Answering the Global Questions on Funding in Education: Implication for Alternative Funding of Business Education in Nigeria

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Abstract

Funding in education has continued to raise global concerns. This is largely because of the indispensible place of education in societal development. Education, being capital-intensive, requires funding. This is because as the world keeps evolving so does education evolve to meet with the current challenges, expectations and needs of the world, and thus this evolution in education calls for more funding. This has generated global concerns to the point that the questions of who should fund education and how should the fund be generated have continued to occupy global discussions on education. In the case of Nigeria, the government is the major sponsor of education and the fund is generated from public revenue. However, the fund has never being adequate, and this affects the effectiveness, efficiency and quality of education in Nigeria. Thus, it has become obvious that alternative funding of education in Nigeria is the way forward. It is therefore in solving the problem of poor funding of education in Nigeria, with major emphasis on Business Education as a programme of study in the Nigerian tertiary education, that this theoretical study was carried out. The study was aimed at unraveling alternative ways of funding Business Education in Nigeria. The study, having concluded that there is a need for alternative funding of Business Education in Nigeria, recommended that schools/departments/faculties of Business Education in Nigeria should amongst others, organise exhibitions, seminars and workshops; organise short professional courses for career advancement; establish business centres, cyber cafes, e-libraries, tuck shops, stationery shops, as well as explore business opportunities within and around them, as a way of augmenting the poor funding of education by the government and also promoting experiential learning in their students.

Keywords: Funding, Alternatives, allocation, Seminars, Workshop.

Introduction

Finance is a necessity in education. As a matter of fact, education is both capital and labour intensive; capital-intensive because the attainment of educational goals requires funding, labour-intensive because it also involves time and energy. Therefore, funding is *sine qua non* in education. However, funding educational programmes has been a recurring challenge across countries of the world and, this has generated several global questions. These global questions on funding in education include amongst others: who should fund education and how should the fund be generated. The above global questions on funding in education bring to mind the source of fund for the implementation of educational programmes.

Source of Fund for the Implementation of Educational Programmes

Education is an investment in the future of the present generation. It brings solutions to the prevailing problems of the society. It gives answers to questions emanating from the society we find ourselves. No wonder the Federal Republic of Nigeria (FRN, 2004) asserted that education is an instrument for national development. Supporting this assertion, the United Nations (UN) had through her agency on education, the United Nations Educational, Scientific and Cultural Organisation (UNESCO), in several fora, advocated for an increasing support in the funding of education globally. In one of such fora is the Dakar Framework for Action which is a report of Education For All (EFA) from 2000 to 2015, which according to Tolu-Kolawole (2021) called for an increase in the financial commitment to education by national governments and donors, thereby proposing that government of countries should spend between 4-6% of their Gross National Product (GNP) on education and appropriate between 15-20% of their expenditure for a fiscal year to education. Similarly, in another forum of the Global Education Meeting of 2021 in France, the Paris Declaration on Education was made, which according to the Global Education Cooperation Mechanism (GCM, n.d) also called on leaders of countries and other non-governmental stakeholders to be committed to investing in education for the future of humanity and the planet. Contained in the declaration are: prioritising, protecting and increasing domestic finance for education; raising more revenues to increase education budgets through improved tax system, innovative financing measures and public-private cooperation; amongst others, with all these geared towards attaining the Sustainable Development Goal on Education (SDG4-Education) which is aimed at achieving inclusive and quality education, with the strong belief that education is one of the most powerful and proven vehicles for a sustainable development.

The implication therefore is that the world agrees that the attainment of educational goals requires fund, and that the fund should not only be generated from a single source, hence the call for collaboration and cooperation of different governmental and non-governmental stakeholders in the funding of education. It therefore means that, with the indispensible stake that education holds in societal development, it becomes imperative that its funding should not just be left in the hand of the government alone, but rather should be a collaborative and cooperative exercise between the public and private stakeholders, including other interested parties (vis-à-vis the international society). More so, the fund is expected to be sourced by devising and implementing innovative financing measures, as well as improved tax system. This implies an encouragement to seek for alternative ways of funding education in different countries of the world, as well as in different programmes of education.

