

## ***Sustainability of Private Sector Participation in Funding University Education in Cross River State, Nigeria***

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### **Abstract**

*Private sector participation in funding is a veritable source of contribution to University Education. Hence, this research aimed at examining sustainability of private sector participation in funding university education in Cross River State of Nigeria. The study adopted descriptive survey research design. The population included 942 Heads of Departments and Heads of Programmes in two public universities located in Cross River State of Nigeria. Stratified sampling technique was used to select 250 respondents from the universities studied. The instrument designated 'Sustainability of Private Sector Participation in Funding Questionnaire (SPSPFQ)' was designed to collect data for the study. The instrument was validated and had reliability co-efficient of 0.862. Data collected were analyzed using frequency count and percentage score. The study revealed that sustainability of private sector participation supported funding for some specific university physical projects. Private sector funding impacted weakly on access to university education and was also inefficient on capacity building needs of universities. Developing quality of human resource depended on ecosystem income flows of private sector participation. It was concluded that inadequate private sector participation created funding gap that hindered qualitative university education and development indicators in the society. It was recommended among others that university management should give attention to proper financial planning for transformation of university education in Cross River State, Nigeria.*

**Keywords:** University, funding, participation, private, sustainability.

### **Introduction**

A dependence on state support for education all over the world could make it injurious to the public interest. Also, economists traditionally view education as an economic good which is either not provided or provided in insufficient quantity by the private sector. Hence, the debate as to whether education is a public or private good has been controversial and contending. In FRN (2013), university education delivery has been interpreted to mean collective responsibility of individuals, public and private sectors. It particularly recognized the role of private sector in funding

education for creation of efficiency and quality assurance in the system. This is done through funding of the educational system as a means employed to obtain and provide finance for expenditures involved in staffing, equipment and maintenance of university (Olalaye, 2012 and Ekanem, 2017). Managing educational finance may include recognizing, respecting authorities, regulations and practice governing the recurring, keeping and spending funds. Therefore, this research was designed to investigate sustainability of private sector participation in funding university education in Cross River State, Nigeria.

The call for funding university education suggests financial collection to advance learning, research and provide instructions in education. University management tends to pay less attention to effective financial planning vis-à-vis private sector participation in funding in order to achieve educational objectives. This is critical since university education is a major instrument in the development of a state and indeed a nation. Its effective financial planning enables the system to meet the needs and aspiration of individuals as well as the society. This makes development a function of university education (Agbe & Bua, 2014).

University education in Cross River State, Nigeria seems to be inefficient. According to Ekanem (2016), it fails to achieve the desired output with minimum application of educational input. Sustainability of private sector participation in funding university education is needed to consciously transform the sub-systems for equitability and equity. In Onimode (2013) and Enaohwo (2015), private sector participation in funding education is a conscious effort that ensures enough finance in education system for quality of education and spread its benefits in the society. Adequately funded university education supposed to have effects on economic development due to its influence on the society structures.

Proper quality management of university can promote modern education that focuses on the provision of higher manpower requirement for economic, political and social development. It seems that universities in the state had no sustainable private sector participation as a strong support to public funding. The funding gap cannot be bridged between investment required for proper funding and actual resources made available for university education. Ekpo (2016) argues that private sector participation is a veritable contribution to university education if it can be sustained. This is because the enterprises work together in financing education towards the development of the society.

University education, as an agent of change should act as a solid vehicle for transformation and empowerment of individuals and the society. The huge problems inherent in education at this level tend to be underfunding. This made government to

direct policies on the role of private sector participation in funding education towards sustainability. Sustainability in this study is a deliberate and systematic policy programme of ensuring survival and continuous improvement through funding universities by private sector in the economy. The funding is expected to be diverse and productive to the university education indefinitely based on private sector's strong ecosystem income flows (Agbe & Bua, 2014). This is needed to build capacity needs of economies, create new aspiration and widen horizons for individuals and Cross River State, Nigeria (Ekanem, 2016). It emphasizes a shift from financial management to financial transformation approach as an acceptable best practice.

The theoretical framework of this study is derived from efficiency dynamics theory by Vilfreds Pareto in 1906. The theory assumes that an industry is not relatively efficient in producing its output from given inputs if it can be shown that another firm can produce more output without utilizing more of any inputs. The implication of the theory to the study is that university system should be efficient in organizing educational resources for maximum feasible output through adequate funding. This ensures quality assurance which enables the university system to confront competitive pressures over time through market dynamics control and unit cost reduction. Qualitative outcomes in education tend to boost university students' performance as good predictors of adequate financial input in the system.

