

An Empirical Investigation of Private Universities' Funding Practices Towards Sustainability in North-Central Nigeria

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Abstract

Inadequacy of funding has remained a major topical issue of discussion for tertiary education in Nigeria. This challenge which is also confronting the private institutions of higher learning, has lingered on to the point where it has become necessary to dig deeper into its funding architecture. As a result, the researcher was motivated to investigate the sustainability-related funding strategies used by private universities in North-Central Nigeria. One research question guided the study and one null hypothesis was tested. The descriptive survey research design was adopted for the study. The population of the study comprised all 32 private universities in North-Central, Nigeria with 974 targeted lecturers. Multi-stage sampling procedure was used to draw 19 universities and 390 respondents as the sample for the study. These represent approximately 60% of the private universities and 40% of the respondents, respectively. A structured questionnaire titled 'Private Universities' Funding Practices and Sustainability Questionnaire (PUFPSQ)' was used for the data collection. Three specialists from the Department of Measurement and Evaluation at Kaduna State University verified the instrument. Using the test-retest approach, the instrument's dependability was evaluated, and the results showed an overall reliability coefficient of 0.80. Together with four research assistants, the researcher gathered pertinent data for the study. Table, Mean, and Standard Deviation were utilized as descriptive statistical parameters to present and interpret results that answered the research question and the Z-test was employed to test the null hypothesis at the 0.05 level of significance. The study's findings showed, among other things, that tuition, development levies, convocation fees, matriculation fees, philanthropic donations, research partnerships with corporate partners, medical fee collections, and admission form sales are all ways that private universities in North-Central Nigeria raise money. Private Universities do have a variety of funding options, but the money they generate is frequently not enough to keep them running efficiently and sustainably.

Keywords: Funding Practices, Private Universities, Sustainability, North-Central.

Introduction

Tertiary education is no doubt the gate way to developing societal human capital. The need to continue to groom the kind of workforce that will remain relevant and productive in the various sector of the economy has been one of the major reasons for which institutions of higher learning have continued to spring up. It has been the platform through people of working age acquire relevant skills and certifications that enhance their prospect of securing jobs. This is why people have continued to subscribe to tertiary education, leading to requests for more universities to adequately serve the teeming Nigerian population. Based on this, more universities, especially those from the private sector have started operations, more

specifically in the North-Central part of Nigeria. The establishment of these institutions which run concurrently with those of the public sector is helping to fill the gap created by insufficiency of government owned universities in the region. Ensuring that the private universities in the zone are sustainable, a lot of funding approaches are undeniably needed (Benjamin & Imo, 2018). This is because the viability and sustainability of any institution has a lot to do with her financial capabilities. Every aspect of the school operations are understandably money-driven, hence the need to take sustainable financing seriously.

Private tertiary institutions that are striving to keep providing quality education and contribute to the development of the North-Central zone development, are expected to prioritize funding strategies that would guarantee their continuity. Undoubtedly that the financial strength of any educational institution is central to its ability and capacity in providing conducive learning environment, retaining of qualified faculty, offering of modern facilities, and development of innovative research architecture. This is evident that the financial viability of private universities is indispensable, as it could empower them with the right capacity to acquire all the resources needed in delivering world-class educational services. This shows that adequate financing of private universities in the area should be a matter of priority to guarantee continuity of operations of such important cadre of education.

To fund education from the institutional point of views entails all the financial resources required to operate and sustain the institution's various functions, including academic programs, research initiatives, faculty and staff salaries, infrastructure development, and student services (Jones, 2017). Jones further pointed out that funding is the lifeblood of any educational institution, facilitating the provision of high-quality education and contributing to societal progress. Sustainable funding makes it easy for universities to be able to operate with the best and global practices that ensure innovativeness. Operating on such level helps a school to attract and retain top scholars in the education industry, effective procurement and maintenance of modern facilities, and remaining at the forefront of impactful teaching-learning experience for her students. To get more money to the pocket of the schools, veracities of functional strategies need to be put in place. These financial strategies are referred to as funding practices in the context of the study.

