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Determination of Institutional and Government Factors Effect of Global Financial Meltdown on Postgraduate Students of Business Education in South East Nigeria

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Abstract

The study was carried out to determine the effect of institutional and government related factors in relation to the global financial meltdown (GFM) on postgraduate students of Business Education in south east Nigerian universities. Two research questions guided the study and two null hypotheses were tested. Descriptive survey research design was used. The population was 611 postgraduate Business Education students (PGBES) of the 2011/2012, 2012/2013 and 2013/2014 academic sessions from the five universities offering business education program at postgraduate level in south east Nigeria. There was no sampling because the number was manageable. A 19- item questionnaire duly validated by three experts was used to collect data. Cronbach Alpha coefficient for the two clusters yielded co-efficient values of 0.70 and 0.70 respectively with an over-all co-coefficient value of 0.91 which indicated that the instrument was reliable for the study. Mean was used to analyze the data collected while ANOVA was used to test the hypotheses at 0.05 level of significance. Findings revealed that the respondents rated institutional and government related factors in the global financial meltdown as affecting them at a high extent. Ownership of university did not significantly affect the respondents mean ratings. Based on the findings, it was recommended that administrators of business education programmes should consistently engage in the training and re-training of their academic staff through partnership with other universities in the developed countries and industrial experts so as to cope with the changing demands of the world economy. It was also recommended that government and its appropriate agencies should put in place policies and programmes that will cushion the effects of the GFM on the business education programmes in Nigerian institutions by providing an enabling environment with better physical infrastructures such as school buildings, good roads, proper training of workers, good remuneration and better working conditions, among others.

The Global Financial Meltdown (GFM) has its origins in the past two decades of financial globalization, marked by the liberalization of Western banking systems and external capital markets throughout the developing world. According to Davis (2003), the global financial meltdown is a major collapse of the financial system, entailing inability to provide payment for services or to allocate credit to productive investment opportunities. Igbatayo (2011) saw the global financial meltdown as a financial instability in the international economy in terms of global environment.

Various reasons have been advanced as the causative factors of the global financial meltdown. According to Fajana (2010), they include the inability of homeowners to make their mortgage payments, poor judgment by the borrower and/or lender, speculation and overbuilding during the boom period, risky mortgage products, high personal and corporate debt levels, financial innovation that distributed and concealed default risks, central bank policies, and regulation. In the same vein, Cornia, Elson, Fortin, Griffith-Jones, Helleiner, Van der Hoeven, Kaplinsky, Morgan, Ortiz,., Pearson and Stewart (2012) observed that several trends already present at the start of the crisis made poor households worldwide more vulnerable to shocks. These include increases in service sector employment, a growing percentage of people working in the informal economy, rising numbers of unemployed youth, declining labour-force participation (particularly graduates of universities), growing wage and income inequality and a declining share of wages in the national income.

It appears that the GFM negatively affected government investment in education which has direct impact on postgraduate students of business education who are beneficiaries of government investment in education in Nigeria. This is why Ezenwafor, Okeke and Enemuo (2013) opined that as a result of the GFM, business education students are faced with the challenges of rising tuition and accommodation fees, lack of access to student loan and reduction in government grants to schools leading to inadequate educational facilities for learning.

Universities are the major players in the training of students in their postgraduate pursuit. With the advent of the GFM, public schools which are financed by the government were affected because of government reduction in spending, provision of facilities, delayed payment of lecturers' salaries and decrease in contribution from international donors and government. According to United Nations Educational, Scientific and Cultural Organization (UNESCO, 2009), educational institutions, especially private and post-primary ones, may face a shortfall in operational resources if students are unable to pay tuition or related fees. This will result in a bigger burden on the students' continuation in the graduate studies programme.