A conceptual model derived from the theoretical framework in this research can be used to illustrate the relationship among the concepts of the study as conjectured in figure 1.

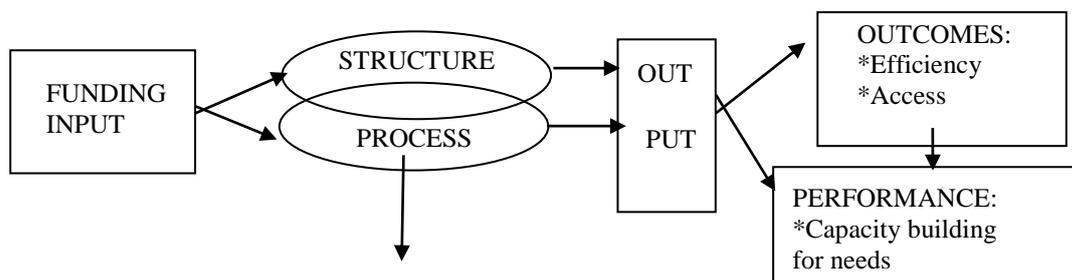


Figure 1: A relationship of private sector funding, outcomes and performance in university education reform.

Source: Adapted from Ada, A. N. 2011, Convocation lecture of College of Education Katsina-Ala, 17<sup>th</sup> May.

The sustainability of the funding input from private sector brings about a planned effort to change the university system for better. The change emanates from

perceived problems through inputs structures and processes in order to actualize and rectify normalcy in the system. Reforming university system connotes evolving a system that respond positively to the needs and demands of the changing nature of the society with the use of private sector funding (Ekanem & Okon, 2015). This could be done by adequate funding to narrow existing funding-gap and ensure efficiency in resource generation towards individuals and societal improvement. In Agwaranze (2016) and Adeyemi (2014), such functional education system could provide access to education and build capacity in terms of needs to the economies. University students' performances from their outcomes need to be measured for value, work dignity and participation in development (UNICEF, 1999).

The scope of the study is delimited to issues on financial transformation of university education based on sustainability of private sector participation in funding. This is in terms of access to university education and efficiency of universities in Cross River State of Nigeria. Based on financial transformation of the university education system, the paper sets out to examine sustainability of private sector participation in funding university education so as to develop Cross River State of Nigeria. Specifically, this study is to investigate sustainability of private sector participation in funding university education for access to education and capacity building needs of economies in universities.

### **Statement of the problem**

It is worrisome that poor qualitative university education has been a matter of concern to stakeholders in education. It was observed that underfunding of university education creates funding gap which hindered progress and development indicators in the society. Private sector participation seemed not sustained in funding the university education system based on needs and aspiration of the state. The inefficient university education system failed to achieve the desired output with minimum application of inputs. Hence, development cannot be a function of university education, in contrary, as stated in National Policy on Education 2014. The question is, could sustainability of private sector participation in funding education boost the university education system to create efficiency and quality assurance? This is in a sense that no matter how laudable university education may be, if funding fails to provide for access and enhance capacity building needs, it may not be development driven.

The issue was that access to university education had not promoted social and occupational mobility as it affected the climate for enterprises and productivity of workers in Cross River State of Nigeria. Moreso, the capacity building needs of universities in the state seemed to be low. Hence, the system could not create the basis for creation of desirable democratic society where political power is broadly

based. The state was prone to social tensions due to inability to create new aspiration and widened horizons for individuals and the society. Several attempts made by the stakeholders in education to sustain private sector participation in funding university education seemed to be in vain. Therefore, the researcher set out to find out whether or not sustainability of private sector participation in funding university education could be used to boost qualitative university education in Cross River State of Nigeria if properly managed.

### **Research questions**

In addressing this problem, the following research questions were raised:

1. How does sustainability of private sector participation generate funding in university education?
2. In what ways can private sector participation in funding impact on provision of access to university education?
3. How effective can private sector participation in funding contribute to enhancing capacity building needs of university economies?

### **Methodology**

This research adopted a descriptive survey research design. The design was appropriate in that the members of the research population were collected in order to determine the current status of the population with regards to one or more variables. The area of study was Cross River State of Nigeria. It is one of the states in the South-South geo-political zone of Nigeria. Calabar is the political and economic capital of the state with two public universities (federal and state universities) each located therein. The population of study consisted of 942 Head of Departments and Heads of Programmes of the two universities studied. A stratified sampling technique was used to draw 250 subjects as a sample size.

