
ACCOUNTING SKILLS ACQUISITION AMONG BUSINESS EDUCATION STUDENTS: PANACEA FOR POVERTY REDUCTION IN OYO STATE, NIGERIA

BY

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Abstract

This paper examined accounting skills acquisition among business education students: panacea for poverty reduction in Oyo State, Nigeria. The study adopted descriptive survey research design. It was guided by two research questions. The population of the study comprised 2,400 final year students in tertiary institutions of Oyo State Offering Business Education Programme and 10% representing 240 respondents form the sample size for the study. A self-structured questionnaire titled: Accounting Skills Acquisition among Undergraduates for sustainable Development Questionnaire validated by three (3) senior lecturers was used for data collection. The internal consistency of the instrument was established using Cronbach Alpha and co-efficient of .80 was obtained. The research questions were answered using mean and standard deviation. The findings showed among others that ability to: keep up to date credit sales records, demonstrate simple budgeting, undertake basic steps in starting a business, implement plans for goal attainment, take risks and independent actions, take appropriate decisions when necessary, evaluate business activities and others are the benefits of accounting education skills required for successful business operation by business education graduates. Based on the finding the study recommended among others that lecturers should re-dedicate themselves by attending more workshops, seminars to acquaint themselves with accounting education skills so that they can in turn, impart same in the students and that Business Education students should be made to acquire accounting skills so as to contribute meaningfully to the economy of the country for poverty reduction.

Keywords: Accounting, Skills acquisition, Undergraduates and Poverty reduction

Introduction

Education as a vital instrument for national and sustainable development and it involves the acquisition of fundamental knowledge and essential development skills needed for poverty reduction which accelerate economic growth. The purpose of education is not just making a student literate but adds rationale thinking, knowledge, ability and self-sufficiency and when there is a willingness to change, there is hope for progress in any field (Babayemi and Afolabi, 2020). However, Business Education is one the field of education aims at skills acquisition to make graduates employable. It prepares students/graduates to handle their own business affairs and to function intelligently as consumers and citizens in a business community.

According to Onajite (2016), Business Education encompasses education programme for business, office education, economic understanding, office environment, entrepreneurship and it

seeks to develop in the learners' basic skills for personal use in future. Business Education is concerned with teaching of skills, attitudes and knowledge necessary for a successful career in office and business world (Nwokike and Ezeabii, 2018). This indicates that Business Education covers a wide range of spectrum of economic activities in any society as well as the desirable business competencies appropriate for successful business operation in this economic situation by equipping individuals with long life skills.

Business Education programme is seen as a discipline meant to prepare individuals; economically, politically, socially and technologically in transforming human resources and enhancing economic empowerment. According to Okoh in Ezeani(2012) Business Education has four basic career options, such as skilled, vocational option, professional option and executive Business Education option. The professional option includes: auditing, administration and the accountancy profession (Accounting), therefore, the accounting option is the focus for this study. 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. Ezeani (2012) sees accounting as the process of expressing the economic activities of everyday life in monetary terms, so as to estimate the costs of creating goods and services, make decisions about production on the basis of these estimates, compare the actual costs as they occur with the estimate originally made, and adjust the output and prices of goods and services accordingly.

Business education students should acquire knowledge and competencies of financial accounting as success can only come through such efforts. Undergraduates should possess high level skills in preparing and interpreting financial statements, maintain records of receipts and payments (cash book), income and expenditure and a balance sheet for the business. The role of accounting activities in the operation of business enterprise are recording financial data, analyzing financial data, preparation of accounting statements and communicating financial information to employers for poverty reduction.

Poverty is a multidimensional phenomenon. Poverty is the inability of getting choice of opportunities, a violation of human dignity. It means lack of basic capacity to participate effectively in the society. World Bank (2010) summarized poverty as a lack of opportunities, lack of empowerment and a lack of security. Poverty is the lack of multiple resources leading to physical deprivation. Unemployment, corruption, non-diversification of the economy, income inequality, laziness, poor education system and others among all can be considered to be some of the key factors contributing to poverty which can be addressed by effective spending, reduction in tax rate, increase in agricultural and manufacturing produce in Nigeria.

