

# **FINANCIAL RESOURCE SITUATION AS CORRELATES OF ACADEMIC STAFF JOB PERFORMANCE IN THE UNIVERSITIES IN SOUTHWEST NIGERIA**

**SADIKU B.O.**

Department of Educational Management  
Faculty of Education  
Ekiti State University  
Ado-Ekiti

**&**

**OKEKE, Emeka Paul**

Human Capital Policy Department  
Nigerian Institute of Social and Economic Research (NISER), Ibadan

## ***Abstract***

*This study examined financial resource situation as correlates of academic staff job performance in universities in Southwest Nigeria. A descriptive research of the survey design was used to carry out the study. The population for the study consisted of all students and staff in all the public universities in Southwest Nigeria. The research utilized two sets of instruments titled 'Academic Staff Job Performance Questionnaire' (ASJPQ) and 'Allocated Funds and Academic Staff Job Performance Questionnaire' (AFASJPQ) for students and academic staff respectively. The findings of the study indicate that there is a significant relationship between financial resource and academic staff job performance in the universities in Southwest Nigeria, a significant relationship between estimates of financial resource and academic staff job performance in universities in Southwest Nigeria and also a significant relationship between allocation of financial resource and academic staff job performance in universities in Southwest Nigeria. Based on the findings, it was concluded that the financial resources provided by the government is grossly inadequate as evident in the performance of academic staff in the universities under study. Recommendations were made on the need by the government to improve on the amount of financial resource allocated to universities in order to enhance good performance of academic staff in the area of teaching, research and community services.*

**Keywords:** Financial resource, universities, allocation, annual budget, academic staff job performance.

## **Introduction**

The Nigerian university system which is the engine room for national growth and economic advancement has grown in size and has undergone massive transformation since its inception over 60 years ago. It is very unfortunate that its ability to act as engine room for growth and economic development seems to be hindered by the long standing problem of inadequate financial resource. For academic staff to effectively perform their roles there must be adequate financial resource. Nigerian government's priority in terms of providing financial resource appears to have declined and this has limited the ability of the academic staff of universities to effectively and efficiently perform their duties, particularly the traditional roles of teaching and research (Bamiro and Adediji, 2010).

Government is the major source of funds for federal universities in Nigeria. It provides 90 percent of the total income disbursed through the National Universities Commission (NUC) (a buffer organisation that assists the government in coordinating the affairs of the universities); the remaining 10 percent is internally generated by each university. Although a lion's share of the revenue comes from the government, compared to money generated internally, there is however a notable fluctuation in the amount that universities request for from the government and the amount that is released to them annually. In the budgetary provision for Education from 2006 to 2010, all the appropriations for recurrent expenditure were fully released but this was not the case for capital expenditure. In 2010, out of the appropriated amount of N74,923,247,201 only N38,569,636,552 was actually released (National Bureau of Statistics, 2011). According to Adeniyi (2008), the subvention received by the universities from the federal government is inadequate for meeting their financial demands. In view of this, Hartnett (2000) suggested that more creative and adaptable financing strategies are needed in order for Nigerian universities to offset the declining educational quality, efficient use of resources and learning effectiveness that now confronts them. Table 1 shows government allocation of funds (Appropriation) and the amount actually released to federal universities from 1990 – 2008.

