



## ENHANCING PRODUCTIVITY OF TERTIARY INSTITUTIONS IN NIGERIA GERMANE FOR ECONOMIC GROWTH AND DEVELOPMENT

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### **Abstract**

Economic theory suggests that an educated population begets productive manpower that can propel economic growth and welfare of a nation. Tertiary institutions provide a great percentage of this desired manpower required for a nation's economic growth and development. However, from 1948 when there was only one tertiary institution till 2022 when there are over 800 higher institutions, Nigeria is yet to have a robust economy driven extensively by knowledge, innovation and technology. Using a library-based method this paper juxtaposes the growth of tertiary institutions in Nigeria with the sector's productivity which should impact economic growth and development. It argues that the quality of the educated workforce is the result of the unaddressed lingering challenges within the tertiary sector. These challenges include infrastructural decay; poor funding; dearth of qualified and motivated workforce; obsolete teaching methods; corruption and incessant strikes. Addressing these challenges resolutely and introducing relevant courses of study amongst others are suggested as possible ways of repositioning tertiary institutions to produce the necessary skilled, technical, innovative and professional manpower required for economic growth and development.

**Keywords:** Tertiary educational institutions, Manpower, Productivity, Economic development, Nigeria

### **Introduction**

The productivity of any organisation and in this case tertiary institutions is hinged to a great extent on the type of inputs (students, lecturers and facilities) available. Tertiary institutions are important in any nation's economy because they produce a great percentage of manpower needed for the growth and development of a country. This role is supported by endogenous growth theory which advocates that long term

economic growth is determined by internal factors such as human capital, innovation and knowledge. However, tertiary institutions in Nigeria have been bedevilled with problems like infrastructural decay, poor funding, dearth of qualified and motivated workforce, examination misconducts, non-functional curricula, obsolete teaching methods, corruption, amongst others.

These challenges have affected the productivity level (ie quality of output) of tertiary institutions. To address some of these issues, the Education Trust fund was established in 1993. The trust fund which was rebranded as Tertiary Education Trust Fund (TETfund) came as a relief to many tertiary institutions. A great deal of achievements have been attributed to this scheme as will be seen in the work of Udu and Nkwede (2014), However a lot more still needs to be done to improve the productivity of tertiary institutions. Thus to throw more light on this, the paper is divided into four sections. The second provides the literature review, third examines productivity level of tertiary institutions in Nigeria and Government's intervention while the last, concludes and proffers recommendations.

## **Literature review**

### **Conceptual clarification and theoretical framework**

Productivity has no one sentence meaning hence different definitions are suitable under different conditions. This paper adopts the definition provided by Downes (2001) who described productivity as the extent to which the output of goods and services of a specific quality is produced by an economic unit (a school, a firm) using a set of inputs in the most efficient way possible. These inputs may be human or non-human resources such as capital, raw materials, labour and other resources. The nature and quality of the inputs and the way in which they are organised and combined determine the degree of output produced.

Linking productivity to effectiveness and efficiency, De Been et al., (2016) stated that a work process is effective if the right things are being done and that these actions contribute to the achievement of established goals or intended outcomes. On the other hand it is efficient if the inputs are used properly to achieve desired goals. The productivity of tertiary institutions can be effective and efficient depending on the way things are done and if the inputs are put into right use. Generally the drivers of tertiary institutions productivity and ultimately economic development are a combination of human and non human resources.

Measuring the productivity of Tertiary institutions is quite difficult (Davenport and Prusak, 2000 as cited in De been et al.,(2016)) especially as some of the identified

inventive methods used by some tertiary institutions to measure teaching and research productivity (teaching hours and number of publications) have attracted criticism due to their limited validity and reliability. Nevertheless, most studies on the impact of facilities and services on labour productivity, measure the perceived impact of facilities on productivity by using subjective and objective methods (De been et al., 2016). It was also stated that a significant but weak correlation between subjective and objective measures of performance was found in some of the studies. This implies that self reported and objectively measured productivity, measure different aspects of productivity. This study adopts a subjective approach to assessing tertiary institutions productivity.

### **Economic growth and development**

Broadly, economic development is taken to be the structural transformation of an economy by introducing more mechanized and updated technologies to increase labor productivity, employment, incomes, and standard of living of the population. Economic development should be accompanied by improvements in infrastructure, as well as social, political, and institutional factors to facilitate transformation of the economy (Myint and Krueger 2016).

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Economic growth is the increase in productive capacity of an economy while Panth (2020) defined economic development as the structural transformation of an economy by introducing more mechanised and updated technology to increase labour productivity, employment, income and standard of living of the population. It is the sustained improvement in material well being of people living in a country. Economic growth and development is necessary in an economy because it reduces poverty and

unemployment; increases incomes and improves the provision of goods and services amongst others. Real per capita income, human development index, literacy rate are some of the indices for economic development while real gdp growth rate is used for economic growth.