Funding Education in Nigeria

Fund is defined as a sum of money and/or other resources appropriated and allocated for a specific purpose. It is the act of providing resources to finance a need, program, or project. It can be sourced through Retained Earnings (i.e. earnings from business operations/transactions), Debt Capital (i.e. raising funds by borrowing), or Equity Capital (i.e. raising funds by exchanging ownership rights). Other sources can be through venture capital, donations, grants, savings, taxes, organisational entrance fees, annual subscriptions, and so on.

In the Nigerian case, the funding of education is majorly a responsibility of the government and, the fund is generated from the revenue that accrues to the government. Hence the government makes appropriation for, as well as allocates fund to education as it does with every other sector, in every fiscal year. However, even with the assertion of the Federal Republic of Nigeria (FRN, 2004) that "the success of any system of education is hinged on … adequate financing" (pp. 55) and that education is an expensive social service that requires adequate financial provisions, it has been revealed overtime that the appropriation made for education in Nigeria has never been adequate neither has the allocation been able to meet up the financial requirements of education in the country. The budgetary allocations since 2016-2021 have not even being up to the recommended standard of the Dakar Framework for Action 2015, as the statistics by Lawal (2021) revealed that in 2016 only about 6.7% of the budget was appropriated to education, while in 2017 it was 7.38%, 2018 was 7.04%, 2019 was 7.05%, 2020 was 6.7%, and 2021 was 5.6%. This revelation of inadequate funding of education in Nigeria is typified in the "almost becoming regular" strike actions embarked upon by varying labour unions in education. To buttress this revelation, Kosemani and Okorosaye-orubite (1995) had affirmed that from *ab initio* early schools were ill-staffed, ill-equipped and ill-organised as a result of poor funding. This poor funding with its rippling effect has continued to affect the implementation of educational programmmes in Nigeria and, the attainment of her educational goals. Thus funding of education has been and still remains a challenge in Nigeria and, this challenge cuts across various programmes of the Nigerian education including Business Education. It is therefore in finding solution to this challenge of poor funding of education in Nigeria, especially as it has to do with Business Education that this theoretical study was carried out, with the aim of unraveling alternative ways of funding Business Education in Nigeria.

Alternative Funding of Business Education in Nigeria

Business Education, like every other educational programme, is capital intensive. It also has its own share of cost and expenditure. While the cost measures those things that are being surrendered or given up in order to render services in Business Education as well as implement its programme, expenditure measures the amount of resources directly put into the rendering of services in Business Education and the implementation of its programme. This cost and expenditure in Business Education can be capital expenditure which is usually a fixed cost, relating to expenses on or cost of items with a life that goes beyond the current budgetary period (i.e. fiscal year) or, recurrent expenditure which is a variable cost, referring to expenses incurred for or cost of goods and services consumed in the course of a budgetary period (i.e. a fiscal year). Capital expenditure in Business Education covers the construction and renovation of classroom blocks/lecture theatres, staff offices, model business offices, keyboarding and typewriting laboratories, secretarial studies studios, administrative blocks, libraries, staff and students' lodge (hostels); procurement of electricity generating plants, vehicles, office, laboratory, and classroom equipment; and others of that kind. Recurrent expenditure in Business Education covers staff salaries and other allowances, research grants, cost of maintenance, payment for utilities, purchase of instructional materials (such as books, marker pen and other stationeries), and others of that kind.

The foregoing shows the need for funding in Business Education. No doubt, Business Education, a programme of study that exposes to its learners the knowledge (cognitive), attitude (affective) and skills (psychomotor) required to execute a profitable business transaction, manage the business and also impart the business expertise to others who are committed to it, requires fund. Consequently, as a programme of study at the tertiary level of education in Nigeria, it is being majorly funded by the government. As a matter of fact, according to the National Open University of Nigeria, government grant constitutes a principal source of funding education (NOUN, 2021). Ogunu in NOUN (2021) supported this claim by positing that government grant is a reasonable source of funding educational programmes in Nigeria. However as earlier stated, overtime it has been observed that the funding of education in Nigeria by government alone has never being adequate, and this poses a challenge to the effective, efficient, quality and productive implementation of Business Education programme in Nigeria. It is on this backdrop that NOUN pointed out that sole dependence on government for revenue is one of the reasons for the financial distress in Nigerian universities, hence emphasizing the need for alternative funding of education in Nigeria, as well as support from non-governmental organisations and individuals.