**Table 1: Funding of Federal Universities from 1990 – 2008.**

<b>YEAR</b>	<b>APPROPRIATION</b>	<b>ACTUAL AMOUNT RELEASED</b>
1990	748,345,040.00	734,770,950.00
1991	779,342,391.00	783,816,895.00
1992	2,989,030,126.00	2,985,237,346.00
1993	4,532,229,830.00	3,801,529,278.00
1994	5,469,345,420.00	4,370,880,770.00
1995	6,392,648,852.00	6,056,784,806.00
1996	7,535,594,539.00	7,535,594,529.00
1997	7,059,178,565.00	5,348,173,942.00
1998	8,196,511,292.00	9,798,392,523.00
1999	10,507,388,580.00	11,831,930,271.98
2000	33,788,940,311.00	30,143,004,497.91
2001	31,844,324,846.42	32,646,410,861.00
2002	33,778,450,500.00	30,351,483.193.00
2003	34,411,319,280.00	34,203,050,936.33
2004	53,024,557,482.61	53,466,287,486.01
2005	62,215,631,536.00	58,275,967,608.72
2006	82,376,685,198.00	82,376,684,290.00
2007	90,565,259,337.00	90,565,259,337.00
2008	105,751,671,988.00	105,751,671,988.00

**Source:** National Universities Commission, Abuja (2009)

The amount of financial resource made available to Universities in Nigeria has been a function of the level of budgetary allocation of the Federal government to the education sector. According to Ajayi (1997), financing education in Nigeria from the colonial period to date has been the joint responsibility of the government, the private sector and external agencies and government has continued to be the dominant source of financing education in the country. As a result of the parlous state of the nation's economy coupled with the competing needs of other sectors of the economy, the Federal Government financial commitment to education has been declining. ). It is no understatement to say that the Nigerian government over the years has not met the 26% UNESCO benchmark.

The financial resource situation is becoming worse as budgetary allocation to education between 2009 and 2014 ranges from 6.54% to 10.63%. It is pathetic to note that Nigeria occupies a prominent position among the nations of the world with the least percentage of budgetary allocation to education (Ajayi, 2014).

According to Ajayi (2014), the chronic underfunding of education in Nigeria as evident in the very low proportion of budgetary allocation to education has resulted in poor resource situations in the universities.

One of the problems facing universities in Nigeria is the perceived poor performance of some academic staff. In recent times, there have been a series of complaints about the job performance of academic staff in Nigerian universities. It has been the view of the public that academic staff are no longer dedicated and committed to their job. It appears that academic staff of universities do not place great emphasis on their primary role which is teaching but rather give more attention to writing papers for publications which are likely to earn them promotion in the future at the detriment of the students.

The problem of poor financial resource of the university system has seriously affected academic staff performance in the area of research publications. The quality of research publication has fallen considerably because of lack of adequate research materials. According to Bamiro and Adedeji (2010), the Nigerian government spends just 0.1 percent on research, while federal universities spend only 1.3 percent of their budget on research. This has implication for development because research publications of academic staff constitute a veritable catalyst for economic advancement of countries and adequate funding is the propeller for research. As a result of the weakened purchasing power of the naira occasioned by the deterioration of currency, most of the inputs in the form of books, journals and laboratory equipment cannot be sustained for research publication (Olayiwola, 2010).

### **Statement of the Problem**

It has been observed that the academic job performance in Nigerian institutions have fallen below expectation due to inadequate financial resource allocation into the university system. This has affected the quality of teaching, research and community services which academic staff are expected to carry out as their major responsibility. Laboratories are ill-equipped, teaching-learning facilities are not in good shape; some are obsolete. This has gone a long way to affect effective instructional delivery. Academic staff are not able carry out research due to inadequate funding; some even use their personal salaries to fund research activities because the process to source for fund for research is highly cumbersome. In the area of community services, academic staff are not patronised for consultancy services and those who are patronised are not motivated to do so.

On funding, it is observed that the gross inadequate funding of the education sector has been rendering the university education incapacitated. At present, government's allocation appears to be grossly insufficient to take care of the population explosion of staff and students in universities and the funding pattern does not give adequate consideration to the requirement of the universities.

One of the effects of inadequate funding in the university is that the expected roles of academic staff are not accorded the necessary priority as expected. All these funding issues in the educational system have gone a long way to affect the university system. It is for this reason the study intends to investigate the financial resource situation in Nigerian universities in relation to academic staff job performance.

