

# Influence of Educational Financing Challenges on the Enrollment, Dropout and Graduation Ration among students of Distance Learning Education in National Open University Nigeria

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**Abstract:** *The challenges of educational financing among students of distance learning education is critical to National development. Students of Distance learning education often find it difficult to pay their school tuition fee at the implementation of the increase tuition fee policy in Federal Universities in Nigeria. National Open Universities of Nigeria is not an exemption from this increase tuition fee payment. This policy would have multiple effects on Nigeria student welfare. Thus, this study investigated the influence of educational financing challenges on the enrolment, dropout and graduation ratios among students of distance learning education in National Open University of Nigeria. This study employed the descriptive survey method. Parameters such as enrollment ratio, drop out ratio and graduation ratio was used to determine educational financing challenge caused by increase school tuition fee policy. Primary Data was used to obtain information on educational financing challenges among five hundred students in faculty of Education. But only three hundred and fifty students returned questionnaire were found useful for this study. This paper revealed that educational financing challenge will lead to decrease in enrollment ratio among students of distance learning in National Open University of Nigeria, educational financing challenge would lead to increase drop out ratio among students of distance learning in National Open University of Nigeria and that there is a significant relationship between educational financing challenge and graduation ratio among students of distance learning in National Open University of Nigeria. This study advise the need for Government to seek alternative options of fund generation sources for public Universities in Nigeria instead of implementing increase tuition fee policy in Nigeria Universities.*

**Keywords:** Educational Financing Challenges, , Enrollment ratio, Drop out ratio, Graduation ratio, Distance Learning Education, Students of National Open University of Nigeria.

## 1. Introduction

In Nigeria, the demand for education is so high because education is not only an investment in human capital, but also a pre-requisite as well as a correlate for economic development (Adeyemo 2000). Education satisfies a basic human need for knowledge, provides a means of helping to meet other basic needs, and helps sustain and accelerate overall development. Another important role of education lies in the fact that it helps to determine the distribution of employment and income for both present and future generations. And education influences social welfare through its indirect effects on health, fertility and life expectancy. It is widely acknowledged that education has social, economic, political, and security benefits for an individual, for a society and for a country.

Education is both a consumption and an investment. Education equips people with skills and knowledge that enable them to contribute towards the growth and development of their immediate environment where they live. A common feature observed in most developed nations is higher attainment in education than the developing nations. For instance, according to Egwunyenga and Nwadiani (2004), Britain had 98% education attainment, United State of America 89% while Nigeria and Sudan had 59% and 33% respectively as reported by the World Bank (1996) on development indicators.

We refer to Educational Financing as the resources used by students of distance learning education to meet their annual school tuition fee payment and other financial obligation demanded in the course of participating in an academic programme. It is the availability of money for meeting the need for a given project or programme. It is a system of apportioning available capital for meeting a need. Money is needed to run an academic programme. Students raise money for their academic programme personally or through a sponsor. Majority of the public institutions of higher learning across the globe are financed by Government. Public expenditure is seen to be the responsibility of government's social services and responsibilities of which the funding of education is one. In furtherance of this, section 13(120) of the NPE (FRN, 2004) recognized that education is an expensive social service that requires adequate financial provision from all tiers of government for successful implementation of educational programs. The

1999 Constitution of the Federal Government of Nigeria vested educational financing on public institutions on the Government of Nigeria and not the citizens. The Government swore to promote scholarship and provide free education to its citizen as stated in the National Policy on education (NPE, 2004). Unfortunately, the Nigeria government has not been faithful to its promise and the burden to finance education in higher education has grown beyond what the Federal Government alone can handle. It is in light of this reality that the federal government opted for public private partnership educational financing in higher education in Nigeria. But the transfer of the entire burden of educational financing to its citizens is perceived by majority of academic expert as irresponsible of the Government. To worsen the situation the federal Government of Nigeria is planning on embarking on an increase school tuition policy that would be unfavourable to distance learning education programme across the country.