Nigeria is faced with many socio economic problems such as economic and political instability, ethnic and religious conflicts, corruption as a system, lack of or dilapidated infrastructure, extreme poverty- denial of fundamental human rights and failure of state to carry out her responsibilities to her citizens. With the abundance of natural and human resources available in the country, there is no reason Nigeria should be far below her potential capabilities and capacities. Irrespective of these resources available in Nigeria, poverty seems to remain persistent in the country. This may be as a result of poor values, low self-image, lack of confidence and

other misconceptions held by the citizenry in the country which Business Education offers to correct and bring about positive changes in the system.

Similarly, a United Nations (2018) statement said: poverty is a denial of choices and opportunities, a violation of human dignity. It means lack of basic capacity to participate effectively in society. It means not having enough to feed and provide shelter for family, not having a school or clinic to go to; not having the land on which to grow one's food or a job to earn one's living, not having access to credit. It means insecurity, powerlessness and exclusion of individuals, households and communities. It means susceptibility to violence, and it often implies living on marginal or fragile environments, without access to clean water or sanitation.

Oyo State is one of the states in Nigeria. People of this state engage in business of various forms ranging from crop production, farming, pure water firms, dying of cloth etc. There are colleges of education offering Business Education as a course which are either owned by the government or private individuals located in rural and urban areas of the state in order to cater for educational needs of the people. The students consist of male and female who have exposed to various teaching, seminars, training, workshop and have acquired knowledge still these graduates of Business Education are still looking for white collar job which are not much in existence and increasing poverty level of people of Oyo State.

Therefore, business education undergraduates need to be trained to meet the expectation of the present society through accounting skills. Akpotowoh and Amahiin Umoru and Yakubu (2018) identified some of the accounting and financial skills required by undergraduates in business related areas for poverty reduction and sustainable development include: Knowledge of accounts, Knowledge of costing, Ability to interpret financial statement, Ability to acquire the skill of preparing financial statements, Ability to understand payroll and various deductions, Ability to know gross and net profit, Ability to know sources of funds, Ability to know how to obtain loans, A knowledge of federal, state and local government levies, taxes and regulations and Acknowledge of factors involved in decision to grant loan by financial houses. Osuala in Michael and Chigozie (2014) affirmed that knowledge of accounting skills are very imperative for sustainable business. The non-possession of these accounting skills by undergraduates, therefore, constitutes a problem such that, the chances of survival of the business are slim and the probability of imminent failure become high. Nwoha (2006) stated that accounting provides undergraduates (managers) with the information needed for decision making and exposes them to the various users of accounting information and the interest of the users of such information.

Despite the role of accounting, Nigerian youths are living in poverty and most businesses are getting more complex and sophisticated with the intervention of gadgets employed in almost every stage of business operation; communication, finance, administration, research among others which have all experienced great change. For successful business operation in this period towards poverty reduction and sustainable development there is need for sound Business Education graduates who have acquired accounting skills. In spite of the fact that Business Education programme equips individual with necessary skills for self-employment and poverty reduction, Business Education graduates are yet to maximize these opportunities in creating jobs for themselves and others instead, they roam the streets in search of jobs, which are either few in

supply or not available. It is against this background that the researchers wish to examine accounting education skills acquisition among business education students: panacea for poverty reduction in Oyo State, Nigeria.

Statement of the Problem

The worsening high rate of unemployment among Business Education graduates is occasioned by shortage of the right vocational and practical skills (Accounting) capable of making the recipients effective in the society for successful business operation towards poverty reduction in Nigeria. It is the statutory duty of tertiary institutions to groom the required human capital through relevant manpower training, abilities, attitudes, skills and knowledge. It is assumed, also that on graduation, young people could have developed additional skills through training and experience that could further enhance their opportunities, capabilities and success in their life endeavour. Though, Business Education supposed to serve as recipe to reduce poverty. However, to achieve the goal of skill acquisition in Business Education, accounting skills must be practically and adequately taught with appropriate instructional materials under a conducive environment and the skills acquired in Business Education programme are supposed to boost the recipients' job prospects and productivity. Hence, the need for this study to examine accounting skill acquisition among business education graduates: panacea for poverty reduction in Oyo State, Nigeria.

Purpose of the Study

The main purpose of the study was to examine accounting skill acquisition among business education students: panacea for poverty reduction in Oyo State, Nigeria. Specifically, the study sought to:

1. identify accounting skill area of Business Education as a panacea for poverty reduction in Oyo State, Nigeria,
2. determine the benefits of accounting skill acquisition for poverty reduction in Oyo State, Nigeria.

Research Questions

The study was guided by the following research questions:

1. What are the accounting skill areas of Business Education as a panacea for poverty reduction in Oyo State, Nigeria?
2. What are the benefits of accounting skills acquisition for poverty reduction in Oyo State, Nigeria?