In support, Onweh (2005) noted that government and institutions have failed in their duty of providing essential facilities and equipment needed for business education programmes in higher institutions for the education and training of students. In the light of this, Imaliagbe (1992) and Momoh (1995) stated that the poor condition of facilities and equipment in higher institutions in Nigeria could bring enormous consequences on post graduate students. Where tools and equipment are not adequate and the available ones not functional, the programmes implementation will suffer.

However, these views are theoretical in nature or have not been empirically proven to be the case in tertiary institutions in Anambra State. It is against this background that the study determined the effect of institutional and government related factors in the global financial meltdown on post graduate students of business education in South East Nigerian Universities.

Statement of the Problem

The advent of the global financial meltdown seems to have brought with it negative effects on all aspects of the economy including the education sector in Nigeria. It appears that the effect of the GFM in the education sector has resulted in lack of training equipment, increase in school fees, elongation of years of training resulting from prolonged period of industrial strike, among others which led to high rate of school dropout and graduate unemployment. The situation seems to constitute daunting challenges to postgraduate students of business education especially, because some of them are unemployed and are dependent on their parents and family members. In support, Mbaba, Akpan & Udofia (2011) blamed the GFM for the removal of subsidies in education, lack of infrastructures in educational institutions and lack of skilled manpower among others.

Despite these claims there seem to be no clear evidence of the effect of institution and government related factors in relation to the GFM on postgraduate business education students in universities in south east Nigeria. It is this situation that this study sought to correct by empirically determining the effect of institution and government related factors in the global financial meltdown on postgraduate students of business education in south east Nigerian universities.

Research Questions

The following research questions guided this study.

1. To what extent do institution-related factors in the global financial meltdown affect post graduate students of business education in south east Nigerian universities?
2. To what extent do government-related factors in the global financial meltdown affect post graduate students of business education in south east Nigerian universities?

Hypotheses

The following null hypotheses were tested at 0.05 level of significance.

1. There is no significant difference in the mean ratings of postgraduate students of business education on the extent institution related factors in relation to the global financial meltdown affect postgraduate business education students in Nigerian universities based on ownership of institution (Private, state and Federal).
2. There is no significant difference in the mean ratings of postgraduate students of business education on the extent government related factors in relation to the global financial meltdown affect postgraduate business education students in Nigerian universities based on ownership of institution (Private, state and Federal).

Method

Descriptive survey research design was adopted for the study. As recommended by Ezeji (2004), descriptive survey design use questionnaire to collect data from a given population or its representative sample on existing phenomena. The study was conducted in south east Nigeria which is made up of five states (Abia, Anambra, Ebonyi, Enugu and Imo). The states have similar characteristics relative to language, culture, religion, life-style and occupation. There are thirteen functional universities in the zone (four are federal government owned, five state government owned and four privately owned). Only five of these universities run postgraduate business education program, that is, two federal universities, two state universities and one private university. The population of the study comprised 611 post graduate business education students of three academic sessions (2011/2012, 2012/2013 and 2013/2014) from the five universities. Instrument used for data collection was a validated five point rating scale questionnaire which has two parts-one and two. Part one dealt with the background information of the respondents bothering on the ownership of universities. Part two contained 19 items that were organized in two sections A and B in respect of the research questions guiding the study.

The Cronbach Alpha coefficient for the two clusters yielded co-efficient values of 0.70 and 0.70 for section A and B respectively with over-all co-coefficient value of 0.91 which indicated that the instrument was reliable for the study. Out of the 611 copies of the questionnaire distributed, 582 were returned. Arithmetic mean was used to analyze the research questions while Analysis of Variance (ANOVA) was used to analyze data in respect of hypotheses 1 and 2 at 0.05 level of significance. The analysis of research questions was based on the real limit of numbers. For the hypotheses, where the calculated F value is less than critical value of F, the hypothesis was retained. In the same way, where the calculated f value is greater than or equal to the critical f value the null hypothesis was not accepted.

Results

Research Question 1

To what extent do institution-related factors in the global financial meltdown affect post graduate students of business education in south east Nigerian universities?

Data relating to this research question are presented in Table 1.

