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ENTREPRENEURSHIP EDUCATION AND MSME PERFORMANCE IN NIGERIA

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ABSTRACT
This research explores the correlation between entrepreneurship education and the performance of Micro, Small and Medium Enterprises (MSMEs) in Nigeria, while specifically focusing on the entrepreneurial skills, innovation, and institutional support. The research philosophy used in this study is interpretivist and research design is documentary research. Secondary data was collected from peer-reviewed journal articles, government publications, institutional reports and pertinent international development organisations. Thematic content analysis approach has been used for analysing the data on the themes of entrepreneurship education, entrepreneurial skills, innovation, institutional support and MSME performance. The results show that entrepreneurship education can enhance the performance of MSMEs as long as the learning focuses on doing and not only on theory. Start-up skills facilitate the identification of opportunities, business planning, financial management, marketing and strategic decision making, and innovation further fortifies the ability of MSMEs to adapt to shifting consumer demands and enhance their competitiveness. However, the study shows that without providing institutional support, such as finance, infrastructure, technology, mentorship, market opportunities and predictable regulations, entrepreneurship education cannot ensure sustainable performance of MSMEs. The study suggests the need for practical and action-based entrepreneurship education, strengthening linkages between educational institutions, industry and relevant government agencies and leaning towards market-oriented entrepreneurship education.

Keywords: Entrepreneurship Education; MSMEs; Entrepreneurial Skills; Innovation; Institutional Support; Nigeria.

Introduction

Entrepreneurship and Micro, Small and Medium Enterprises (MSMEs) play a significant role in economic development, especially in developing economies where the number of jobs created in the formal sector may not be able to cover the increasing number of workers. Their productivity, survival and growth matter for broader development outcomes as they are not just a source of employment creation, income generation, but also local production and economic diversification. MSMEs make up a significant share of the Nigerian economy through their contribution to employment and businesses, highlighting their key role in the country's economy (PwC Nigeria, 2024).

Many MSMEs in Nigeria continue to face persistent challenges affecting their growth and sustainability even though their contribution to the economy is significant. Among them are lack of access to finance, poor infrastructure, low managerial and technical skills, regulations, market uncertainty and limited technological capacity. The challenges indicated that the creation of enterprises is not enough for sustainable business. In addition, there is a need to focus on building knowledge, skills and institutional arrangements needed for entrepreneurs to recognize opportunities, use resources efficiently, adapt to market fluctuations and maintain their business.

Entrepreneurship education has as a result become an important policy and education tool for entrepreneurial capacity development. A modern approach to entrepreneurship education focuses on training business plan preparation skills and enterprise building, in addition to learning practical skills such as opportunity recognition, creativity, problem-solving, financial management, innovation, leadership, networking, and strategic decision making. Entrepreneurship education has been institutionalized in tertiary institutions and the Nigerian government has launched a number of entrepreneurship development programs. However, some evidence indicates that problems with the pedagogies employed, institutional capacity, support for innovation, and limited connections between the university and industry remain issues in the implementation of entrepreneurship education (Olawale et al., 2024).

Previous research shows that there is a positive link between entrepreneurship education and entrepreneurial outcomes in general. For instance, Ayatse (2024) found that entrepreneurship education is associated with enterprise performance in the North Central region of Nigeria, in the manufacturing sector. Likewise, previous research has correlated entrepreneurial orientation with the performance of SMEs in various settings in Nigeria, specifically the entrepreneurial innovativeness, proactiveness and risk taking (Abodunde, 2024; Ogbaini et al., 2024). To the extent that enterprise performance relies on the ability of businesses to adapt their products, production process, business models and marketing strategies to technological and consumer changes, innovation is especially essential.

However, the impact of entrepreneurship education on the performance of MSMEs cannot be isolated. Entrepreneurs may have the necessary knowledge, skills and experience but not have access to financing, infrastructure, technology, markets, mentorship and institutions that support their business. Access to finance is especially critical as viable business ideas and entrepreneurial skills are not always able to be converted into viable businesses without sufficient financial resources. As is mentioned, institutional arrangements and the larger business climate can also help or hinder the application of entrepreneurship education knowledge and skills by entrepreneurs.

The existing literature thus shows that the education and training of entrepreneurs and entrepreneurial orientation and innovation are paramount to enterprise development, yet there is need to have a more integrated view of the relationship between entrepreneurship education and the performance of MSMEs in the Nigerian context, specifically through entrepreneurial skills, the

role of innovation and institutional support. The majority of the existing literature focuses on individual factors, and only offers a narrow perspective to the extent of their relevance in enterprise performance. This study aims to fill this void by investigating the link between entrepreneurship education and the performance of MSMEs in Nigeria, and the contribution of entrepreneurial skills, innovation and institutional support in the context of these relationships. The paper is organised into five sections. The second part presents the relevant conceptual and theoretical literature as a review. The methodology is described in the third section and the findings are presented and discussed in the fourth section. The conclusion and recommendations are included in the last part.

Literature Review

Conceptual Review

1 Entrepreneurship Education

Entrepreneurship education is defined as organized processes of learning which enable a person to acquire knowledge, attitudes, skills and competencies, necessary to recognize entrepreneurship opportunities and to create value and manage an entrepreneurial activity. It is more than the passing on of business knowledge, as entrepreneurship involves the use of knowledge in the face of uncertainty. Emphasis on business planning, accounting and successful entrepreneurs' characteristics was given a lot of importance in traditional entrepreneurship education. Modern practices, however, place growing focus on experiential learning, problem solving, creativity, opportunity identification, innovative and interaction with authentic businesses.

