

Models of Funding University Education and Sustainable National Development

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ANNOTATION: There is rising increase in the social demand for university education as well as frequent in agitations by unions in Nigerian universities for adequate funding. These agitations over improvement in the quality of staff welfare, quality of instruction, quality of environment, development of institutional infrastructures/instructional facilities and development of human resources in universities hinge under-funding pervading university educational institutions. It would be recalled that the Federal Government of Nigeria through the National Universities Commission (NUC) enjoin all public tertiary institution in the country to generate internally at least 10% of the funds required to carry out various education programmes in any fiscal year as government alone cannot shoulder the entire responsibility with her limited resources. The paper therefore focuses on the models of funding university education and sustainable national development. Consequently, some existing models of funding university education have been examined and assessed in the light of their advantages and disadvantages. It is concluded that the self-helping funding, which is also known as their internal revenue generation model is most impactful, and should be applied to complement the existing practice of state funding model of university education in Nigeria for sustainable national development.

Keywords: Funding Models; Funding; University Education; Sustainable Development; National Development.

Introduction

Among the resources needed for the running of institutions anywhere in the world is money. Financial resource is so indispensable and direly needed to fund institutions' goals towards fulfillment. However, as a commodity, money resource is scarce because it is limited in supply, and this often makes it rare to process in the right quantity needed to finance projects. Without doubts, university education needs adequate funding to address issues incumbent on its daily administration and meaningful goal attainment. The incessant demand for a system of adequate funding is imperative because when met money will be used to strengthen the universities' drive towards sustainable national development rather than, to hinder its

effective service delivery.

The mission of university education is teaching, research and public service for the production of qualitative outputs, and the creation of new knowledge and innovations for the overall socio-economic development of the country (Federal Ministry of Education, 2014). It is incumbent on the university education system to perform three functions, namely: to organize and exploit the human and material resources; to develop and map out strategies; and to adopt predictable ways. This onus impresses on university education system to improve and develop the society. The development of university education, stems from the fact that the institutions are centres for knowledge and the incubators of international best practices, the citadel for the production of critically minded individuals, where ideas contest for supremacy and the best ideas prevail, and the development and production of high-level human resources within the context of the nation's needs.

Pathetic enough, the magnitude of gross underfunding of university is far below the UNESCO recommended minimum 26% annual budgetary allocation. Asuru (2015) noted with dismay that the budgetary provision is hardly released and maintained and this create a crisis of confidence. He suggestion for a holistic and proactive measures through adequate funding model as a necessity to re-position the totality of the system to take its pride of place in provoking sustainable national development and bridging the widening gap between the developed and developing countries. This is an obvious fact to cherish and adhered to, if the universities must live up to expectation in the country's educational system.

More so, Chuka-Okonkwo (2015, p.94) implicitly stated that university education in Nigeria has not been adequately funded and this leads to poor infrastructure development, hostile school leading to poor quality output production. Similarly, Ilueme (2015, p.105) argues in retrospect that since 1999, Nigeria has not budgeted up to 11% of her total annual budget to education, which is against the UNESCO 26% benchmark. This is a limitation that has attracted incessant strike actions from academic/non-academic unions and also halted the non-implementation of most education policies and programmes and the consequent underdevelopment of the country. This insensitivity to funding palaver in university education has come of age and should be radically addressed to give education the precision it deserves for meaningful sustainable development and national development.

Conceptual Framework

In this paper, four keywords have been conceptualized, namely; funding of university education, national development, sustainable national development, and models of funding.

Funding of University Education

There is no doubt that the provision of adequate funds for educational institutions is one of the best ways to enhance excellence in administration, effective planning, quality instruction and programmes that are strategic in understanding the reason for university management. This is among the reasons that make it imperative to believe that adequate funding of education at all levels determines the quality and functionality of the education system of any nation. Olulube (2016) argued that poor funding of the educational system has led to the dysfunctional and unethical practices that have generated limitation across Nigeria's educational system, especially in university education. Accordingly, poor funding and inadequate implementation of budgetary allocations have led to incidences of insufficient staffing, non-availability of most essential equipment and instructional materials, etc. (p.335). The extent of funding of university education from 1995-2016 in Nigeria is highlighted in the two tables below.

Table 1: Percentage Allocation of Fund to Tertiary Education (1995-2016) in Nigeria

Year	% Allocation
1995	7.2

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1996	12.32
1997	17.59
1998	10.27
1999	11.12
2000	8.36
2001	7.00
2002	5.9
2003	1.83
2008	11.83
2009	8
2010	6
2011	8
2012	8.43
2013	8.7
2014	10.63
2015	9.5
2016	8.44

Source: Ololube (2016, p.340)

Table 1 above shows a picture of the extent of funding of tertiary education in general in Nigeria from 1995 to 2016. It depicts a worrisome perennial state of inconsistencies in financial allocations to tertiary education over the years. The range of 5.9% is not palatable as it far belies the prescribe UNESCO benchmark of 26%, and this culpably shows a gross under-funding of tertiary education in the country. Similarly, table 2 depicts the state of funding of Nigerian universities from 1990-2001.