### **Objective of the Study**

The main objective of this study was to examine the influence of financial resource situation on academic staff job performance of the universities in Southwest Nigeria. The study specifically examined the financial resource pattern, the budgetary allocation as well as the influence of allocated financial resource on academic staff job performance.

### **Research Hypotheses**

The following hypotheses were formulated for the study.

1. There is no significant relationship between financial resource and academic staff job performance in universities in Southwest Nigeria.
2. There is no significant relationship between estimate of financial resource and academic staff job performance in universities in Southwest Nigeria.
3. There is no significant relationship between allocation of financial resource and academic staff job performance in universities in Southwest Nigeria.

### **Methodology**

The study adopted the descriptive survey research design to carry out the study on the influence of financial resource situation on academic staff job performance in Southwest Nigerian universities. The study adopted the stratified sampling procedure to select 4 conventional universities (two federal and two state) which include; University of Ibadan, Obafemi Awolowo University, Lagos State University and Ekiti State University and 2 specialized universities (one federal and one state) which include Federal university of Technology, Akure and Ondo State University of Science and Technology. Three faculties from each of the universities were purposively selected because these faculties are not in all the universities. 30 academic staff were selected from each faculty and from each university, totalling 90 academic staff from each university, giving a total of 540 respondents.

The instrument used for the study was a questionnaire designed to obtain information from the academic staff on the influence of financial resource situation on academic staff job performance in Southwest Nigerian universities and an inventory on financial resource situation from the academic planning units.

The data collected for the study were analysed using Pearson Product Moment Correlation (PPMC).

## Findings

The results and discussion of the analysis are presented below.

**Hypothesis 1:** There is no significant relationship between adequate financial resource and academic staff job performance in universities in Southwest Nigeria.

**Table 1:** Financial resource and academic staff job performance in universities in South West Nigeria.

<i>Variable</i>	<i>N</i>	<i>Mean</i>	<i>SD</i>	<i>r<sub>cal</sub></i>	<i>r<sub>table</sub></i>
Financial resource	540	5870150587.71	4618175976.65		
				0.461	0.195
Academic staff job performance	540	59.94	11.60		

### 4. \* $p < 0.05$

Table 1 revealed that  $r_{cal}(0.461)$  is greater than  $r_{table}(0.195)$  at 0.05 level of significance. The null hypothesis is therefore rejected. This implies that there is significant relationship between adequate financial resource and academic staff job performance. The relationship between financial resource and academic staff job performance is moderate, positive and statistically significant at 95% confidence level. This implies that adequate financial resource of the universities will lead to corresponding increase in their job performance and vice versa. This is in agreement with Shina (2012) who noted that due to the daunting teaching and research situations, university administrators have consistently identified funding issues as a critical challenge in discharging their functions effectively.

**Hypothesis 2:** There is no significant relationship between estimate of financial resource and academic staff job performance in universities in Southwest Nigeria.

**Table 2:** Estimate of fund and academic staff job performance in universities in South West Nigeria

<i>Variable</i>	<i>No of Universities</i>	<i>Mean</i>	<i>SD</i>	<i>r<sub>cal</sub></i>	<i>r<sub>Table</sub></i>
Estimate of fund	6	23,083,827,440	26938963697		
				0.912*	0.707
Academic staff job performance	6	59.94	11.60		

\* $p < 0.05$ 

Table 2 shows that  $r_{cal}(0.912)$  is greater than  $r_{Table}(0.707)$  at 0.05 level of significance. The null hypothesis is therefore rejected. This implies that there is significant relationship between estimate of fund and academic staff job performance in universities in South West Nigeria. The correlation between estimate of fund and academic staff job performance in the universities in South West Nigeria is high, positive and statistically significant at 95% confidence level. This implies that estimate of fund will lead to corresponding increase in the job performance of academic staff and vice versa. The amount received by universities on a yearly basis is always short of their estimates or amount requested for. This was affirmed by Oseni (2012) that there are times when wide gaps exist between the amount budgeted for and the actual amount received by universities.