Methodology

The study adopted a descriptive research method. Two thousand five (2,500) hundred final year Business Education students formed the total population of this study. Three hundred and forty-five (345) using sample random techniques obtained through Taro Yamane formula formed the sample size for this study. A 35 items structured questionnaire titled: Accounting skill Acquisition among Students: Panacea for Poverty Reduction Questionnaire validated by three (3) experts was used for data collection. 4-point likert scale of Strongly Agree (SD), Agree (A), Disagree (D) and Strongly Disagree (SD) was used for this study. The internal reliability of the instrument was measured using Cronbach Alpha which yielded a correlation coefficient of 0.78. Mean and standard deviation was used to answer the data generated for the research questions

while t-test was used to test the null hypotheses at 0.05 level of significance. Any item with mean score equaled or above 2.50 was considered Agreed while items below 2.50 were considered Disagreed.

Results

Research Question 1: What are the accounting skill areas of Business Education as a panacea for poverty reduction in Oyo State, Nigeria?

Table 1: Mean Ratings and Standard Deviation on Accounting Skill Areas of Business Education as a Panacea for Poverty Reduction

S/N	Items	Mean	SD	Remark
1.	History, nature, functions and importance of accounting	3.00	0.96	Agreed
2.	Source Document	3.19	0.99	Agreed
3.	Subsidiary books	3.09	0.78	Agreed
4.	Double entry principle	3.08	0.89	Agreed
5.	Bank reconciliation statement	3.21	0.86	Agreed
6.	Trading, profit and loss account of business organization	3.11	0.81	Agreed
7.	Depreciation of assets	3.01	0.88	Agreed
8.	Provision for discount and doubtful debts	3.04	0.90	Agreed
9.	Simple manufacturing account	2.83	0.85	Agreed
10.	Sales and purchases ledger control account	3.08	0.89	Agreed
11.	Accounting concepts and conventions	3.21	0.86	Agreed
12.	Company accounts	3.11	0.81	Agreed
13.	Interpretation and computation of accounts using simple ratios	3.01	0.88	Agreed
14.	Departmental and total profit of a company	3.44	0.72	Agreed
15.	Inter-breach transactions account	3.21	0.88	Agreed
16.	Stock Valuation	4.10	0.92	Agreed
Weighted Mean/SD		2.96	0.86	Agreed

Source: Field Survey 2021

Result in table 1 showed the accounting skill areas of Business Education as a panacea for poverty reduction with a mean score ranged from 2.83 to 4.10 and weighted mean of 2.96. The respondents however in table 1 indicated that all the items are closely related and based on the findings, the standard deviation of all items were ranged from 0.72 to 0.99 meaning agreed.

Research Question 2: What are the benefits of accounting skills acquisition for poverty reduction in Oyo State, Nigeria?

Table 2: Mean Ratings and Standard Deviation on the benefits of accounting skills acquisition for poverty reduction

S/N	Ability to:	Mean	SD	Remark
1.	Undertake basic steps in starting a business	3.44	0.72	Agreed
2.	Plan business activities	3.21	0.88	Agreed
3.	Implement plans for goal attainment	3.35	0.86	Agreed

4.	Take risks and independent actions	2.88	0.96	Agreed
5.	Work hard and be goal oriented	3.38	0.83	Agreed
6.	Take appropriate decisions when necessary	3.41	0.82	Agreed
7.	Direct the business activities	3.36	0.78	Agreed
8.	Evaluate business activities	3.13	1.06	Agreed
9.	Meet job schedule	3.60	0.75	Agreed
10.	Organize human resources	3.50	0.63	Agreed
11.	Monitor employee's performance	3.33	0.72	Agreed
12.	Determine personnel salary	3.20	0.83	Agreed
13.	Recognize the need of employees	3.11	0.99	Agreed
14.	Judge performance of employee	3.29	0.91	Agreed
15.	Identify and use market opportunities	3.05	0.89	Agreed
16.	Keep up to date credit sales records	3.99	0.86	Agreed
17.	Demonstrate simple budgeting	3.89	0.85	Agreed
18.	Prepare product way bill	4.23	0.89	Agreed
19.	Handle double entry book-keeping	3.91	0.87	Agreed
	Weighted Mean/SD	3.43	0.85	Agreed

Source: Field Survey 2020

Table 2 revealed the mean ratings and standard deviation on the benefits of accounting skills acquisition for poverty reduction in Oyo State. Based on the cut of point of 2.50, the result implies that all items were rated agreed by the respondents with mean score ranging from 2.88 to 4.23 and weighted mean of 3.43. Item 8 had standard deviation of 1.06 while other items had standard deviation ranged from 0.63 to 0.99 meaning agreed.

