Chapter 15 Apprenticeship and Enterprise Development in a Typical Sub Sahara African Context

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ABSTRACT

The nexus between skill acquisition, mastering of trade and enterprise creation for development is long established in the literature. For economies with high incidence of unemployment, apprenticeship has particularly proved invaluable in helping labour acquire marketable skills and encouraging enterprise development for job creation. Accordingly, apprenticeship becomes important policy instrument of governments in both sides of development divide. For obvious reasons, formal apprenticeship, which is predominant among developed economies, has received longstanding academic attention relative to traditional or informal apprenticeship that dominates most of the poorer countries of the world. Concomitantly, little is known about the role of traditional or informal apprenticeship in enterprise development in the largely under-reported markets of the world. Using this as a point of departure, this chapter examines apprenticeship within the context of enterprise development in Nigeria (a typical sub Sahara African context). Despite the acknowledged role of traditional apprenticeship in creating enterprises and arguably mitigating the negative impact of unemployment, disproportional policy attention has been given to formal apprenticeship. Disappointingly, despite the attention, minimal results have been achieved in using formalised apprenticeship model to create enterprises in Nigeria. This chapter suggested strategic choices for revamping the obviously neglected traditional apprenticeship in Nigeria with a view to resuscitating it.

DOI: 10.4018/978-1-4666-2952-3.ch015

INTRODUCTION

The role of enterprises in fostering economic development among developing countries has since been recognised. In particular, its advantage over direct foreign aid can be argued. Accordingly, national governments, foreign governments through their development agencies and even some multilateral agencies have since recognised the wisdom in assisting and encouraging developing and undeveloping nations to develop enterprises. For instance, the USAID have over the years developed deliberate strategy for helping such countries to develop micro, small and medium enterprises (MSMEs) that would be managed at sustainable basis. Again, in 2007 at Heiligendamm Germany, 'the G8 endorsed the idea to establish an investment fund for the promotion of MSMEs in the Sub-Saharan region (SSA)', and in 2010, the Regional MSME Investment Fund for Sub-Saharan Africa (REGMIFA) was launched to 'build a unique public private partnership (PPP) between donors, development finance institutions and international finance institutions, private investors and African stakeholders to foster economic development and prosperity in Sub-Saharan Africa (SSA) through the provision of demand-oriented financing to qualified and, to the extent necessary. REGMIFA's strategic goal is to foster economic development and prosperity as well as employment creation, income generation and poverty alleviation in its target region by supporting micro-entrepreneurs and small or medium sized businesses via Partner Lending Institutions.

At national level, various countries seem to have adopted enterprise development at MSME level as a strategic choice for development. In Nigeria for example, the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) Act of 2003 created a "one stop" agency that helps MSMEs create viable enterprises and provide support aimed at growing them. But beyond these formalised institutions designed to boost enterprise development, the largely informal economies of

Sub Sahara Africa (SSA) have utilised the apprenticeship system to create enterprises which have been efficient in developing MSMEs over the ages. These enterprises have severally been argued to play important roles in sustaining the economies of the region. For example, Kappel and Ishengoma (2006) mentioned the significant role of the informal sector in providing the much-needed employment, income and supplying ignored markets in such economies. Perhaps, due largely to its informal nature, traditional apprenticeship scarcely benefit from scholarly discussions. Using this as a point of departure, this chapter examines apprenticeship in the context of enterprise development in a typical SSA context.

APPRENTICESHIP: CONCEPTUALISATION AND CONTEXTUALISATION

In the mainstream literature, the word apprenticeship is always associated with a formalised on-thejob training of apprentices by a master, which is combined with a classroom learning of the theory component of what is done in practice. As a training scheme, it has a properly designed grading mechanism, which leads to the certification of the candidate at the end of the training. This model of apprenticeship is common in most developed economies. The International Labour Organisation (2012) defines it as "a system by which a learner (the apprentice) acquires the skills for a trade or craft in an enterprise, learning and working side by side with an experienced craftsperson, usually complemented by classroom-based instruction. Apprentice, master craftsperson/employer and the training provider conclude a training agreement that is regulated by formal laws and acts. Costs of training are shared between apprentice, master craftsperson/employer and the government". In reality, different countries and regions have their peculiar operationalisation of apprenticeship. In Canada for example, the Human Resources and

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