The existing literature broadly agrees that it is not so much exposure to entrepreneurship courses that is the important factor for the effectiveness of entrepreneurship education as the quality and relevance of the learning. Olawale et al. (2024), for instance, highlight the role of pedagogical practices in achieving effective entrepreneurship education in Nigeria, as well as institutional capacity, innovation support and university-industry relationships. This view is similar to the larger proposition that entrepreneurial skills can't be learned in school. Other studies, however, have focussed more directly on the relation between entrepreneurial education and entrepreneurial attitudes and intentions. For example, Egbetokun et al. (2024) discovered that entrepreneurship education can play a role in fostering enduring entrepreneurial orientations.

The "consensus" in the literature that entrepreneurship education is beneficial covers an important difference. Entrepreneurial knowledge and attitudes can be enhanced through education, but this does not necessarily lead to better enterprise results. A learner can know how to identify an opportunity, develop a business plan and financial management but lack practical skills and institutional resources to start and operate a viable business. Therefore, the question is not just if entrepreneurship education exists, but if it can create skills that can be transferred to good entrepreneurial behavior and MSME performance.

This difference assumes significance in Nigeria where entrepreneurship education is gradually integrating into senior tertiary education but implementation is still a problem. Entrepreneurship education is thus suggested in the literature as a capability building mechanism, which is dependent in part on the level of application of knowledge and skills of such education in an entrepreneurial environment that has been supportive.

2 MSME Performance

MSME performance is how well Micro, Small and Medium Enterprises meet their economic and organisational goals. It can be measured by a variety of measures such as business survival, profitability, sales growth, productivity, employment creation, market expansion, customer retention, innovation and resilience to external shocks. A multi-dimensional approach is

better since the performance of an enterprise differs from one sector to another, and from one organization to another based on their strategic goals, size and age. A new business might focus on survival and customer acquisition, while a more mature business could focus more on productivity, profitability, market expansion and innovation.

The general picture gained from recent Nigerian evidence is that the capabilities of entrepreneurs are linked to enterprise performance. Ogbaini et al. (2024) reported that innovativeness, risk-taking, proactiveness and competitive aggressiveness positively affects SME performance, while Abodunde (2024) reported the same relationship between entrepreneurial orientation and the performance of SMEs in Oyo state. The results of these studies all indicate that entrepreneurial skills are significant in enterprise results. Although there are a few similarities in the studies, there are also a few distinctions, with the one based on entrepreneurial orientation focusing on a number of aspects, and the other being based on the relationship between entrepreneurial orientation in a specific geographical context.

These findings complement each other and offer support to the argument that financial resources or market conditions do not solely influence MSME performance. But the evidence also suggests that enterprise capabilities work within wider environmental contexts. Therefore, it is not to be concluded that the improvement of performance is solely due to entrepreneurship education. It is important to look at how education catalyzed capabilities combine with innovation and institutions to affect enterprise outcomes. This gives us a foundation to understand MSME performance not just in terms of profitability but as a multidimensional outcome.

3 **Entrepreneurial Skills**

Entrepreneurial skills are those skills needed to spot business opportunities, start a business and manage businesses effectively. These involve opportunity recognition, creativity, communication, leadership, financial management, marketing, negotiation, decision making, problem solving, networking and risk assessment. These competencies are especially crucial as entrepreneurs have to make decisions when circumstances are ones of uncertainty, lack of information and changing market conditions.

The literature seems to be generally supportive of the idea that entrepreneurship education is a contributing factor to entrepreneurial skill development. Egbetokun et al. (2024), for example, emphasise the contribution of entrepreneurship education to entrepreneurial attitudes and orientations. It reinforces the argument that entrepreneurial learning has a significant impact on entrepreneurial perceptions and reactions to business opportunities. There are, however, differences between developing entrepreneurial attitudes and developing practical skills. While positive attitudes towards entrepreneurship can stimulate opportunities, skills like financial management, information and communication technology competence, and marketing and strategic decision making are required to turn ideas into sustainable business activities.

The literature thus suggests a more general view of entrepreneurial human capital. Besides the traditional entrepreneurial skills, financial literacy, digital competence, managerial knowledge and managerial communication skills can also contribute to enhancing entrepreneurial abilities in resource allocation and market opportunities. In this context, it is equally important to consider the competencies individuals develop as part of the entrepreneurship education process, rather than the number of people trained, and how these competencies are applied.

However, much of the current debate is marred by a lack. Often times, entrepreneurial skills are perceived as something that happens in school or is a innate trait of the entrepreneur, and less focus is placed on how these skills manifest in the form of measurable MSME performance in various institutional contexts. To tackle this, the present study treats the entrepreneurial skills as

an important dimension and may be contributing to the performance of MSMEs as a result of entrepreneurial education.

4 **Innovation**

Innovation is the first or second appearance of a new or substantially improved product, process, service, marketing or organizational practice in the marketplace. Innovation doesn't have to be a big technology leap for MSMEs. It can be as simple as implementing digital payment systems, enabling home delivery, enhancing product packaging, minimizing waste in production, and new marketing channels or creating new service packages. These incremental innovations can help small businesses meet evolving consumer preferences, lower their costs and enhance their competitiveness.

There is ample evidence in the literature to suggest that there is a positive link between innovation and enterprise performance. There is also an interest in innovativeness as an attribute of entrepreneurial orientation that is also relevant to the performance of SMEs; Ogbaini et al. (2024) identify such relevance, and Ilemobayo et al. (2025) assert the relevance of innovation to enterprise outcomes. The studies share a common focus on innovativeness, yet in their different ways present the concept of innovativeness and tie it to entrepreneurial performance. This implies that innovation is a not just an entrepreneurial trait but can be seen as a business ability to adapt to the market and new technologies.