Discussion of Findings

The findings as shown in table 1 revealed that History, nature, functions and importance of accounting, Source Document, Subsidiary books, Double entry principle, Bank reconciliation statement, Trading, profit and loss account of business organization, Depreciation of assets, Provision for discount and doubtful debts, Simple manufacturing account, stock valuation and the like are the accounting skills areas of Business Education as a panacea for poverty reduction. This study is in consonance with the findings of Onoh in Umoru and Yakubu (2018) who posited that fundamental accounting education skills are those competencies in basic accounting required by a person to function competently, confidently, and successfully in the process of carrying out one's function of recording daily business transaction which include skills in book-keeping, purchasing and supply, bargaining, determining labour costs, simple budgeting, and keeping of accurate receipts, sales records skills in keeping reliable records, sourcing for market outlets, work in progress records, credit purchases, invoices, cheque payments, keeping customers' records and goods inventory. The findings are in agreement with Michael and Chigozie (2014) who posited accounting skills area include: inventory control, financial management, simple ledger control and basic accounting software serve as a panacea for poverty reduction among graduates in Nigeria.

The findings in table 2 revealed that ability to: undertake basic steps in starting a business, Implement plans for goal attainment, take risks and independent actions, work hard and be goal oriented, take appropriate decisions when necessary, evaluate business activities and others are the benefits of accounting skill acquisition for poverty reduction. This finding is in line with Soyode (2016) who stated that students need to possess skills in accounting and financial management toward poverty reduction these lack of reliable financial information or meaningful financial projections, limited financial skill and industry data for valuations by business graduates therefore, affect the growth of business and hindered economic development. Furthermore, Oladejo (2015) observed that the inability of the business education graduates to install a proper accounting system would disallow business monitoring, reporting, and performance evaluation that are germane to the business survival. Small businesses have failed in the past for ignoring this vital measurement apparatus. The finding also attests to the findings of Aliyu (2013) who maintained that accounting skills for successful operation of a business towards poverty reduction include: knowledge of accounts, knowledge of costing, ability to interpret financial statement, ability to acquire the skill of preparing financial statements, ability to understand payroll and various deductions, ability to know gross and net profit, ability to know sources of funds and ability to know how to obtain loans.

Conclusion

Business Education is designed to equip individuals with the knowledge, skills and competencies needed to operate business in the world in the world of work and thereby reducing unemployment rate in a nation for sustainable development. Also, Business Education plays a significant role in economic development by providing knowledge and skills to the learners thereby enabling them to adequately impact knowledge into others and handle sophisticated office technologies and information systems. Its primary aim is to produce competent, skilful and dynamic business teachers, office administrators, entrepreneurs, employers or simply as self-employed businessmen and women that will effectively compete in the world of work. Acquisition of accounting skills is vital for Business Education students because of their usefulness in the areas of self-employment, self-reliance and employment toward poverty reduction in to other sectors of the economy. However, ability to: process accounts receivable and accounts payable, process inventories, prepare ledgers and extract the trial balance, prepare daily cash reports, prepare bank reconciliation statements, keep sales and purchases records, keep debtors ledgers, prepare final accounts, profit and loss accounts and the balance sheet, calculate depreciation, avoid unplanned expenditures and prepare simple budget are the requisite skills in accounting needed by business education graduates as a panacea for poverty reduction in Oyo State and Nigeria as a whole.

Recommendations

Based on the findings and discussions of the study, the following recommendations were made:

1. Business Education students should be made to acquire accounting skills so as to contribute meaningfully to the economy of the country.
2. The school management should establish accounting laboratory equipped with computers that are embedded with modern accounting soft-wares for proper record keeping and for preparing financial statements of accounts this can improve students accounting knowledge after graduation.

3. Lecturers should re-dedicate themselves by attending more workshops, seminars to acquaint themselves with accounting skills so that they can in turn, impart same in the students.
4. Qualified and competent Business Educators should be employed to handle the teaching of Financial Accounting in tertiary institution.
5. Business Education syllabus in Colleges of Education should be designed to be more practicable than theoretical.

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