Table 1: Mean ratings of postgraduate business education students on the extent they are affected by institution-related factors in the global financial meltdown (N=582)

S/NO.	Institutions Factors	X	Remarks
1.	Lack of relevant equipment and consumables for practical teaching and learning.	4.60	High Extent
2.	Inadequate ICT equipment relative to student enrolment	4.35	High Extent
3.	Poor exposure on entrepreneurial skills for self survival due to lack of relevant facilities.	3.76	High Extent
4.	Low level of ICT competencies due to inadequate practical exercises.	3.01	High Extent
5.	Inadequacy of competent lecturers	4.05	High Extent
6.	Brain drain	3.35	High Extent
7.	Prolonged industrial conflicts between lectures and government	4.15	High Extent
8.	Scarcity of relevant textbooks	4.00	High Extent
9.	Inefficient and ineffective ICT library	4.02	High Extent
10.	Lack of fund in training and re-training of teachers in the area of ICT and entrepreneurship.	4.15	High Extent
11.	High cost of hostel accommodation	2.07	Low Extent
	Mean of Means	**4.15**	**High Extent**

The data presented in Table 1 reveal that the respondents mean ratings ranged from 2.07 to 4.60 with a Mean of Means of 4.15. They rated items, 1, 2, 3, 4, 5, 6, 7, 8, 9 and 10 with mean ratings 4.60, 4.35, 3.76, 3.01, 4.05, 3.35, 4.15, 4.00, 4.02 and 4.15 respectively as affecting them to a very high extent and item 11 with mean rating of 2.07 as affecting them to a low extent. The Mean of Means of 4.15 indicates that the respondents rated institution-related factors in the global financial meltdown as affecting them to a high extent.

Research Question 2

To what extent do government-related factors in the global financial meltdown affect post graduate students of business education in south east Nigerian universities?

Dated relevant for this research question are presented in Table 2

Table 2: Mean ratings of post graduate business education students on the extent they are affected by government-related factors in the global financial meltdown (N=582)

S/NO	Government -Related Factors	X	Remarks
12.	Reduction of educational grants	2.48	Low Extent
13.	Reduction in scholarship programmes	2.07	Low Extent
14.	Removal of subsidies on tuition fees	3.56	High Extent
15.	Lack of financial aids to post graduate students	3.59	High Extent
16.	Increased school fees	4.52	High Extent
17.	Lack of infrastructure in schools	4.05	High Extent
18.	Lack of modern equipment	3.75	High Extent
19.	Lack of skilled manpower	4.25	High Extent
	Mean of Means	**3.53**	**High Extent**

The data presented in Table 2 reveal that the respondents rated items, 14, 15, 16, 17, 18 and 19 with mean ratings of 3.56, 3.59, 4.52, 4.05, 3.75 and 4.25 respectively as affecting them to a high extent and items, 12 and 13 with mean ratings of 2.48 and 2.07 respectively as affecting them to a low extent. The Mean of Means of 3.53 indicates that the respondents rated government-related factors in the global financial meltdown as affecting them to a high extent.

Null Hypothesis 1: There is no significant difference in the mean ratings of post graduate students of business education on the extent institution-related factors in the global financial meltdown affect post graduate business education students in Nigerian universities based on ownership of institution (Private, state and Federal).
Data relating to this hypothesis are presented in Table 3

Table 3: ANOVA summary of respondents mean ratings on the extent they are affected by institution-related factors in the global financial meltdown based on ownership of institution

Source of Variance	Sum of Squares	df	Mean Square	F-cal	Sig.
Between groups	304.9	2	152.45		
Within groups	2870	12	239.16	0.28	3.89

The result in Table 3 indicate that the F-value is 0.28 and the F- critical is 3.88 at 2 and 12 degree of freedom. Since the F- value is less than the F-critical, the null hypothesis is accepted. On the basis of this analysis, it can be concluded that there is no significant difference in the mean ratings of the respondents on the extent institution-related factors in the global financial meltdown affect them based on ownership of institution.