Funding practices are approaches for sourcing for funds for institution to ensure her continued operations. It means boosting an array of revenue generation platforms, ensuring all-round funding strategy for reliable stream of income to take care of different costs in the institutions. In the light of this, Ajaegbo (2023), stressed that to obtain adequate funding, universities need to rely on a variety of avenues, including tuition and fees, government support, research grants, endowments, corporate partnerships, philanthropic donations, and income generated from ancillary activities, just as in the case of current study. Diversification of funding sources is crucial to reduce dependency on a single channel, enhance financial stability, maintain operational flexibility, and effective management. With adequate funding and utilization of funds, institutions are able to attract and retain qualified faculty, offer competitive compensation, provide professional development opportunities, and invest in modern teaching methodologies. This ensures sustainability of the schools. This is partly because strong financial footing enhances the university's capacity to develop and implement effective administrative processes, leading to efficient operations and improved academic

outcomes. For private universities in the North-Central to have remained in operation, and more being recently approved for operations, it seems they have developed reliable funding sources.

North-Central, Nigeria has continued to welcome more private universities as a way to keep providing higher education services to the people in the region and across. These institutions have played a critical role in expanding access to quality education. However, the private universities in the area, just as in other parts of Nigeria seem to be facing some challenges in securing consistent funding, attracting students, establishing a strong reputation, and ensuring faculty excellence. There are also issues of economic hardship, insecurity, limitations in infrastructural strength, competition for students, possibilities of embezzlement, questionable and corrupt universities' leadership, due to 'Nigerian factor' (Ilavbare, 2023). Containing these challenges demand that institutions of higher learning in the zone become more innovative in funding practices that would ensure their sustenance. The thrust of this paper was to empirically investigate private universities' funding practices for Sustainability in the North-Central part of Nigeria.

Statement of the Problem

Financing of private higher institutions of learning in the North-Central, Nigeria, just as other part of the world is critical the continued existence and operations. As institutions strive to offer quality education, foster research endeavours, and contribute to societal progress, the role of funding practices become central to their ability to achieve these objectives. Even though the private universities have been playing instrumental role in expanding educational access in the region, they operate within an environment characterized by economic hardship, infrastructural limitations, fierce rivalry and competition for students, possibilities of embezzlement, questionable and corrupt universities' leadership and security threats. These issues pose serious threats on the financial capacity of the universities, which might be the reason for the observable setbacks in different aspects of operations of private institutions of higher learning in the area (Bhasin, 2020). The nasty situation seem to have provided the breeding ground for lapses in recruitment of quality lecturers, acquisition and utilization of modern pedagogies, academic and program supervision, poor maintenance of school plants and eventually poor academic achievement of students. In attempts to address these issues, the study was aimed at empirically inquiring into private universities' funding practices in North-Central Nigeria towards sustainability.

Research Question

This research question was provided answers to in the investigation:

1. What funding practices do private universities in North-Central, Nigeria utilize in generating money for sustainability?

Hypothesis

The hypothesis that follows was tested at 0.05 level of significance:

1. There is no significant difference in the mean ratings of male and female lecturers with regard to the funding practices that private universities in North-Central, Nigeria utilize

in generating money for sustainability.

Method

Area of the Study

The investigation was carried out in the North-Central part of Nigeria. It is bounded by South-East and South-South in the South; North-East in the East; North-West in the North, and South-West and Benin Republic in the West. This area is often referred to as the 'Middle Belt', and largely made of minority ethnic groups, such as Nupe, Ibira, Tiv, Idoma and Gwari, with the presence of a few Hausa, Yoruba and Igbo. It is composed of the Federal Capital Territory, and other 6-States, including: Benue, Plateau, Kogi, Kwara, Nassarawa and Niger. The area is known to be the major agricultural hub of the nation, with Benue State being nicknamed 'The Food Basket of the Nation' due to her dominance in farming ventures. The presence of Abuja, being the seat of Federal Government, depicts the importance of this zone to Nigeria. Currently, the population of the zone is estimated to be over 30 million people, with steady influx of people into the major cities, such as; Abuja, Jos, Minna, Makurdi, Ilorin, Lafia and Lokoja. The teaming population the area put a lot of pressure on the education infrastructure, especially for higher institution of learning. This is why region now has 32 private universities to complement the available public universities, for human capital development. The North-Central geopolitical zone was considered ideal for this study because of the considerable number of private universities which fiercely compete for students. Again, the researcher is domiciled in the zone, prompting her to touring into how the private tertiary institutions in the area get money to run the affairs of the schools.

Research Design

In the investigation, the survey descriptive research design was adopted to provide the direction. The design is considered as one of procedures in quantitative research in which a researcher administers a survey to a sample or to the entire population of people, known as respondents, in order to elicit data that to describe the attitudes, opinions, behaviours or characteristics of the population on a matter being studied (Tanny, 2018). The design is thought to be appropriate because it was an empirical investigation into private universities' funding practices towards sustainability in North-Central Nigeria through the administration of a restructured questionnaire on the sampled respondents.