Simultaneously, the literature questions the notion that only entrepreneurial motivation can lead to innovation. A business owner can be motivated and competent to create something new, but may not be able to access technology, finance, knowledge, good people or markets. OECD (2024) also highlights the need for access to strategic resources and enabling framework conditions for SME innovation and growth. So innovation is a process that is in part ecosystem dependent.

This makes an important link to be made between entrepreneurship education, entrepreneurial skills, and entrepreneurial institution support. Entrepreneurship education can build knowledge and creative capability for innovation, entrepreneurial skills can build the capacity to put ideas into practice and institutional support can build resources and environment for the idea to become commercially viable. While existing studies have confirmed the relevance of these factors individually, few studies combine them into one analytical discussion of the performance of MSMEs in Nigeria.

5 Institutional Support

Institutional support includes policies, regulations, programmes, organisations and resources that enable enterprises to be created, operate and developed. It encompasses business registration, access to finance, incubation programmes, entrepreneurship centres, training, infrastructures, technology support, market access and IP protection. A conducive institutional climate can lower uncertainty and transaction costs while inconsistent regulation, administrative hassles, poor infrastructure, and inadequate support services can limit enterprise development.

The institutional setting has a significant impact on entrepreneurial and MSME outcomes, as indicated in the literature. Among the framework conditions for SME growth that are highlighted by OECD (2024) are transparent regulation, education, infrastructure, innovation support and the access to knowledge, technology and finance. This makes the case for the inseparability of entrepreneurship education from the general business context. In some studies, however, the role of institutional support is the main focus, and other studies are more on the individual entrepreneurial capability.

The difference is a significant analytical one. Even the best entrepreneur can find it difficult to grow a company if he does not have access to finance, or if the infrastructure is not

adequate, or if the rules and regulations are not predictable. On the other hand, too much enabling institutional environment can be of little value if entrepreneurs are unable to take advantage of the opportunities available. Thus, institutional support and entrepreneurial ability need to be considered as complementary, not competing explanations of MSME performance.

This relationship is even more relevant in Nigeria. Various measures have been taken by the government and institutions for financial access and entrepreneurship training and enterprise development. However, support programmes do not automatically mean that entrepreneurs are able to access and effectively use them. This indicates that future research should shift the focus from the identification of institutional support to the analysis of the relationship between institutional support and entrepreneurship education and entrepreneurial capabilities.

6. **The synthesis of the literature and research gap is detailed in Section**

The literature reviewed shows that there is wide consensus that the concepts of entrepreneurship education, entrepreneurial skills, innovation and institutional support are relevant for MSME development. The relationship between these factors is however, treated differently in the literature. Some studies focus on entrepreneurship education and entrepreneurial attitudes, some focus on entrepreneurial orientation and the performance of MSMEs, and others focus on innovation or institutional conditions. While these studies are useful for uncovering evidence, they often look at variables as they relate to each other in rather limited combinations.

Another constraint is that results of the positive impact of entrepreneurship education are not sufficient to conclude that education in itself is effective in improving the performance of entrepreneurs. The importance of the role of entrepreneurial skills and innovation and the enabling or constraining influence of institutional support in between needs to be paid more attention. That is, the literature has confirmed that the knowledge, skills, innovative capacity and supportive institutions are essential to entrepreneurs, but there is less integrated evidence about the linkage between these three factors and the performance of MSMEs in Nigeria.

This study is also unique in the literature in synthesizing these dimensions into a single analytical framework that is related to the performance of MSMEs and the importance of entrepreneurship education. The study addresses entrepreneurial skills, innovation and institutional support as a multi-faceted phenomenon that can be investigated together and that reflects how entrepreneurship education can impact enterprise performance. The study thus aims at having an integrated understanding of the conditions that can facilitate the linkage of entrepreneurship education to better MSME outcomes in Nigeria.

Theoretical Framework

1 Human Capital Theory

The basic premise of this study is Human Capital Theory, which is closely related to Becker's assertion that education and skills are investments in improving the productive capacity of individuals (Becker, 1964). The theory is that the more an individual invests in education, training, knowledge and skills, the more of their productive activity they can do and the more they can improve economic results. Human Capital Theory implies that education of entrepreneurship can improve the knowledge, skills and capacities that are needed to tackle uncertainty, mobilise resources, manage enterprises and identify opportunities in entrepreneurship for the benefit of entrepreneurs.

The relevance of Human Capital Theory to this study is because it straight provides the explanation for the connection between entrepreneurship education and the performance of MSMEs. Education in entrepreneurship is a human-capital investment opportunity because it can help build skills like opportunity recognition, financial management, marketing, problem solving,

leadership, risk assessment, and digital competence and innovation. These capabilities can enhance entrepreneurs' decision making, seize market opportunities and control businesses resources, which are important for enterprise survival, growth, productivity and competitiveness.

The theory is especially suitable since the study is not only on the existence of entrepreneurship education, but also on how knowledge and skills gained from entrepreneurship education can be used to enhance the performance of MSMEs. According to the Human Capital Theory, education improves productive capacities; and entrepreneurial skills are a component of human capital that helps transform productive capacities into economic value. This gives a theoretical and logical basis to study the entrepreneurial skills as an important parameter in the relationship between entrepreneurship education and MSME performance.

However, there is a stronger explanation of the individual capability dimension, but not of the more extensive entrepreneurial ecosystem, as in the Human Capital Theory. For instance, Institutional Theory would emphasize the role of regulations and norms, government policies and institutional structures influencing entrepreneurial behavior; and the Resource-Based View would highlight the role of valuable, rare and difficult-to-imitate enterprise resources in creating competitive advantage. Although both theories are applicable to the explanation of institutional support, and enterprise-level resources, they do not explain as directly as does Human Capital Theory the development of education and skills, the central starting point of this study.

