak, non-significant relationship between private costs and the benefits of entrepreneurship education ($r = 0.051$, $p > 0.05$). This suggests that while students incur significant financial burdens, these costs do not directly correlate with perceived program benefits. This aligns with Otache et al. (2020), who reported that financial barriers often limit the accessibility and perceived value of entrepreneurship education (Otache et al., 2020).

Conversely, the benefits of entrepreneurship education were found to have a significant positive relationship with graduate employability ($\beta = 0.324$, $p < 0.05$). This supports the findings of Nuhu (2021), emphasizing that entrepreneurial training equips graduates with skills essential for employability. The minimal contribution of private costs to employability ($\beta = 0.091$, $p > 0.05$) highlights the need for financial support mechanisms to ensure equitable access to these programs. Similar concerns were raised by Okoro (2024), who advocated for policy reforms to reduce financial barriers (Okoro, 2024).

Limitations and Implications for Further Study

While the study aimed for diversity through stratified sampling, the sample may not fully represent all graduates due to variations in socio-economic backgrounds, which could affect the generalizability of findings. Data on private costs and employment outcomes self-reported can introduce recall bias or inaccurate responses. Respondents may either underreport or overreport costs and outcomes. The study captures a snapshot in time and may not fully capture long-term effects of entrepreneurship education on employment opportunities. The cost and content of

entrepreneurship programs may vary widely across institutions, making it difficult to generalize findings to all tertiary institutions in Lagos State.

Future studies should consider conducting longitudinal research to capture the long-term effects of entrepreneurship education on career progression and income levels among graduates. Additionally, further research could explore differences in private costs across specific disciplines or types of tertiary institutions (public versus private). Examining how additional support mechanisms, such as scholarships or subsidized programs, impact employability outcomes would also provide valuable insights for policy and practice.

Recommendations

1. Education policymakers and institutions should consider providing subsidies or scholarships for entrepreneurship education to reduce the financial burden on students, especially those from low-income backgrounds.
2. Institutions should incorporate practical and experiential learning components within entrepreneurship education programs to improve graduates' employment readiness.
3. Partnerships with financial institutions and entrepreneurship hubs can provide graduates with funding or low-interest loans to support business ventures post-graduation.
4. Tertiary institutions could implement data-tracking mechanisms to continuously evaluate the cost and employment outcomes of their entrepreneurship programs. This would help in adjusting programs based on evolving market demands and graduate experiences.

CONCLUSION

While the benefits of these programs positively influence graduate employability, financial barriers limit access and equity. The study on the Private Cost of Entrepreneurship Education and Employment Opportunities Amongst Graduates in Lagos State, Nigeria offers critical insights into the financial burden associated with entrepreneurship education and its impact on employment outcomes. The findings underscore the need for stakeholders to address the cost implications of these programs and ensure that they provide tangible employment benefits. With proper support mechanisms and affordable educational structures, entrepreneurship education could serve as a transformative tool for reducing graduate unemployment and promoting self-employment in Nigeria.

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