Population of the Study

The population of the study comprised all 32 private universities in North-Central, Nigeria with 974 targeted respondents (lecturers). This was composed of 454 males and 520 females.

Sample Size and Sampling Technique

Multi-stage sampling procedure was used to draw 19 universities and 390 respondents as the sample for the study. Simple random sampling by open balloting without replacement was used to draw lecturers as the respondents. Proportionate sampling was deployed in drawing 19 of the 32 private universities in the region. This represents approximately 60% of

the universities. Proportionate sampling was further used in drawing 390 of the 974 lecturers, and this implied 40% of the respondents were sampled for the investigation. This is in consonance with St. Otaf College, USA, (2021) which advocated for a minimum of 30% for a population that is below 1,000, while a minimum of 10% should apply for a larger population of 10,000, respectively so as to ensure representativeness. In doing this, 182 male lecturers and 208 female lecturers were drawn. Finally, convenience sampling was adopted in administering the questionnaire based on availability, readiness and willingness of the respondents.

Instrument for Data Collection

A structured questionnaire titled ‘Private Universities’ Funding Practices and Sustainability Questionnaire (PUFPSQ)’ was used for the data collection. It had 2 section, namely: section A for a brief bio-data of each respondent, and section B, which contained 13-questionnaire items on funding. It was structured on a four-likert ratings, namely: Strongly Agreed (4), Agreed (3), Disagreed (2), and Strongly Disagreed (1).

Validation of the Instrument

Three specialists from the Department of Measurement and Evaluation at Kaduna State University verified the instrument. They were given the instrument, together with the research question and the hypothesis, and required to examine its content. After their verification and inputs, the instrument was adjusted accordingly, printed and distributed to relevant respondents.

Reliability of the Study

Using the test-retest approach, the instrument’s dependability was evaluated, and the results showed an overall reliability coefficient of 0.80.

Method of Data Collection

The study adopted a direct approach for the data collection. The researcher, together with four research assistant distributed and retrieved the structured questionnaire within the two months that was set out for collection of data. During the survey, 390 questionnaires were printed distributed, but 386 copies were retrieved. The 386 instruments retrieved implies that an approximately 99% recovery, which shows the exercise was effective.

Method Data Analysis

Table, Mean, and Standard Deviation were utilized as descriptive statistical parameters to present and interpret results that answered the research question and the Z-test was employed to test the null hypothesis at the 0.05 level of significance. For the research question, any item with a mean rating of 2.5 or above is remarked agree, while the item that falls below the mean rating of 2.5 is remarked disagree. For the hypotheses, the null hypothesis is rejected if the z-calculated is greater than the z-critical, and vice versa.

Presentation and Interpretation of Results

Research Question 1: What funding practices do private universities in North-Central, Nigeria utilize in generating money for sustainability?

Table 1: Mean rating of male and female lecturers on the funding practices that private universities in North-Central, Nigeria utilize in generating money for sustainability.

S/N	The private university I work for utilizes these funding practices in generating money for sustainability	Males (n=182)		Females (n=204)	
		Mean	Remark	Mean	Remark
1.	Tuition	3.00	Agree	2.82	Agree
2.	Funds from sale of admission forms	2.67	Agree	2.70	Agree
3.	Development levies	2.87	Agree	2.79	Agree
4.	Accommodation/hostel fees	2.64	Agree	2.65	Agree
5.	Research partnerships with corporate partners	2.89	Agree	2.92	Agree
6.	Remittances and supports from Students' Union Government	2.78	Agree	2.83	Agree
7.	Convocation related fees	2.74	Agree	2.69	Agree
8.	Students' medical examination fee	2.53	Agree	2.67	Agree
9.	Matriculation fees	3.01	Agree	2.87	Agree
10.	Defense related charges	2.77	Agree	2.82	Agree
11.	Donations from philanthropists and organisations	2.63	Agree	2.56	Agree
12.	Contributions from Alumni Association	2.47	Disagree	2.37	Disagree
13.	TETFund grants	2.44	Disagree	2.50	Agree
	Grand Mean	2.73		2.71	

On Table 1, it was shown that the Mean ratings of male lecturers and female lecturers on individual items, 1 to 11 was statistically greater than 2.5, implying that both categories of respondents were in agreement with the funding practices being surveyed. On the other hand, male lecturers on average did not agree that private universities in the region get funds from alumni association, but this is contrary to the opinion of the female counterparts, who agreed that private institutions for higher learning do get funds from association of ex-students. Furthermore, both categories of respondents did not accept that private tertiary institutions in North-Central, Nigeria get funds from Tertiary Education Trust Funds (TETFund) of the Federal Government. Succinctly, the grand mean rating of male lecturers is 2.73 while the grand mean rating for female lecturers is 2.71. This implies that lecturers were in agreement with majority of the funding strategies being investigated. Also, the difference between the mean ratings of males and females was just 0.02.