To buttress the inadequacy of fund for Business Education in Nigeria, Obeka and Okeh-Gaius (2019) posited that Business Education in Nigeria's tertiary institutions has not been adequately funded despite the fact that science, technology and vocational education remain the prerequisites for national development. In support of their position, a review of the study by Amesi and Nnadi (2015) showed that Business Education programme is not effectively funded within the Niger Delta; that the challenges in Business Education programme can be minimised through specific budgetary allocation, favourable government policies, and effective management of available funds. The study recommended for increased budgetary allocation, utilisation of Business Education professionals in the management of available fund, as well as making TETFUND, ETF and PTDF to fund the programme. In same vein, Agbo in Obeka and Okeh-Gaius (2019) suggested that in order to effectively fund the implementation of Business Education programme in Nigeria, a certain percentage of property tax should be reserved for funding the programme; a certain percentage of company tax should also be set aside for the same purpose; there should be annual contributions from users and consumers of Business Education products; establishment of endowment fund by philanthropic individuals and organisations; operating of business centres by the department; operating of cyber café by the department; organising short term courses for professional advancement; special allocation for the department; rendering consultancy services to the public; organising workshops and seminar; organising in-service training; donations from alumni association and other association; proceeds from organising social activities; fundraising; launching of departmental journals; and establishment of bookshops. In support of this, Olufunwa et al. (2013) opined that diversified sources of generating revenue should be adopted to complement government efforts and, Business Education should be separated from other programmes of education in order to enhance their quality assurance. Similarly, Okoroma (2004) posited that departments of Business Education should create investment units to explore the numerous business potentials that are available to the discipline, both within and outside the school campus. He also suggested for private participation in the funding and implementation of the Business Education programme.

To this end therefore, having come to the conclusion that government funding of education in Nigeria is never adequate, it becomes imperative that alternative funding of education in Nigeria be adopted, especially for Business Education. Thus, the following can be adopted to generate fund for Business Education in Nigeria:

1. Organisation of exhibitions, conferences, business seminars and workshops
2. Sales of business and educational resources from the school such as journals, newsletters, business magazines/periodicals, and so on
3. Rental services of the school's facilities such as lecture theatre, keyboarding and typewriting laboratories, secretarial studies studios, model offices as co-working spaces, and conference room/seminar halls for business meetings
4. Rendering business consultancy services for both startups, already existing businesses and those struggling to have traction in the ever-competitive market
5. Organising professional short courses for career advancement of business professionals
6. Exploring business opportunities within the institutions such as business centres, cyber cafes, e-libraries, research centres, tuck shops, stationery shops, and so on
7. Creating partnerships with alumni and professional associations in executing certain projects. It is in support of this that Efezokhae (2019) stated that a high level of alumni engagement breeds loyalty and leads to reciprocity because the old students working with corporate organisations can influence strategic partnerships with the university in the form of research grants, training workshops and other beneficial activities.

It is pertinent to note here that venturing into any of the above business activities by schools/departments/faculties of Business Education in Nigeria will not only be an alternative source of fund for Business Education in Nigeria but, will also be used as an instructional resource to promote experiential learning (ExL).

Conclusion

Business Education by virtue of its nature as a skill developing programme of study is no doubt capital-intensive. As such funding is central to the successful implementation of its programme. To this end, it has been observed that government alone, being the major sponsor of Nigerian education, cannot effectively fund the programme hence, the need for alternative sources of funding the programme in Nigeria. Alternatively, therefore, Business Education schools/departments/faculties are advised to be entrepreneurial as their name implies, and explore business opportunities around them in order to augment the financial provisions from the government, and as well promote experiential learning in their students.

Way Forward

The following suggestions are therefore put forward for Business Education schools/departments/faculties in Nigeria:

1. Organising exhibitions, conferences, business seminars and workshops
2. Selling of business and educational resources from the schools/departments/faculties such as journals, newsletters, business magazines/periodicals, and so on
3. Renting some of the schools/departments/faculties' facilities such as lecture theatre, keyboarding and typewriting laboratories, secretarial studies studios, model offices as co-working spaces, and conference room/seminar halls for business meetings
4. Rendering business consultancy services for both startups, already existing businesses and those struggling to have traction in the ever-competitive market
5. Organising professional short courses for career advancement of business professionals
6. Exploring business opportunities within the schools/departments/faculties and institutions at large like business centres, cyber cafes, e-libraries, research centres, tuck shops, stationery shops, and so on
7. Creating partnerships with alumni and professional associations in executing certain projects

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