Null Hypothesis 2: There is no significant difference in the mean ratings of post graduate students of business education on the extent government-related factors in the global financial meltdown affect post graduate business education students in Nigerian universities based on ownership of institution (Private, state and Federal).
Data relevant to this hypothis are presented in Table 4.

Table 4: ANOVA summary of respondents mean ratings on the extent they are affected by government-related factors in the global financial meltdown based on ownership of institution

Source of Variance	sum of squares	df	Mean square	F-cal	Sig.
Between groups	4335.6	2	2167.8		
Within groups	9292.8	12	774.4	2.79	3.89

The result in Table 4 indicate that the F-value is 2.79 and the F- critical is 3.88 at 2 and 12 degree of freedom. Since the F- value is less than the F-critical, the null hypothesis is accepted. On the basis of this analysis, it can be concluded that there is no significant difference in the mean ratings of the respondents on the extent government-related factors in the global financial meltdown affect them based on ownership of institution.

Discussion

Findings in research question one showed that post graduate business education students in south east Nigerian universities rating on the extent institution-related factors in the global financial meltdown affect them was high. This finding is in agreement with Hoyness (2000) who noted with declining household incomes, revenues from fees are likely to fall. This will result in schools being more dependent on government transfers. Rogers and Vegas (2009) further observed that one channel for this deterioration is the effect of global financial meltdown on teacher performance. Mbaba, Akpan and Udofia (2011) also observed that the global financial crisis also have a telling impact on vocational and technical education facilities. Agwumezie (1999) noted that a country‘s development and progress (ability to combat global financial meltdown) largely depends on the availability and quality of its human resources, people with the right skills and the right attitude. It was against the above that Mbaba, Akpan and Udofia recommended that: government and the private sector should adequately fund the TVE and provide the training facilities; government should stimulate the economy and create jobs to empower the private sector to partner with government towards funding of the TVE.

The findings of research question two showed that post graduate business education students in south east Nigerian universities rating on the extent government-related factors in the global financial meltdown affect them was high. This is in line with Ayotunde (2013) who noted that the GFM will impact on enrolments, reductions in government, household and donor budgets for education. Ayotunde further noted that these are likely to threaten educational investments and worsen education quality and learning outcomes of graduate students. Jimenez and Sawada (2000) also opined that lower fiscal revenues could reduce education spending. Jimenez and Sawada averred that schools may not receive their usual budgetary transfers for operations, utilities, repair and maintenance, and school supplies. UNESCO (2001) also asserted that as a result of the global financial meltdown a tight fiscal situation could lengthen delays in paying teachers and could lead to a glut of vacant posts in the educational institutions.

Conclusion

In view of the findings of the study, it is concluded that institutional and government related factors in relation to the global financial meltdown have an effect on post graduate business education students in south east Nigerian universities. It is important that measures should be put in place by the government and the administrators of universities in Anambra state and Nigeria in general to control the negative effect of these factors on post graduate students of business education.

Recommendations

Based on the findings and conclusion of this study, the researcher proffers the following recommendations:

1. Administrators of business education programmes should be adequately prepared for future demands or changes in the financial world. This could be done through making concerted effort in sourcing innovative source of fund that will help reduce the effect of financial calamities like the GFM which affect the optimum operation of universities due to dependence on government fund.
2. The administrators of business education programmes should consistently engage in the training and re-training of their academic staff through partnership with other universities in the developed countries and industry experts so as to cope with the changing demands of the world economy.
3. Government and its appropriate agencies should put in place policies and programmes that will cushion the effects of the GFM on the business education programmes in Nigeria universities by providing an enabling environment with better physical infrastructures such as school buildings, good roads, proper training of workers, good remuneration and better working conditions, among others.
4. Government and its appropriate agencies should invest more in the business education programmes in Nigerian universities and also curtail arbitrary increase in school fees.

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