Hypothesis Testing

Hypothesis 1: There is no significant difference in the mean ratings of male and female lecturers with regard to the funding practices that private universities in North-Central, Nigeria utilize in generating money for sustainability.

Table 2: Z-test for mean ratings of male and female lecturers with regard to the funding practices that private universities in North-Central, Nigeria utilize in generating money for sustainability

Variables	N	X	SD	z-crit	z-cal	DF	α	Remark
Males	182	2.73	1.11	1.96	1.21	384	0.05	Not rejected
Female	204	2.71	1.09					

Table 2 showed that Z-critical is 1.96 while Z-calculated is 1.21 at 384 degree of freedom and 0.05 level of significance. The result shows that Z-crit (1.96) is greater than Z-cal (1.21). This leads non rejection of the null hypothesis. This indicates that there is no significant difference in mean ratings of male and female lecturers with regard to the funding practices that private universities in North-Central, Nigeria utilize in generating money for sustainability.

Discussion of Findings

The study reported from Table 1 that the private universities' funding practices towards sustainability in the North-Central, Nigeria are: tuition; funds from sale of admission forms; development levies; accommodation/hostel fees; research partnerships with corporate partners; remittances and supports from students' union government; convocation related fees; students' medical examination fee; matriculation fees; defense related charges; donations from philanthropists and organisations. This is in tandem with Ajaegbo (2023), whose study reported that the private-public funding practices adopted by Vice Chancellors for enhancing financial stability of federal universities include: appealing to wealthy individual; initiating cover funding solicitation for grants from corporate organisations; soliciting for grants from corporate organisations, alumni funding and collaborations with foreign universities and international funding bodies for student exchanges and related programs. However, the data analysed for the current study did not portray enough evidence to support contributions from Alumni Association and TETFund grants as part of the funding practices for private universities in the area. For instance, male lecturers on average did not agree that private universities in the region get funds from alumni association, unlike the opinion of their female counterparts, who agreed that private institutions for higher learning do get funds from association of ex-students. Furthermore, both categories of respondents did not accept that private tertiary institutions in North-Central, Nigeria get funds from Tertiary Education Trust Funds (TETFund) of the Federal Government.

The study on Table 2 further reported that there was no significant difference in mean ratings of male and female lecturers with regard to the funding practices that private universities in North-Central, Nigeria utilize in generating money for sustainability. This implied that the data collected and analysed in the study did not provide enough evidence that

could have led to rejection of the null hypothesis. In essence, despite the fact that on average male lecturers and female lecturers had relative opposing views about possible funds from alumni associations for the private universities, the overall mean difference in the opinions of both categories of respondents did not really differ significantly. This calls for subsequent investigation through another empirical examination.

Conclusion

The report from the empirical investigation revealed that tuition, development levies, convocation fees, matriculation fees, philanthropic donations, research partnerships with corporate partners, medical fee collections, and admission form sales, etcetera are all the private universities' funding practices in North-Central Nigeria for sustainability. This implies that the more these sources of funds are effectively deployed, the longer the private universities' would continue to operate and exist. The study further reported that the average knowledge and opinion of male and female lecturers did not differ significantly on matters of funding practices being utilized in generating money for private universities in the Middle Belt part of Nigeria. Hence, private universities in the zone are understood to operate with a variety of funding options, even though the money they generate is frequently not enough to keep them running efficiently and sustainably.

Recommendations

Based on findings of the study, the investigator advocates that the private universities uphold the funding practices that are effective for them, as well as examine and explore the potentials in other sources, such as the alumni contributions, collaboration with the School's Students' Union Government, collaboration with TETFund for supports, utilization of unused portion of the school land for agricultural ventures, initiation of online overfunding, establishing of journal publishing outfits, collection of levies from private business in the school, etc. Most importantly, the most trusted funding practices is transparent and sincere leadership, hence the leaderships of the various private universities in the region should shun embezzlement and any form of corrupt practices by ensuring there is selfless accountability of funds generate and utilized. Upholding the suggestions from this investigation, tertiary institutions in the region and beyond would be well-positioned to continue operations with commendable financial strength and prospects.

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