Table 2: Funding of Nigerian Universities from 1990-2001

Year	Amount required by university	Amount granted the university	Percentage (%) Amount Granted
1990	1,216,601,329.00	734,770,950.00	60.40
1991	1,453,291,051.00	783,816,895.00	53.93
1992	3,663,212,945.00	2,985,237,346.00	81.49
1993	5,075,859,925.00	3,801,529,278.00	74.89
1994	7,342,861,713.00	4,370,880,770.00	59.53
1995	11,328,520,905.00	6,056,784,806.00	59.53
1996	12,442,699,358.00	7,535,594,529.00	53.46
1997	15,820,155,501.00	5,348,173,942.00	60.56
1998	22,767,530,158.00	8,974,631,294.00	39.42
1999	40,884,109,125.00	11,831,930,271.00	28.94
2000	65,579,997,692.00	30,143,004,497.91	45.96
2001	68,911,759,219.11	31,170,080,668.17	45.23
Total	256,486,598,921.11	113,736,435,248.08	44.34

Source: Asuru (2015)

Table 2 shows inconsistent efforts in funding grants to universities in Nigeria from 1990 to 2001. With the huge cry and strike actions of the academic and allied unions in the university system over Government's alter neglect of the university education the worst is being experienced as the years go by. In fact, the trend

of underfunding of tertiary education institutions has become a cardinal challenge to all tertiary institutions and the Nigerian government. It would be recalled that the Federal Government of Nigeria through the National Universities Commission (NUC) enjoin all public tertiary institutions in the country to generate fund internally at least 10% of the funds required to carry out various education programmes in any fiscal year. This has become a continuous call directed to all universities such that the management would not have to look up to the government for solving all their financial problems (Okojie, 2009).

With the increasing level of enrolments into tertiary institutions in the country, the financial resource available at the disposal of these institutions would become over-stretched and this could lead to increased decline in the quality of education in the country. This is because the financial resource needed to provide quality education as an economic resource is always in short supply. This is why it has continued to be reechoed that the financial constraints on tertiary institutions impose on her inadequate buildings and laboratory facilities, poor living condition, inadequate classrooms as well as insufficient instructional materials. This scenario is a general trend that is suffered by all states of the country because there had never been a time when government allocation to the education sector has been able to provide for the financial needs of the sector in a given budgetary period. In the face of the declining financial resource allocation to tertiary institutions in all states, there is the need for alternative funding model that ensures qualitative education.

National Development

The association between funding of education and development of an individual or an economy is describable nebulous. The vagueness of the nexus notwithstanding, the indisputable fact is that education is imperative to the overall national development. Education is not only a mere structure, but also the foundation upon which the whole social and political systems reside. There are a few instances of theories and broad generalizations from available literatures on the associations between education and development. It could rightly be inferred that the funding of university education has strong association with the national economy in the light of the fact that: University education produces altered individuals with improved productivity in economic roles as workers, managers or technicians; contributes to an individual development and his opportunity for self-fulfillment; changes his potentialities for living a satisfying and productive life, make him contribute to his vocational capabilities and other roles he is expected to play in the community; and serves development by providing a screening system that ensures that the most able individuals reach the highest position in the most economic fashion. This type of education and economic efforts vary systematically with national development. It contributes to the understanding of the technological, economic, and social forces that affect human life. The indicators of national development, including economy and university education, are highly correlated. And, it is a kind of social equalizer opening the door of economic opportunity to the masses (Okeke, 1989, pp. 22-23).

The above scenario suggests that adequate funding of university of education is needed to produce directly a positive association with national development. The matrix of national indicators would enhance university education produce the man-the the educated, who forms part and parcel of a country's development stride; equips the man with rationalities of modern science, technology and economic activities for the overall economic and social transformation, political participation and representation. The positive changes, which take place, improve the general well-being of the people and ensure a sustainable rise in the standard of living of the masses (Todaro, 1982).

Sustainable National Development

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Sustainable national development is a complex and evolving concept. Many scholars and practitioners have continued to invest investigate time and effort in trying to define the concept and envisioning how to achieve it. The very fact that the concept is hard to define and implement, make it also difficult to teach for better understanding. Besides, the task of totally reorienting an entire university education system to achieve sustainability is even more challenging, especially in the realm of funding.

The persistent debate on funding of universities for sustainable national development becomes an important issue of community-based sustainable development. That is compounded by the fact that principles of sustainable development are not currently integrated into national daily life and governmental policy initiatives. Adequate funding of university education could shape and encourage behaviours and ethics that support an informed, knowledgeable citizenry that has the political will to achieve a sustainable future.