### **Theoretical framework**

This study adopts endogenous growth theory used by Danlin (2016) which posits that economic growth is due to factors that are internal and not external. It is believed that changes in some internal factors like policies, innovation, knowledge, curricula, and investments in human capital can lead to increased productivity which is necessary for improvement in economic growth and development economic development is taken to be the structural transformation of an economy by introducing more mechanized and updated technologies to increase labor productivity, employment, incomes, and standard of living of the population. Economic development should be accompanied by improvements in infrastructure, as well as social, political, and institutional factors to facilitate transformation of the economy (Myint and Krueger 2016).

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### **Tertiary Institutions and Economic Development**

Tertiary institutions provide the level of education after the secondary school. They provide education that increases the knowledge, analytic capacities of graduates and qualifies them for jobs or additional training. According to Adepoju 2007 and NPE 2004 as cited in Solaja et al., (2014), tertiary institutions promote knowledge, explore solutions to the country's problems and assist the greater society in achieving its objectives in the field of human and socio-economic development. Tertiary institutions serve as a medium through which positive transformation can be achieved. This is evident where knowledge workers such as programmers, medical

doctors, pharmacists, architects, engineers, scientists, accountants, lawyers, editors and academics who are products of tertiary institutions strongly contribute to developed economies. Education received at higher institutions is considered an engine for development in a society because it encourages research, knowledge and technological innovation (Bouhajib et al., 2018). It accomplishes the task of providing qualitative and quantitative labour force needed for a country's economic expansion and development. It may be deduced that the condition of tertiary institutions may just be the key reason for the difference in economic performances of developing and developed economies. This opinion is subject to further research.

### **An overview of tertiary institutions in Nigeria**

Tertiary institutions in Nigeria consist of Universities, Polytechnics, Colleges of education; Colleges of health, Institutes of technology and other Professional institutions. The two categories of workers in these institutions of higher learning are academic and non-academic employees. They contribute their own quota in moulding the undergraduates who will serve in different capacities and contribute to the development of Nigeria. A greater emphasis will be placed on the academic employees of tertiary institutions because they provide a greater knowledge to the undergraduates.

The tertiary institutions sector has witnessed tremendous growth from 1948 when there was just one university to 2022, when there are 220 universities, 165 polytechnics, 210 colleges of education, 70 colleges of health and 175 innovative enterprise institutions (See table 1 below).

Table 1 : *Number of Tertiary Institutions in Nigeria*

<i>Institutions</i>	<b>Number available as at 2022</b>				Number available as at 2022	<b>Number available as at 1948</b>	
	FEDERAL	STATE	PRIVATE	TOTAL		TOTAL	Number
<i>UNIVERSITIES</i>	50	59	111	220		1	
<i>POLYTECHNICS</i>	40	49	76	165		-	
<i>COLLEGES OF EDUCATION</i>	28	51	131	210		-	
<i>COLLEGES OF HEALTH</i>	35	32	3	70		-	
<i>INNOVATION ENTERPRISE INSTITUTIONS</i>	8	5	162	175		-	
<i>TOTAL</i>	161	196	483	840		1	

Note. Data is from National Universities Commission, National Board for Technical Education & National Commission for Colleges of Education

The reality of the data in table 1 is that manpower in different fields is produced by these institutions yearly. It is worthy to note that the type of manpower produced

affects the productivity level of the institutions its contribution to growth and development of the country. It is therefore pertinent to find out if the increase in the number of tertiary institutions translates to the level of productivity of these institutions.

### **Tertiary institutions’ level of productivity in Nigeria**

The application of productivity metric to a specific industry or enterprise can be complex, particularly for education and certain other service sectors of the economy (National Research Council, 2012); hence the level of efficiency of the graduates of the different tertiary institutions will be used as a yardstick to measure productivity. From the knowledge of Economics, every production process has inputs and outputs. The quality of inputs affects the output/the product produced. In the same vein, the quality of inputs of tertiary institutions which include students, teachers/lecturers, facilities etc will affect outputs (performance of the different holders of degrees, diplomas and certificates from these tertiary institutions.

The characteristics of the inputs (students, teachers/lecturers and facilities) that affect educational outcomes in these institutions vary and National Research Council (2012) identifies some widely known ones as: economic inequality, talent, student preparedness and student engagement (that is active participation of the recipient of knowledge in the process of creating value). Talent, level of preparedness, skill set and effectiveness of teaching are some characteristics of teachers/lecturers while the facilities consist of the existing infrastructures (conducive classrooms, well equipped library and laboratories, power and so on) (See Table 2). The productivity level of tertiary institutions can be described as high, low or poor.