Vanguard Newspaper (2018) reported that the Zonal Coordinator of the Academic Staff Union of Universities, (ASUU) Ibadan Zone, Dr Ade Adejumo has raised an alarm that the Federal Government of Nigeria is planning to increase tuition fees in Federal Universities to a minimum of N350,000K. The proposed increase in school tuition fee of Federal Universities will lead to educational financing challenges among student of distance learning education in Nigeria. An increase in tuition fees would be counterproductive as it will lead to educational wastages such as fall in student enrollment ratios, drop out ratio and graduation ratio. The objective of this paper therefore is to examine educational financing challenges among students of distance learning education in National Open University of Nigeria.

### **Statement of Problems of the Study**

The challenges of educational financing among students of distance learning education is critical to National development. Students of Distance learning education would find it difficult to pay their school tuition fee at the implementation of the increase tuition fee policy in Federal Universities in Nigeria. And which National Open Universities of Nigeria cannot be exempted from the increase tuition fee payment. This policy would have multiple effects on Nigeria student welfare. More importantly is that the policy would cause educational wastage crisis in Nigeria University system. Among them are increase drop out ratio, poor enrollment ratio, decrease graduation ratio, unemployment ratio and socio-economic related issues. Therefore, this paper would investigate the influence of educational financing challenges on enrollment, dropout, and graduation ratios among students of distance learning education in National Open University of Nigeria.

### **Objectives of the Study**

This study investigated the influence of educational financing challenges on enrollment, dropout, and graduation ratios among students of distance learning education in National Open University of Nigeria. Other objectives are as follows;

- Find out whether educational financing challenge would lead to decrease in enrollment ratio among students of distance learning in National Open University of Nigeria.
- Examine whether educational financing challenge would lead to increase drop out ratio among students of distance learning in National Open University of Nigeria.
- Discover whether there is a significant relationship between educational financing challenge and graduation ratio among students of distance learning in National Open University of Nigeria.
- Recommend on how educational financing challenges among students of distance learning education can be addressed in particular National Open University of Nigeria.

### **Research Questions**

The following research question were sought so as to provide solutions to the problems of the study.

1. What is the relationship between educational financing challenge lead and enrollment ratio among students of distance learning in National Open University of Nigeria?
2. What is the relationship between educational financing challenge and drop out ratio among students of distance learning in National Open University of Nigeria?
3. What is the relationship between educational financing challenge and graduation ratio among students of distance learning in National Open University of Nigeria?

## **2. Review of Literature**

The financing of education is at the heart of the educational crisis in many countries of the world. In Nigeria, there appears to be a perennial crisis of funding and lack of definite structures and strategies in funding of education. The overall vision in the current government aims at making Nigeria, one of the top twenty economies in the world by the year 2020. There are growing interests and calls by academic unions, stakeholders and politicians on the financing aspects of education at all levels and higher education in particular. One of such reasons put forward for this development is the considerable growth in the number of enrollments and the desire to acquire higher education qualifications. Nearly every countries of the world, Nigeria included, points to the basic fact that higher education institutions are the topmost employers' of highly skilled workforce. As such, higher education institutions are expected to utilize large amounts of a country's budgetary allocations. Funds are the life wire of these institutions because moneys provide the purchasing power of the institutions to provide physical materials needed in these institutions, and adequate funds determine the hiring capabilities of staff of higher education institutions.