The choice of Human Capital Theory is consequently deliberate. The most direct theoretical mechanism in this study is the acquisition and application of knowledge and entrepreneurial competencies in the relationship of entrepreneurship education with MSME performance. While the institutional environment and the organisational context in which entrepreneurial capabilities are leveraged are useful for understanding the context in which they are used, the Human Capital perspective has the best potential to explain how investments in entrepreneurship education can improve the productive capacities of MSMEs and entrepreneurs in general.

However, Human Capital Theory does not mean that skills are sufficient to make enterprises succeed. But despite having a lot of knowledge and entrepreneurial skills, the entrepreneur may find himself or herself lacking of adequate finance, poor infrastructure, limited market access, technological barriers or an unsupportive regulatory environment. The theory has to be therefore used with an awareness of how individual capabilities and institutional environment are related when entrepreneurial activities take place.

In this context, this study would consider entrepreneurship education as an investment in entrepreneurial human capital, entrepreneurial skills as an entrepreneurial capability-enabling mechanism and entrepreneurial performance of MSME as an enterprise level outcome. The application of these capabilities is considered as a complement of innovation and institutional support, both of which can either reinforce or limit it. Thus, it is proposed that entrepreneurship education can enhance the performance of MSMEs by enhancing the knowledge and skills of the entrepreneurs, but the potential of these skills to create a sustainable enterprise is partly dependent on the availability of enabling entrepreneurial environment.

Thus, the study's main theoretical underpinning is Human Capital Theory, even if it takes into account the findings of Institutional Theory and the Resource Based View. This ensures that the study continues to have the theoretical orientation on education and entrepreneurial skills, without neglecting the institutional and resource context that shapes the realization of such skills into the performance of the MSMEs.

Empirical Review

Several empirical studies have shown an emerging trend of the link between entrepreneurship education, entrepreneurial orientation, innovation and MSME performance in Nigeria. Nevertheless, the extent to which these findings have proven this linkage differs based on the geographical scope, methodology used and the variables used in the analysis. A critical review of the literature will be necessary to determine the extent of what is known about this link.

Ayatse (2024) studied the link between entrepreneurship education and SME performance in the manufacturing sector in North Central Nigeria. It was found that there exists a positive link between entrepreneurship education and enterprise performance. It is a useful study that suggests that learning from entrepreneurial education may have practical implications for enterprise performance. Nevertheless, it only focused on the manufacturing sector and North Central region. This implies that there are limited possibilities of applying its findings in other regions and sectors in Nigeria. In addition, the evidence provided by such studies may not be sufficient due to the peculiarities of each sector or region in Nigeria.

Olawale et al. (2024) conducted a study on entrepreneurship education and innovations at Nigerian universities. The results suggest that efforts geared towards fostering entrepreneurship have become increasingly institutionalized, although challenges have emerged in terms of institutionalization, innovation and university-industry relationships. This is different from Ayatse (2024) whose research is geared more towards enterprise performance than entrepreneurship education. This is a key difference since it shows that having entrepreneurship education does not necessarily improve enterprise performance. However, the university-based research narrows the study's scope in that it cannot determine how the identified educational and institutional challenges influence enterprise performance.

Moreover, the studies on entrepreneurial orientation also lend support to the significance of entrepreneurial capabilities. According to Ogbaini et al. (2024), innovativeness, risk taking, proactiveness, and competitiveness positively impact SME performance in Nigeria. In addition, in another study conducted by Abodunde (2024), the researcher reported the existence of a positive link between measures of entrepreneurial orientation and SME performance in Oyo State, Nigeria. In both cases, the results obtained by the researchers largely coincide especially in terms of the role of entrepreneurial capabilities in influencing the performance of an enterprise. At the same time, the geographic limitation of Abodunde's study to one state does not allow for generalisation at the national level. Furthermore, the studies dedicated to the analysis of entrepreneurial orientation do not always allow concluding about the source of entrepreneurial capabilities obtained in such studies.

Another study by Ishaya et al. (2024) using empirical data from Maiduguri similarly indicated that there were positive associations between dimensions of entrepreneurial orientation such as innovativeness, proactiveness, risk taking and competitive aggressiveness and SME performance. This is a good source of empirical evidence from North Eastern part of Nigeria, which further adds to the available evidence from Oyo State and elsewhere in Nigeria. However, being location specific, this evidence is bound to be affected by the unique security, economic and institutional conditions of Maiduguri and might therefore be difficult to generalize across MSMEs in Nigeria. In yet another study from South West part of Nigeria, Ilemobayo et al. (2025) found out the significance of innovativeness, risk taking and competitive aggressiveness on SME performance. This adds strength to the case for the significance of entrepreneurial orientation in different parts of Nigeria.

When considered altogether, all the above-mentioned studies show a high degree of consistency regarding the significance of entrepreneurship capabilities and innovation for the

success of MSMEs. However, at the same time, these studies show certain shortcomings. First, some studies focus only on particular states or regions and are thus unable to give a generalized picture from the entire country. Second, the existing evidence mostly rests upon relationships which have been found in the studied context and do not necessarily prove how such effect comes into play. When it comes to studies that use cross-sectional survey method, it means that they are able to prove the presence of associations but cannot claim that entrepreneurship education leads to long-term improvement of the performance of enterprises. Third, studies consider entrepreneurship education, entrepreneurial orientation, innovation and institutional environment separately.

Consequently, there is a considerable gap in analysis between the available evidence and a complete understanding of the performance of MSMEs in Nigeria. There is available evidence on the capacity of entrepreneurship education to enhance entrepreneurial competencies, the link between entrepreneurial orientation and innovation and enterprise performance, and institutional factors' effects on the entrepreneurial setting. Nevertheless, there is inadequate integration of available evidence concerning the contribution of all these dimensions to the performance of MSMEs in Nigeria. This research fills the gap by adopting a documentary review of the available evidence that combines entrepreneurship education, entrepreneurial competencies, innovation and institutional aspects in one analysis.