The respondents responded to the structured developed questionnaire called 'Sustainability of Private Sector Participation in Funding Questionnaire (SPSPFQ)' used to collect data for the study. The instrument contained three sections on the assessment of sustainability of private sector participation in funding university education on a three point rating scales. The instrument was validated and had a reliability coefficient of 0.862. Therefore, the instrument was reliable for the successful realization of the research objectives.

The researcher personally administered copies of the instrument to the sampled university administrators with the help of two research assistants. This ensured 100 percent returned rate. Data analysis was computed using frequency count, percentage score and tables as statistical techniques.

**Presentation of results**

**Research question 1:** How does sustainability of private sector participation generate funding in university education?

The data for analyzing this research question are presented in Table 1.

**Table 1:** Sustainability of private sector participation in generating funding in university education.

S/N	Variation sources	Agreed	Disagreed	Undecided
1.	Sustainability in annual contribution of private sector profit before tax.	68(27%)	179(71%)	3(2%)
2.	Sustainability in contract- based university activities.	198(79%)	32(13%)	20(8%)
3.	Sustainability in funding specific university projects.	225(90%)	23(9%)	2(1%)
4.	Sustainability in sponsoring conferences, seminars and workshops.	202(81%)	29(12%)	19(7%)
5.	Sustainability in awarding scholarships to university students.	189(76%)	41(16%)	20(8%)

N=250

The Table 1 revealed that sustainability of private sector participation generated funding for specific university physical projects (90%) more than any other funding source. This was followed by conferences, seminars and workshops (80%), and contract-based university activities (79%) among others. Annual contribution of private sector profit before tax had the least rating of respondents (27%). Hence, there was a deliberate and systematic policy programme of ensuring the survival and continuous improvement of university education by private sector participation in funding.

**Research question 2:** In what ways can private sector participation in funding impact on provision of access to university education?

The data for analyzing research question 2 are presented in Table 2.

**Table 2:** Private sector participation in funding impact on access to university education

S/N	Variation sources	Strong	Moderate	Weak
6.	Private sector participation in construction of physical facilities for students.	230(92%)	18(7%)	2(1%)
7.	Private sector participation in provision of rehabilitation of structure/equipments for university education.	38(15%)	22(9%)	189(76%)
8.	Private sector participation in provision of academic courses relevant to the needs of the society.	71(28%)	26(10%)	153(62%)
9.	Private sector participation in the provision of transportation.	223(89%)	21(8%)	6(3%)
10.	Private sector participation in teaching and research supports through academic facilities and resource persons.	219(88%)	17(7%)	14(5%)

N=250

The findings presented in Table 2 had low scores in most of the variables affirming that private sector participation in funding impacted weakly on access to university education. The rating of the respondents indicated that access to education aimed at significantly entering into courses or enrolling into programmes of study was not significantly influenced by private sector participation in funding (Adeyemi, 2014). Hence, access to education did not bring numerous expected economic and non-economic benefits to both individuals and society.

**Research question 3:** How effective can private sector participation in funding contribute to enhancing capacity building needs of university economies?

The result of research questions 3 is presented in Table 3.

**Table 3:** Private sector participation in funding university education for capacity building needs of university economies.

S/N	Variation sources	Very effective	Effective	Ineffective
11.	Private sector participation in funding support for massive infrastructural development of universities.	124(50%)	73(29%)	53(21%)
12.	Private sector participation in meeting financial requirements for satisfaction of expectations of university students.	45(18%)	61(24%)	144(58%)
13.	Private sector participation in Curriculum review towards national and international needs.	49(20%)	53(21%)	148(59%)
14.	Private sector participation in sustainability of private organizations towards virile educational policy making.	117(47%)	98(39%)	35(14%)
15.	Private sector participation in resource-based university contract for mutual benefits of scholarship, facilities and inventories.	39(16%)	69 (27%)	142(57%)

N=250

The result in Table 3 depicted that private sector participation in funding university education for capacity building needs of economies was ineffective. This was affirmed by the high scores of response as ineffective on national and international needs (59%), satisfaction of expectations of students (58%), mutual benefits of scholarship and inventions (57%). Only two variables namely massive infrastructural development of universities (50%) and sustainability in policy making (47%) scored effective. The rates of income flow from the ecosystem of private sector tend to determine the need to develop quality of human resources.