The push in the cost of higher education is as a result of the uncontrolled enrollments and desire for higher education and Nigeria was and has not been strategically positioned to handle the situation according to Ololube, Aiya, Uriah and Ololube (2016d). The growing increase in enrollment, upgrading and diversification of programs have propelled higher education human resources requirement needs to meet the technological development in the education sector. If higher education institutions are adequately funded, it creates room for better infrastructural development and maintenance of school buildings, office blocks, classroom blocks, student hostels, staff quarter, etc. (Ololube et al., 2016a). It enables the procurement of instructional materials or resources like medical tools, books and journals for libraries, electronic boards, computers, laboratory equipment, video conferencing facilities, etc. (Ololube, Agbor, Major, Agabi & Wali, 2016c). Adequate funding of education guarantee staff development through academic programs like workshops, seminars, conferences, and scholarships. Most importantly, staff welfare and retention through regular payment of staff salaries and allowances assured. It guarantee's the protection of students welfare by providing playgrounds, refectories, lavatories, hostels, resource centers, etc.; and the maintenance of healthy schooling environment via good sanitary environment, avert multiple disciplinary problems, regular maintenance, etc. (Agabi, 2014; Ololube, 2013). These are some of the factors considered when discussing the quality of higher education in Nigeria.

The decision by the Federal Government of Nigeria to embark on increase tuition fee in all Federal Universities in Nigeria would lead to serious educational financing challenges in terms of educational wastage. A global overview of educational wastage indicates that wastage is a real challenge that many countries of the world have been trying to curb. In the United States of America, for instance, the high school dropout rate is alarming. A study by David and Jeffrey (2010) during the 2007-2008 period in the California Department of Education estimated that 98,420 public high school students dropped out of school. These data suggest that about 19 percent of California high school students in any ninth-grade class would more likely drop out over a four year period. Further, the dropout rate was particularly acute among the state's largest minority student populations. An estimated 33 percent of African Americans and 24 percent of Hispanics will drop out over a four-year period (David & Jeffrey, 2010). This source further explains that the economic and social consequences of the dropout crisis are profound, particularly in those minority communities whose children drop out of high school at disproportionately higher rates. Research demonstrates that dropouts suffer more joblessness, earn less income, and tend more to criminality, public dependency, and poor health than successful high school graduates. In developing countries, wastage is also widespread. This creates a serious situation because the funds available for educational development are limited and their effective use is considerably reduced by wastage. Gatawa (1998) had earlier argued that while developing countries have done remarkably well in terms of expanding educational access to a large percentage of their school going population, school performance as measured by dropout rates, progression rates and examinations results has been quite discouraging. Most African countries are faced by the educational wastage problem and have come up with various initiatives to curb the problem. Adamu (2000) argues that drop out ratio may have negative effect on students and parents; therefore, the decision by FGN to increase tuition fee across all public Universities must be revisited and proper rethink done in order to avert increase educational wastage in higher education Nigeria.

## **3. Methodology**

In order to investigate educational financing challenges among students of distance learning education in National Open University of Nigeria, this study employed the descriptive survey method, with the researchers setting out to illustrate the association that exists among the dependent and independent variables. The researchers' main goal in a descriptive survey study is to describe accurately the relationship between two variables. A survey is normally employed in research to describe attitudes, beliefs, opinions among other personal attributes (Orodho, 2012 ). According to Orodho (2012), survey research is a self-report study which requires the collection of quantifiable information from the sample. Survey was preferred because it was deemed suitable for

obtaining information on existing phenomenon with regard to educational financing and other factors such as enrollment ratio, drop out ratio and graduation ratio.

This method is useful because the study is interested in finding the nature and to obtain an understanding of the issue under investigation. The study relied heavily on primary and secondary data. To supplement the data from primary source, secondary materials were sourced from academic literature on the subject matter. In this regard, questionnaire were used as instrument for collecting primary data, closed ended questionnaires to be precise, where questions were structured in line with the research questions and hypotheses using Likert five point rating scale questionnaire: strongly Agree (SA), Agree (A); Undecided (ND); Disagree (D) and Strongly Disagree (SD).

The population was constituted of the all students of Lagos Study Centre National Open University of Nigeria Faculty of Education. However, since the study cannot cover the entire population within limit, the researchers had to select five hundred students with total students enrollment of 5,000 through the principle of randomization to constitute the study population. The study adopted the bar chart, Tables, figures, frequency and simple percentage statistical method of analyzing the responses. The results of the returned questionnaires were captured on Microsoft Excel for analysis and interpretation.