Furthermore, the use of documentary analysis in this study makes another significant difference from the above-mentioned predominantly context-bound empirical evidence. As opposed to the collection of primary evidence based on one particular state or industry or enterprises, the study analyses patterns of agreement and disagreement among the evidence gathered from existing literature in Nigeria and other institutional literature. Consequently, this allows the study to determine the limitations of the evidence as well as to construct a wider understanding of the conditions for entrepreneurship education to affect MSMEs' performance.

Methodology

1 Research Philosophy and Approach

An interpretivist approach is adopted as the research philosophy of the study due to its aim to synthesise the understanding of existing literature on entrepreneurship education, entrepreneurial skills, innovations, institutions, and performance of MSMEs in Nigeria. An interpretivist research philosophy is suitable for a documentary research since it involves analysing different patterns and making interpretations from the available literature rather than conducting research on new quantitative data to test any relationship.

A qualitative approach to research using documentary research was used in the study. It was deemed appropriate to use this method in the study since it involves the synthesis of existing literature in peer reviewed journal articles, government publications, institution reports and publications of international development organisations.

2 Documentary Search Strategy

A systematic approach was used for searching relevant literature and institutional records. These included searches from Google Scholar, Scopus, Web of Science, ScienceDirect, and relevant official institutional websites with a specific focus on documents concerning entrepreneurship education, entrepreneurial skills, innovation, institutional support, and the performance of MSMEs in Nigeria. The following combinations of keywords and Boolean operators were used during the process of searching: “entrepreneurship education” AND Nigeria; “entrepreneurial skills” AND MSME performance AND Nigeria; “innovation” AND SME performance AND Nigeria; “institutional support” AND MSMEs AND Nigeria; “entrepreneurship

education" AND "MSME performance"; and "entrepreneurial orientation" AND SME performance AND Nigeria. Other searches included: "small and medium enterprises"; "micro enterprises"; "entrepreneurial capability"; "SME development"; "access to finance"; and "entrepreneurial ecosystem".

3 Inclusion and Exclusion Criteria

Inclusion criteria for documents are that they: (i) relate to any one of the areas of interest, such as entrepreneurship education, entrepreneurial skills, innovation, institutions, finance, and/or performance of MSMEs; (ii) contain substantial evidence that is relevant to Nigeria or contain important conceptual or comparative evidence that is relevant to the Nigerian context; (iii) have been published predominantly during the period from 2020 to 2026, except for seminal theoretical studies deemed necessary for establishing the conceptual/theoretical framework; (iv) are peer-reviewed academic publications, official governmental documents or publications by recognized institutions and/or international development agencies; and (v) contain enough information on the methodology or substance so that it is possible to interpret the findings meaningfully.

Exclusion criteria for documents are that they: (i) are irrelevant to the research objectives; (ii) consist solely of newspaper reports, promotional literature, opinion articles or unverified online information; (iii) duplicate evidence presented elsewhere; or (iv) are about a situation without any conceptual or empirical relevance to the Nigerian MSME setting.

4 Data Extraction and Analysis

Extracts of relevant information from the selected sources were made in relation to the central themes of the study. These themes include the concept and effectiveness of entrepreneurship education, development of entrepreneurial skills, innovation and competitiveness, access to finance, institutional and infrastructure support, and MSME performance. As for empirical sources, particular focus was given to geographical location, field, sample, research methodology, mode of data collection, analysis and key results of the studies. This provided the study with opportunity to identify areas of convergence and divergence and the limitations of the existing literature in terms of context and methodology.

Selected sources have been analysed by thematic content analysis approach. It includes the following steps: familiarisation with the documentary source; identifying and coding concepts; organising the codes into broader themes; and comparison and synthesis of the findings. In particular, attention has been paid to the relationships between the themes rather than each of them being treated as an independent variable. It means that the study has examined ways through which entrepreneurship education can help develop entrepreneurial skills, skills that in their turn could foster innovation and entrepreneurship development, as well as institutional and financial environment that helps translate skills into MSME performance.

5 Quality and Credibility of the Evidence

Documentary evidence was increased in its credibility through source selection and source comparison. More emphasis was placed on academic peer-reviewed papers, government reports, and publications by reputable national and international organizations. The results provided by any one study alone were not taken as gospel truth; rather, they were compared with the results of other studies in order to look for common themes and disagreements. Extra care was taken in interpreting the results of those studies limited to one country, industry, or particular group of firms.

6 Ethical Considerations

Only publicly accessible secondary documentary material was used in the study and there was no involvement of human participants in the process. No questionnaires, interviews or participant data were collected in connection with the study.

7 **Methodological Limitation**

The use of the documentary method allows incorporating information provided in academic or institutional sources; however, there are also certain limitations inherent in the use of this method. The study depends on the existence of publications of an appropriate methodological level. Differences in methodology, geography, samples and performance of MSMEs in the source studies may affect the possibility of comparison of evidence. Moreover, the study provides no original quantitative information and cannot establish causal links between entrepreneurship education and performance of MSMEs. The results of the study should thus be considered a critical review of evidence rather than statistically estimated values derived from a newly collected dataset.

Results and Discussion

1 Entrepreneurship Education and MSME Performance

According to the documentary sources, entrepreneurship education has been found to be positively linked to capability-building for MSME performance, though its effectiveness hinges to a great extent on how it is taught. From the findings from the sources reviewed above, it is clear that entrepreneurship education becomes more effective if learners are introduced to actual activities, including business simulation, market research, product development, mentorship, business incubation and interaction with practicing entrepreneurs. This is supported by the fact that the scope of entrepreneurship education in Nigerian universities has increased institutionally even as it faces challenges on the front of pedagogy and innovation support (Olawale et al., 2024).