### **Discussion**

The analysis of the research question one showed that the private sector participation made a concerted effort to establish judicious and careful use of global funding in university education in the state. In this study, there was a maximum net benefit of funding through specific physical projects of universities in order to enhance the service and quality of resources over time. This finding was in consonance with Agbe and Bua (2014) which reported maximum net benefits for specific physical project as part of the totality of tertiary education funding. This depended on enterprise output base. Sustainability of the private sector confirmed that funding of private sector remained diverse and productive indefinitely for both human capital and other forms of development. Sustainability in funding is a function of quality and equity in university education. They were low scores in annual contribution of private sector project before tax. There indicated that the funding could not create

efficiency and quality assurance in the university system to make development a function of university education (FRN, 2013).

The result of the analysis in Table 2 showed that private sector participation in funding was not able to promote equitability (fairness) and equity (peculiarity) in resource distribution among the sub-systems of universities in Cross River State, Nigeria. The plausible explanation and functional university education opportunity could not combat poverty, reduce misunderstanding and promote respect among people in Cross River State, Nigeria. University education was unable to reduce friction and develop human capital in the state economically, politically and technologically (Ekanem & Okon, 2015).

Access to university education was endangered since it was not engendered in order to contribute human persons to all meaningful programmes in Cross River State, Nigeria. The door to university education was not widely opened for the benefits of university output to make better effective decisions for the development of the state. The goal of private sector participation in funding towards equitability and equity at university education level in the state had been a mirage as it was obviously not feasible (Adeyemi, 2014).

In Table 3, the finding revealed that private sector participation in curriculum review towards national and international needs had the higher ineffective rating. This is followed by the ineffective financial requirements for satisfaction of expectations of the university students. The possible reason for these findings was the progressive diminution of level of income inflow within and outside the private sector's system. The private sector participation in terms of their inflow into the university sector was perceived to be low in contributing to the growth and development of the requisite manpower in the state economy. The basis of the wealth of Cross River State and indeed the nation, had been on human resources. All other capital and natural resources in the states were passive factors of production (Ekanem, 2017). The university education, through effective private sector participation in funding could develop skills and attitude of its output for increase production and state development.

Moreso, private sector participation in funding could revitalize the two basic process of educational development namely: improving and refining. This confirmed the findings in Onimode (2013) that increase funding initiatives of the private sector contributed to improving the system effectiveness. Improvement in the study means adapting the existence of valued qualities to contemporary requirements. Also, in Ekpo (2016), private sector fund was reported to be Climate Investment Fund (CIF) since it broke down barriers to private sector participation in climate action.

Refining the education system in this study was considered to be finding solutions to new challenges or new forms of solutions to old problems in financial management. Therefore, improving and refining university education system were creative responses to social, political and economic favoured by the state and indeed the nation. These had favoured steady progression of human development, integration of individuals into sound and effective citizens, and equal educational opportunities for all citizens (FRN, 2013).

### **Conclusion**

The study investigated sustainability of private sector participation in funding university education in Cross River State, Nigeria. Results revealed that sustainability of private sector participation generated funding basically for specific university physical projects. However, private sector participation in funding impacted weakly on access to university education and ineffective on capacity building needs of economies of universities. Developing quality of human resources depended on the ecosystem income flows of private sector participation. Therefore, the study had been able to establish that there was a wide gap between university education transformation and development indicators due to unsustainable private sector participation in funding university education in Cross River State, Nigeria. The university management had obviously not realized the potency of proper financial planning for transformation of university education in the state. Government on the other hand could not ensure microeconomic stability in the economy to thrive sustainability of private sector participation in funding university education and progression of human development.

### **Recommendations**

The following recommendations were made consequence of the findings and conclusion of this study:

1. University management should encourage proper financial planning vis-à-vis sustainability of private sector funding to ensure transformation of university education. This is because high quality manpower production is one of the critical indices of development in Cross River State, Nigeria.
2. University management should pay greater attention to promote scholarship and quality learning to thrive access to education. This is necessary since private sector participation in funding is to achieve equitability and equity among the sub-systems of universities.
3. Government should evolve legitimacy of social environment to widely open door to university education for significant entry into courses and enrolling into programmes. This will improve Knowledge Economy

- Index (KEI) of the state and provide academic courses relevant to the needs of the society.
4. Government should manage the nation's economy to achieve macroeconomic stability for Climate Investment Fund (CIF) through private sector participation. This will help to improve and refine university system towards steady progression of human development in Cross River State, Nigeria.

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