#### 4. Result and Data Analysis

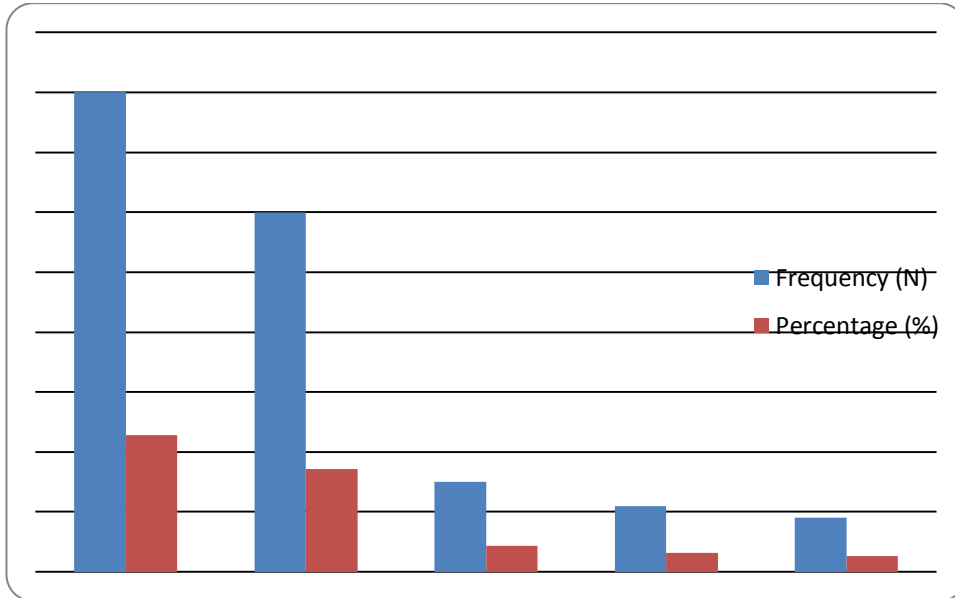
The total number of students who participated on this study was five hundred students. But only three hundred and fifty students returned questionnaire were found useful for analysis. Results of the statistical analysis of the data are presented in the following tables:

##### Research Questions and Hypotheses Analysis: One

*What is the relationship between educational financing challenge and enrollment ratio among students of distance learning in National Open University of Nigeria?*