In addition, the literature review shows that it is necessary to understand the difference between entrepreneurship education and the development of the capability to use such an education for real world application. Simply completing an entrepreneurship class does not guarantee that one can detect a valid market need, handle money management, get clients, or mitigate risks associated with the business. The learning process is more effective when learners are asked to put their knowledge into practice and are provided feedback on how they made their decisions.

It means that the impact of entrepreneurship education on the performance of MSMEs is an indirect one rather than a direct and immediate one. The role of education is the provision of knowledge and capabilities which are then used to act in an environment where it is possible to find money, technology, markets and institutional support. The key finding of this study is that the effectiveness of entrepreneurship education in Nigeria should be measured by the ability of the education to provide such capabilities and achievements of enterprises.

2 Entrepreneurial Skills as a Foundation for Enterprise Success

Entrepreneurial skills emerge as an essential conduit via which entrepreneurship education impacts on MSME performance. Financial management, marketing, communication, negotiation, leadership, opportunity recognition, risk assessment and strategic decision-making skills allow entrepreneurs to turn knowledge into decisions. This is especially true for small enterprises that have scarce management resources and need to react promptly to any changes related to customers, competitors and expenses.

There is confirmation of this link in Nigeria. Studies conducted by Abodunde (2024), Ishaya et al. (2024), Ilemobayo et al. (2025) and Ogbaini et al. (2024) indicate the correlation between the characteristics of entrepreneurial people including innovativeness, proactiveness and

willingness to take risks and performance of businesses. Nevertheless, one should not confuse these results with those suggesting that entrepreneurial skills alone ensure business success. While these studies focus on entrepreneurial orientation and performance, this work concentrates on how these skills can be acquired and improved through entrepreneurship education. Thus, the documents provide evidence that entrepreneurial skills are more likely to be considered as a conduit for translating learning into enterprise activity. Knowledge has economic value when entrepreneurs have ability to implement their knowledge to price-setting, budgeting, customer attracting, resource allocation, opportunity recognition and strategic changes.

3 Innovation and MSME Competitiveness

The documentary synthesis suggests that innovation is one of the key elements of competitiveness and sustainability of MSMEs. They function in the environment, which is subject to change because of evolving customers' tastes, emerging technologies and competitive pressure from both formal and informal businesses. Innovation allows firms to react to such changes via improved products, manufacturing, marketing, customer services and distribution.

The findings by Ogbaini et al. (2024) and Ilemobayo et al. (2025) prove the positive correlation between innovativeness and performance of SMEs. Nevertheless, innovation should not be considered as an entrepreneurial personality trait only. Innovativeness depends on access to finance, technologies, information, markets, infrastructure and networks. The entrepreneur can spot a commercially successful idea; however, he or she will not be able to implement it due to lack of money or technology. In addition, the innovative product will not help the firm to grow due to the absence of market access and distribution system.

The connection between entrepreneurship education and innovation, thus, is complementary. While education can cultivate creativity and problem-solving skills, the environment around the entrepreneur will decide, to a large degree, whether such skills could be translated into commercially viable innovations. Innovation, in the light of the above analysis, needs to be seen as something more than just a product of the entrepreneurial ability; rather, it must be seen as a concrete manifestation of the entrepreneurial ability which has impact on the performance of the MSMEs depending on the resources available to them.

4 Access to Finance and Enterprise Sustainability

The evidence suggests that finance is an essential enabling factor for converting entrepreneurial knowledge and skills into sustained economic activity. MSMEs need financial inputs for capital, equipment, inventory, personnel costs, development of products, marketing and business growth. The documentary evidence also shows that lack of finances may act as a barrier to opportunities even when the entrepreneurs have appropriate skills and feasible business ideas.

There are financing options that have been initiated by the government of Nigeria in order to help the entrepreneurs and MSMEs, such as AGSMEIS, Nigeria Youth Investment Fund, Tertiary Institutions Entrepreneurship Scheme and MSME Development Fund (CBN, n.d.). The availability of financing initiatives does not always mean access to the funds for the entrepreneurs.

The above finding implies an important point when it comes to teaching entrepreneurship skills. Education must not only be confined to the understanding of basic accounting principles; it also needs to focus on financial planning, cash flow management, credit evaluation, sources of finance, investments and borrowing. These skills will help entrepreneurs better manage financial resources.

Finance is, therefore, seen as an enabling factor and not a substitute to the entrepreneurial skill. Entrepreneurship skills could make individuals capable of managing financial resources, but if there are no proper sources of finance available, then the benefits of such skills would be limited.

5 Infrastructure, Technology and the Entrepreneurial Ecosystem

The synthesis reveals that the physical and digital infrastructure greatly impact the capacity of MSMEs to utilize entrepreneurial competencies and conduct their business activities. Such elements as electricity, transportation, telecommunication, internet connectivity, and digital payments determine the cost of operation, efficiency, market coverage, and customer interaction. On the other hand, digital technologies offer great potential for MSMEs to enhance accounting, marketing, inventory, payment systems, and relations with the clients.

It should be noted that the elements of infrastructure and technology are interconnected with the other aspects of research. For instance, an entrepreneur may have the skills to use digital marketing tools, but the internet connectivity problems will prevent them from implementing their idea. In addition, the technically advanced manufacturer might find it difficult to sustain the production process when there are constant issues with electricity supply.