Table 2: *Characteristics of Inputs of Tertiary Institutions that affect Productivity*

<i>TERTIARY INSTITUTIONS</i>				
<i>INPUTS</i>			<i>OUTPUTS</i>	<i>PRODUCTIVITY</i>
<i>STUDENTS</i>	TEACHERS/LECTURERS	FACILITIES	GRADUATES WITH DEGREES, DIPLOMAS AND CERTIFICATES	HIGH , LOW OR POOR
<i>CHARACTERISTICS</i>				
<i>Economic inequality, Talent, Student preparedness,</i>	Talent, Level of preparedness, Skill set and effectiveness of teaching	conducive classrooms equipped library and laboratories, power and so on		

*Student  
engagement and so  
on*

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Note. Adapted from National Research Council (2012)

Having established the input and output relationship in tertiary institutions, it is left to be seen what can be said about the productivity of tertiary institutions in Nigeria.

What is the perceived performance of outputs of tertiary institutions?

The media is awash with the falling standard of tertiary education. Borisade (2013), Duze (2011) and Mohammed (2012) amongst others have supported this claim. Many graduates cannot think outside the box, or think of alternative and better ways of doing certain jobs. Even within the academia, some academics are highly resistant to innovative administrative and teaching methods; they condone examination misconducts and even engage in unhealthy ethnic and political rivalry. They are so inimical to positive changes that such attitudes can be seen playing out when they assume political positions. The number of thinkers in the economy has become so small, so much so that little value is added by knowledge workers in the economy. The quality of services, graduates can provide has dwindled over the years. Consequently, the perceived productivity of tertiary education is low. It is deteriorating.

Many reasons have been suggested for the productivity decline of tertiary institutions. Ahmed (2011) in Famade et al. (2015) suggested the challenges of financing and funding, the growth of private tertiary institutions, management challenges and so on. Other reasons include poor infrastructure; lack of human capital development; care for paper qualification; poor incentives for Lecturers; government changing policies, poor learning attitudes of students, examination misconducts, non-functional curricula, obsolete teaching methods and corruption. These challenges have affected the productivity level (i.e. quality of output) of tertiary institutions.

When prevailing challenges are not addressed in any production system, education inclusive, the results are often devastating, leading especially to poor quality output. Incessant strikes by academic staff of tertiary institutions in Nigeria are the order of the day because of the need to draw Government's attentions to the inherent problems. There is a lack of synergy between research and real sectors of the economy. New courses are introduced indiscriminately in these institutions without reference to their relevance in the real economy. The status quo in these institutions of higher learning has to change in order to produce the much desired human capital needed to propel the country from backwardness to greater heights.

To address some of these issues, the Education Trust fund was established in 1993. The Education trust Act was however repealed and replaced with the Tertiary Education Trust fund act after about 13years. The rebranded Tertiary Education Trust Fund (TETfund) came as a relief to many tertiary institutions. With a 2% tax on assessable profits of all companies in Nigeria as the source of funds, she was mandated to provide supplementary support to all public tertiary institutions by way of providing funds for:

- a. essential physical infrastructure for teaching and learning
- b. research and publication
- c. academic staff training and development
- d. Instructional materials and Equipment.

Tetfund interventions in tertiary institutions have been applauded. It has done its bit in the areas of physical infrastructures, instructional materials and equipment, human resources development and publications payment reduction (Ogudu and Nwokoye, 2013). Udu and Nkwede (2014) stated that in Ebonyi state University, Tetfund interventions have imparted positively on infrastructural development and has done very well in the areas of Library; research grant; academic staff training and development; publication of journal and manuscript development. Though there seems to be limited empirical studies on the impact of this policy in various tertiary institutions, there are however some verbal positive acknowledgement of the achievements of the scheme in terms of provision of physical infrastructures.

Some challenges that have however been given regarding this scheme are that there are a lot of bureaucratic bottlenecks faced by institutions and individual researchers when funds and grants are to be accessed. Also some TETfund sponsored buildings are substandard due to corruption.

A great deal of achievements have been attributed to this scheme, however a lot more still needs to be done for a complete transformation in the tertiary institutions' sector that will lead to improved productivity.

### **Conclusion and Recommendations**

Tertiary institutions provide productive manpower necessary to propel economic growth and development of a nation. Unaddressed lingering challenges within the sector produce poor quality workforce (output) which is insufficient to greatly impact growth and development. Repositioning tertiary institutions for better



productivity in Nigeria is therefore paramount and can be achieved when the challenges faced in the sector are determinedly addressed. Despite the interventions made so far by Government, the following suggestions are provided:

- a) A clear cut plan should be drawn collectively by government, the tertiary institutions and the supervisory commissions stating how the common challenges can be resolved.
- b) Periodic training of academic and non-academic staff should be embarked upon by the Management of tertiary Institutions using funds provided by TETFund. Conferences and publications should also be subsidized for researchers.
- c) Efforts should be made to review current syllabi and courses of study in tertiary institutions with a view to introducing new ones that are relevant to the Nigerian economy.
- d) Guidance and Counselling units should be established in all tertiary institutions to attend to the emotional and psychological needs of students.
- e) The Board members of Tetfund should ensure that infrastructural projects are handled by competent/certified contractors.

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