**Table 4.1: Educational Financing Challenge and Enrolment Ratio**

Response	N	%
SA	160	45.71
A	120	34.29
ND	30	8.6
D	22	6.3
SD	18	5.2
TOTAL	350	100



**Figure 4.1: Educational Financing Challenge and Enrolment Ratio in NOUN**  
 Source: (Field Survey, 2018)

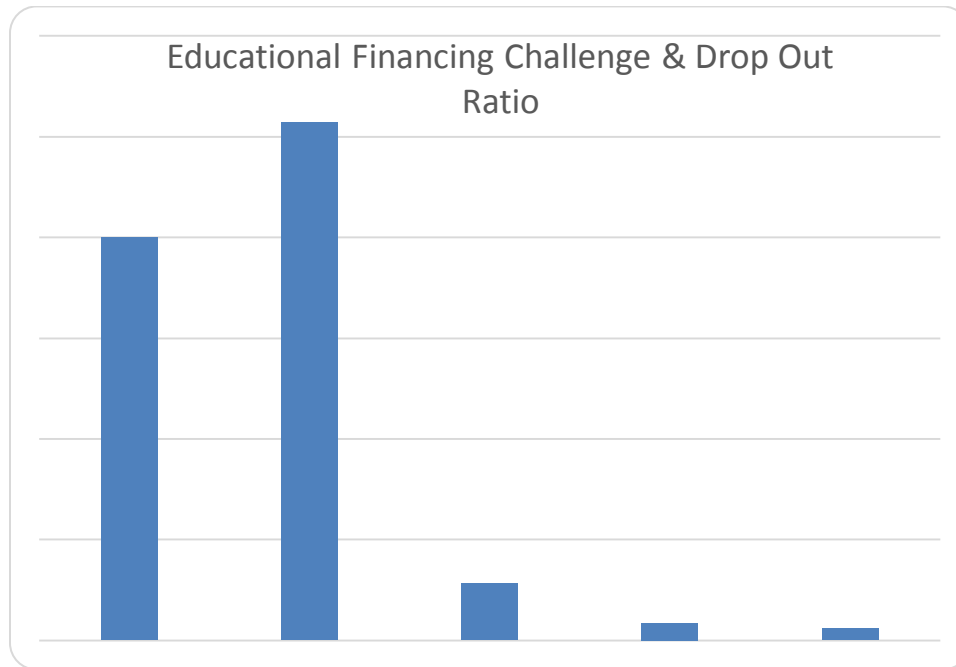
Data on table 4.1 represented in bar chart in Figure 4.1 revealed that educational financing challenge will lead to decrease in enrollment ratio among students of distance learning in National Open University of Nigeria. Finding revealed that 80% representing majority of the respondents support the view that educational financing challenge would lead to decrease in enrollment ratio among students of distance learning in National Open University of Nigeria. While 6.3% and 5.2% disagree and strongly disagree respectively on the opinion that educational financing challenge would lead to decrease in enrollment ratio among students of distance learning in National Open University of Nigeria. Findings above support Ololube, Aiya, Uriah and Ololube (2016) assertion that the push in the cost of higher education is as a result of the uncontrolled enrollments and desire for higher education and Nigeria was and has not been strategically positioned to handle the situation according to Ololube, Aiya, Uriah and Ololube (2016d). The growing increase in enrollment, upgrading and diversification of programs have propelled higher education human resources requirement needs to meet the technological development in the education sector.

**Research Questions and Hypotheses Analysis: Two**

*What is the relationship between educational financing challenge and drop out ratio among students of distance learning in National Open University of Nigeria?*

**Table 4.2: Educational Financing Challenge and Drop out Ratio**

Response	N	%
SA	140	40.00
A	180	51.43
ND	20	5.71
D	6	1.72
SD	4	1.14
TOTAL	350	100



**Figure 4.2: Educational Financing Challenge and Drop Out Ratio in NOUN**  
 Source: (Field Survey, 2018)

Data on table 4.2 represented in bar chart in Figure 4.2 revealed that educational financing challenge will lead to increase in drop out ratio among students of distance learning in National Open University of Nigeria. Finding revealed that 91.43% representing majority of the respondents support the view that educational financing challenge would lead to increase in drop out ratio among students of distance learning in National Open University of Nigeria. 5.71% of the respondents indicate undecided when asked whether educational financing challenge would lead to increase in drop out ratio among students of distance learning in National Open University of Nigeria. While 1.72% and 1.14% disagree and strongly disagree respectively on the opinion that educational financing challenge would lead to increase in drop out ratio among students of distance learning in National Open University of Nigeria. Findings above is in agreement with Ncube (2004) observation that in Zimbabwe there is a problem of increase drop out, high repetition and low progression rate primarily caused by school size, school regime, school type, and inability to pay school fees.