This conclusion makes the adoption of an ecosystem approach in the research more valid. Performance of MSMEs cannot be effectively attributed to the characteristics of entrepreneurs alone when the environmental constraints do not allow the use of such characteristics. Thus, the research concludes that infrastructure and technology are the conditions under which entrepreneurial education, skills, and innovation become economically meaningful; entrepreneurial capability, without the improvement of such conditions, is likely not to realize its full effect on the performance of MSMEs.

6 Institutional Support and Policy Environment

The documentary evidence shows that institutional support is a cross-cutting factor impacting on the effectiveness of entrepreneurship education and MSME development. The entrepreneur operates in a regulatory, financial, educational and market institution that either helps or hinders him/her from conducting his/her business. Effective business registration processes, stable taxation system, secure property rights, availability of supportive programs and efficient regulation administration can minimize uncertainty and enhance the environment for enterprise development.

There is also evidence suggesting that there is a coordination problem in the environment of entrepreneurship support. Various institutions can offer training, finance, mentoring, infrastructure, technology and marketing support without proper coordination amongst themselves. Consequently, the entrepreneur faces various programs with similar aims but with no continuity from training, financing, technical assistance and marketing. This implies that interventions in the institutional environment can generate plenty of activities but not necessarily enterprises.

This observation is especially relevant with regard to the available information on entrepreneurship education. Universities and educational institutions could foster entrepreneurial skills, financial organizations could offer finance, incubators could offer mentorship, governments could offer infrastructure, and firms could offer market access. Yet if these different components work independently of one another, the process of translating entrepreneurship education into sustainability of enterprises could fail.

It means that the study views institutional support as the connecting factor that decides whether or not entrepreneurs' skills would translate into enterprise performance. In other words, the main problem with institutional support is not only the lack of these programs, but their fragmented nature.

7 Integrated Synthesis of Findings

From the results obtained from the analysis of all six dimensions, it is evident that the performance of MSMEs in Nigeria can be seen as a result of the interplay of entrepreneurial capabilities and the supportive environment. The entrepreneurship education forms the basis of gaining knowledge and building capabilities; entrepreneurship skills make the entrepreneur utilize this knowledge; innovations help firms to adapt and compete; finance facilitates the implementation of these aspects; infrastructure and technology form the working environment; and institutions tie these aspects and determine their effectiveness.

In addition, the synthesis shows that there is no linear relationship between the two variables. Entrepreneurship education does not automatically result in success. It enables the development of competencies that need to be applied under certain conditions. Likewise, financial or institutional support may not have significant influence on entrepreneurship if the entrepreneurs do not have the skills to apply their resources.

The main contribution of this study is therefore the comprehensive understanding of the relationship between entrepreneurship education and MSME performance. While many of the studies analyzed focus only on some aspects of the phenomenon like entrepreneurial orientation, innovation, financing or institutional support, the synthesis reveals that all those aspects are interconnected. Therefore, the study proposes that in order to improve MSME performance in Nigeria, the approach to entrepreneurship education should change from treating it as separate training intervention to considering it one element of an integrated entrepreneurial system where skills, innovations, financing, infrastructure, technology and institutions support each other.

Table 1: Major Factors Influencing Entrepreneurship Education and MSME Performance in Nigeria

Factor	Principal contribution	Major constraint
Entrepreneurship education	Develops entrepreneurial knowledge, attitudes and competencies	Excessive theoretical orientation
Entrepreneurial skills	Improves opportunity recognition, management and decision-making	Limited practical and experiential training
Innovation	Improves products, processes and competitiveness	Limited finance, technology and R&D support
Access to finance	Supports enterprise formation, survival and expansion	Collateral requirements and financing constraints
Digital technology	Expands market access and improves operational efficiency	Connectivity, affordability and skills gaps
Infrastructure	Reduces operating constraints and supports productivity	Unreliable electricity, transport and connectivity
Institutional support	Provides regulation, training, mentoring and enterprise support	Fragmented programmes and implementation gaps
Market access	Supports customer acquisition and enterprise growth	Competition and weak purchasing power
University–industry linkage	Connects knowledge, innovation and commercial opportunities	Weak collaboration mechanisms
Mentoring and incubation	Supports business development and enterprise survival	Limited coverage and continuity

Source: Author's synthesis from the reviewed literature and documentary evidence.

Table 1 has been compiled using thematic synthesis of the peer-reviewed articles, policies and institutional reports, among others used for this study. These factors have not been randomly picked; they occurred consistently during analysis of the reviewed evidence as pertains entrepreneurship education and MSMEs' performance. The principal contribution column highlights the positive effect that each of the factor has been assigned in the literature review, whereas the major constraint column captures the consistent constraints associated with the factors highlighted in the documentary evidence. Special consideration has been taken to consider converging areas within the reviewed evidence, while context-dependent information has been avoided to be presented as universally relevant to Nigerian MSMEs.

7 Integrated Synthesis

The findings of this study point out that the connection between entrepreneurship education and MSME performance cannot be sufficiently explained using only education as an explanatory variable. As described in Table 1, entrepreneurship education offers the necessary knowledge and skills to engage in entrepreneurship, and entrepreneurial skills enable the conversion of education into business actions. Innovation allows better adaptation and competitiveness, and finance, ICT, and physical infrastructure create the essential environment for the application of those skills. Institutional factors, market access, connections between universities and industry, mentoring, and incubation are additional links between entrepreneurial skills and knowledge and the process of enterprise development. Constraints listed in Table 1 prove that poor conditions in any of those fields could prevent the full realization of the benefits of entrepreneurship education.

Table 1 therefore creates the link between the separate themes analyzed in Sections 4.1 to 4.6 and the synthesis interpretation presented in this section. Instead of treating the factors as independent determinants, the synthesis implies that the factors complement each other. Entrepreneurial capabilities may enhance the decision-making process of managers, but the impact will be limited where entrepreneurs do not have financial resources, reliable infrastructure, adequate technology, or proper markets. On the other hand, entrepreneurship education may enhance innovation capabilities, but the economic value of innovation is partly dependent on the market and institutional environment in which the enterprises operate.