**Hypothesis 3:** There is no significant relationship between allocation of financial resource and academic staff job performance in universities in Southwest Nigeria.

**Table 3:** Allocation of financial resource and academic staff job performance in universities in Southwest Nigeria

<i>Variable</i>	<i>No of universities</i>	<i>Mean</i>	<i>SD</i>	<i>r<sub>cal</sub></i>	<i>r<sub>Table</sub></i>
Allocation financial res.	6	5,867,376,228	4748799092	0.721*	0.707
Academic staff job performance	6	59.94	11.60		

\* $p < 0.05$ 

Table 3 shows that  $r_{cal}(0.721)$  is greater than  $r_{table}(0.707)$  at 0.05 level of significance. The null hypothesis is therefore rejected. This implies that there is significant relationship between allocation of fund and academic staff job performance in the universities in Southwest Nigeria. The relationship between allocation of fund and academic staff job performance in the Universities in Southwest Nigeria is high, positive and statistically significant at 95% confidence level. This implies that allocation of fund will lead to corresponding increase in the job performance of academic staff and vice versa. Since various governments have not been able to provide the amount requested by the universities, then, there is no way the allocated financial resource will be enough to run university

programmes effectively. This is in agreement with Okebukola (2008) who confirmed that funds allocated and released to universities in Nigeria are not enough to run the institutions.

### **Conclusion**

The findings of the study gave an insight on the effects of financial resource situation on the performance of academic staff in the universities in Southwest Nigeria. The financial resources allocated to universities is grossly inadequate because of the low yearly budgetary allocation to the education sector. The UNESCO standard of 26% in respect of the amount of the annual government budget that should be allocated to the education sector has never been met. This has gone a long way to affecting the amount allocated to the universities and hence affected the academic staff in carrying out their main functions of teaching, research and community services.

### **Recommendation**

The following recommendations were made based on the findings of the study.

1. The government should increase the annual budgetary allocation to the education sector and to public universities in Nigeria.
2. Educational managers in public universities should exploit internal and other sources of generating revenue for their institutions to complement the amount released by the government.
3. The government and educational administrators should encourage and promote research culture among academic staff by financing research activities.

### **References**

- Adeniyi, P. O. (2008). Repositioning Nigerian Universities for National sustainable development. A paper presented at the 10<sup>th</sup> Iju Quarterly Public Affairs forum series, Ondo state, Nigeria.
- Ajayi, A.O. (1997). Qualitative and quantitative inspection visits as a means to better school output in A. Dada (Ed) Ibadan, mass failure in public Examination. P 24-36.
- Ajayi, I.A. (2014). Managing the education system in a poverty-ridden economy: The unhealthy rivalry between efficiency and effectiveness. An inaugural lecture in Ekiti State University.
- Bamiro, O.A. and Adedeji, O.S.(2010). Sustainable financing of higher education in Nigeria. Ibadan: Ibadan University press.
- Hartnett, T. (2000). Financing trends and expenditure patterns in Nigerian Federal universities. An update being a background study conducted to reform the Design of the Nigerian university system. Innovation project.

- National Bureau of Statistics (2011). Review of the Nigerian Economy, 2011 Abuja.
- Okebukola, P. (2008). Education reform imperatives for achieving Vision 20:2020. A paper presented at the National Summit on Education, 10<sup>th</sup>-11<sup>th</sup> December; Abuja.
- Olayiwola, S. (2010). Alternative Mode of funding for academic research in Nigerian universities. *Higher Education Quarterly*, 64 (2): 149-160.
- Oseni, M. (2012). Adequacy of budgetary allocation to educational institutions in Nigeria. *Pakis, J. Bus and Econs* 3(1) 143-157. Retrieved from <http://www.journalsbank.com/pjber>.
- Shina, O. (2012). Alternative perspective to funding public universities in Nigeria. Sustainable development.