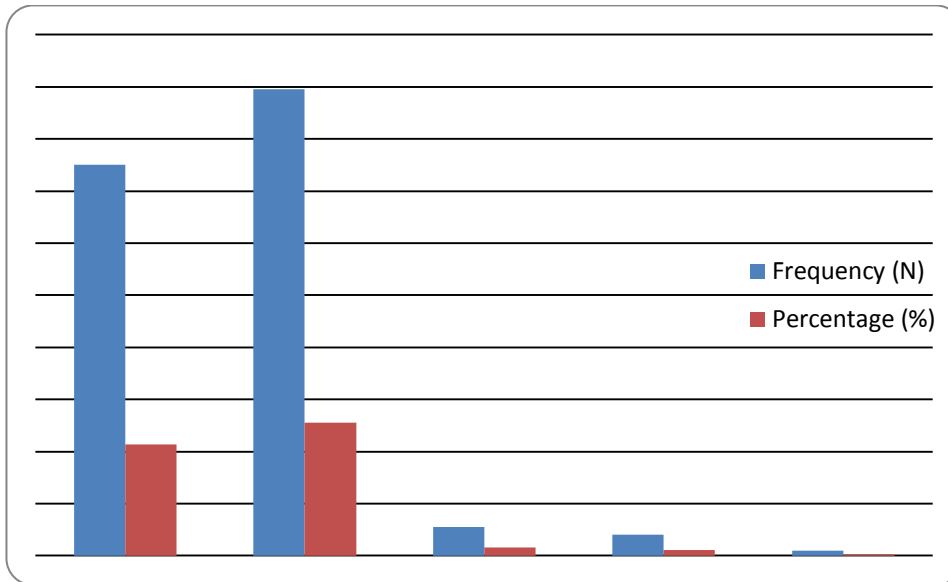
**Research Questions and Hypotheses Analysis: Three**

*Is there a significant relationship between educational financing challenge and graduation ratio among students of distance learning in National Open University of Nigeria?*

**Table 4.3: Educational Financing Challenge and Graduation Ratio**

Response	N	%
SA	150	42.86

A	179	51.14
ND	11	3.14
D	8	2.28
SD	2	0.58
TOTAL	350	100



**Figure 4.3: Educational Financing Challenge and Graduation Ratio**  
**Source: (Field Survey, 2018)**

Data on table 4.3 represented in bar chart in Figure 4.3 revealed that there is a significant relationship between educational financing challenge and graduation ratio among students of distance learning in National Open University of Nigeria. Finding revealed that 94% representing majority of the respondents support the view that there is a significant relationship between educational financing challenge and graduation ratio among students of distance learning in National Open University of Nigeria. While 3.41% of the respondents indicate undecided when asked whether there is a significant relationship between educational financing challenge and graduation ratio among students of distance learning in National Open University of Nigeria. On the other hand, 2.28% and 0.58% disagree and strongly disagree respectively on the opinion that there is a significant relationship between educational financing challenge and graduation ratio among students of distance learning in National Open University of Nigeria. Findings above is consistent with Yusuf and Sofoluwe, (2014) whose study revealed that graduation ratio rates are indices of high wastage rate in the Nigerian school system caused primarily by inability to pay school fees.

## 5. Conclusion and Recommendation

This paper investigated educational financing challenges among students of distance learning education in National Open University of Nigeria. This article identified decrease in enrollment ratio, increase in drop out ratio and decrease in graduation ratio as the core educational financing challenges faced by students as a result of inability to pay tuition school fee. The study discovered that educational financing challenge would lead to decrease in enrollment ratio among students of distance learning in National Open University of Nigeria, that educational financing challenge would lead to increase drop out ratio among students of distance learning in National Open University of Nigeria and that there is a significant relationship between educational financing



challenge and graduation ratio among students of distance learning in National Open University of Nigeria. Based on the findings derived from this study, the following recommendations are made to address educational financing challenges among students of distance learning education in Nigeria:

- For those who drop-out for financial difficulties, government and philanthropists should provide bursary awards and scholarships to enable them continue with their programmes and also donate instructional materials for them. There should be a developed mechanism to reintroduce drop-outs to other skills so as not to waste the resources spent on their education and training;
- The school management should reinforce and strengthen the guidance and counseling services offered to students so as to be effective in helping students with personal problems that might lead to educational wastage.
- Government should set up a public-private educational finance partnership that support distance learning education students with access to adequate fund for financing their educational investment.

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