Therefore, the main interpretation of this study is that entrepreneurship education should not be seen as a single intervention that would measure the success of the education process based on the number of enrollments, completion of training, or acquisition of theoretical knowledge. The role of entrepreneurship education becomes much more significant where education helps to create capabilities that can be utilized through innovation and facilitated by finance, infrastructure, technology, markets, and institutional factors. This means that there is sufficient evidence to support an entrepreneurial ecosystem approach to entrepreneurship education as the basis for capabilities.

Conclusion

From this study, it is evident that the core policy issue with regard to entrepreneurship education in Nigeria is not the development of entrepreneurship education alone but the transformation of entrepreneurial learning into economic gains from enterprises. From the documentary review, it is clear that the effectiveness of entrepreneurship education lies in whether it develops entrepreneurial capabilities that entrepreneurs can use and whether the local entrepreneurial environment enables such capabilities to be transformed into economic values. This observation brings another dimension to the policy approaches that see entrepreneurship education as a solution to the poor performance of MSMEs.

Consequently, this study presents an integrated understanding of the relationship between entrepreneurship education and performance of MSMEs. Entrepreneurial competencies serve as the link through which learning can be translated into entrepreneurial practice, whereas innovations serve as the means for adaptation and competitiveness. Nevertheless, finance, technology, infrastructure, market and institutions dictate how the capability may be used. From this conclusion, it is clear that the inadequacies of the entrepreneurial ecosystem limit the effectiveness of investment in entrepreneurship education regardless of people's competence and learning.

Another implication is that the success of entrepreneurship policy needs to be judged based on enterprise performance, rather than the inputs of training alone. Enterprise survival, enterprise productivity, innovation, employment creation, growth into new markets, and the potential for future growth offer more telling measurements of the success of policy than merely measuring how many people have been trained. The literature surveyed also shows that the siloed approach to the relationships between education, skill development, innovation, and institutions restricts the ability to understand these relationships. A more comprehensive approach is therefore necessary where institutions of education, government, finance, industry, and other supporting institutions work together in a coherent pathway of entrepreneurship learning and success.

5.2 Recommendations

In view of the findings of this study, the recommendations are categorised into four major categories.

Priority 1: Education, Skills & Enterprise Development – Most Urgent

1. This involves a move away from an excessive focus on theory teaching within tertiary institutions by incorporating business simulation, product development, market research, customer discovery, finance and enterprise into the entrepreneurship curriculum.

2. Entrepreneurship initiatives must systematically foster skills such as financial management, digital marketing, negotiations, leadership, opportunity identification, risk management, customer management and strategic decision making. Universities and entrepreneurship supporting institutions must supplement theoretical classroom training with mentoring and incubation in order to allow feasible ideas to move from the stage of ideas into businesses. This addresses the finding of the literature review that skills are an important mechanism of translating entrepreneurial learning into actions by entrepreneurs.

3. Universities must form strong partnerships with private sector enterprises, technology firms, incubators and other industry players through student businesses, innovation competitions, technology transfer, research commercialization and industrial mentoring. This will bridge the identified gap between knowledge and its commercialization**.**

Priority 2: Finance and Innovation

4. Government and financial sector need to provide proper financing channels for viable early-stage and growing companies through a combination of grants, low-cost financing, financing guarantees, and equities. Financing process should also be streamlined as much as possible especially for viable firms without traditional forms of collateral. The existing literature suggests that simply having financing programs in place may not lead to proper access as there are still a number of obstacles to overcome.

5. Entrepreneurship education should cover topics such as budgeting, cash flow management, credit appraisal, investment decisions, bookkeeping, and appropriate borrowing practices. This will ensure the capacity of entrepreneurs to properly use the available financing and avoid problems with the lack of financial management skills.

Priority 3: Infrastructure and Digital Technology

6. The government should focus on providing reliable electricity, telecommunications services at affordable rates, internet access, transport infrastructure and efficient digital payment solutions. These are essential factors that will influence the capacity of entrepreneurs to utilise their skills, innovation, and reach out to customers. Improvement of infrastructure thus becomes an integral part of entrepreneurship policies.

7. Improve digital entrepreneurship competencies. The training programs in entrepreneurship should include effective utilization of digital platforms for marketing and management of customers and transactions such as payments, accounting and inventory. Care must be taken to make the use of digital technologies both affordable and accessible to all entrepreneurs.

Priority 4: Co-ordination Among Institutions, Market, and Policy Evaluations

8. The government, university, financial institution, incubator, developmental organization, and the private sector need to create ways to connect entrepreneurs to training, financing, technology, mentoring, and markets. Improved co-ordination will eliminate problems such as fragmentation, overlap, and poor follow-up among entrepreneurship programs.

9. Government and the implementing agencies need to measure their policies based on results such as survival of the business, profitability, productivity, adoption of innovations, employment generation, and ability to access follow-up investment rather than just counting the number of beneficiaries reached.

Priority and Implementation Implications

Of all four areas of reform, entrepreneurship education and the development of practical entrepreneurship capabilities must be regarded as the first priority since education is the primary capability development base as shown by this research. Yet educational reform alone will not work well if afterward, the entrepreneur faces constraints with respect to finances, infrastructure, technology, markets or institutions. Therefore, both education/skills reforms must start now alongside reforms in financial, infrastructural and institutional matters. The above evidence suggests a sequencing strategy where capability is built, use enabled, and outcomes measured. This approach creates a practical path from entrepreneurship education to MSME performance sustainability in Nigeria.

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