However, it is suggested that, the initial step in adequate funding of university education is to develop a model, which awareness creation within the university educational community would be to reorient the university staff and management to achieve sustainability. If university management is unaware of the critical association between university level of education and national development, reorienting a funding model for university education to address sustainable development will not occur. This awareness forms the main and essential step in the funding modeling process, which this paper addresses.

Rationale for Adequate Funding Model of University Education

The models of funding university education for sustainable national development could be addressed on the nationalism of the analysis of availability, adequacy, economy, efficiency and utilization of financial resource (Castaldi, 1987). The rationale is premised on the adequacy of financial resource that defines the extent to which it satisfies the qualitative and quantitative requirements of a university programme. The provision of financial resource must be adequate to carter for the need of the university educational programme. Within this preview, the basic condition for achieving educational objectives is availability, adequacy, utilization and maintenance of financial resource.

In fact, the reason for establishing learning institution is to achieve quality deliver of education. Consequently, adequate provision and utilization of financial resource would fulfill this purpose, as inadequately of this resource will affect the functioning and proper delivery of university provision for university education be up to the minimum requirement as recommended by UNESCO. In other words, the money for university education must of necessity be adequately provided. This means that the planned university education of a country must be rationally pursued and achieved at a minimum cost within the available fund.

On the concept of economy, the funding model must focus on the achievement of maximum educational and utilization value per naira expended and not the acquisition of school resources for given enrolment at the lowest cost. The achievement of university education programme at a minimum cost should not affect the educational efficiency of the institution and should not equally result in high cost of resource maintenance; which invariably implies that the university's financial resource should be maximally utilized for better infrastructural development and maintenance of school buildings, office blocks, and classroom blocks, student hostels, staff quarters (Ololube, Aiya, Uriah & Ololube, 2016). Besides, university's fund should focus on the procurement of instructional resources like medical tools, books and journals for libraries, electronic boards, computers, laboratory equipment, video conferencing facilities (Ololube, Agbor, Major, Agabi & Wali, 2016).

The determination and adoption of adequate funding model of university education guarantees staff

development through academic programmes like workshops, seminars, conferences, and scholarships; staff welfare and retention through regular payment of staff salaries and allowances, and the protection of students welfare by providing playgrounds, refectories, lavatories, hostels, resource centers, etc; and the maintenance of healthy schooling environment through good sanitary environment, avert multiple disciplinary problems, and regular maintenance (Agabi, 2014). These are motivation strategies that make the university system unique in contributing positive growth of her projects/programme and further impact the country for sustainable national development.

Types of Models of Funding University Education

In this paper five funding models for university education have been identified, namely, the bureaucratic financing model, the collegial model, the market model, the professional management model, and the self-help/foreign investment (alternatively known as the internal funding model): and each of them have been briefly highlighted of their advantages and disadvantages.

• The Bureaucratic Funding Model

The bureaucratic funding model of university education is shown in figure I below;

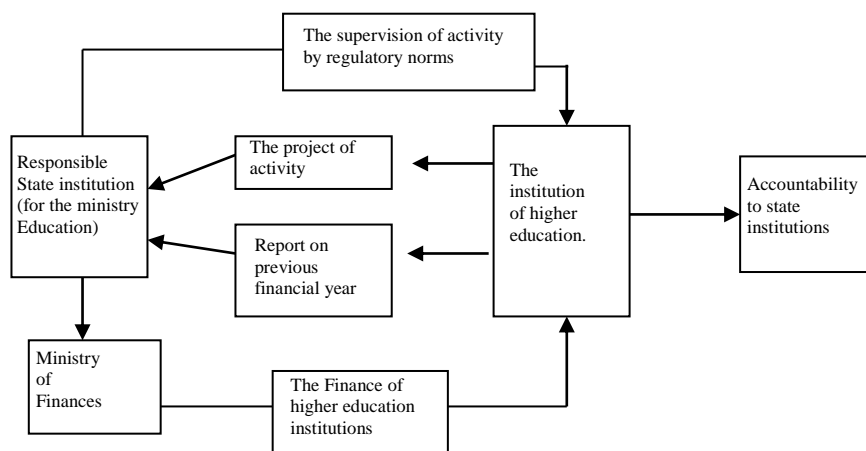


Figure I: Example of the Bureaucratic financing model of the tertiary education institutions

Source: Praneviciene & Puraite (2010, p. 338).

The bureaucratic funding model takes a full account of university institutions' budgets from state resource. The state directs what should constitute the activities the university education institution must focus on through legal and financial means. Praneviciene and Puraite (2010) noted that the bureaucratic funding model offers the state opportunity to fully meet its needs by ensuring preparation of the needed experts and by controlling their number; also, it is the state that acquires the tangible possibility and mechanisms to ensure the quality studies. On the other hand, it is considered that a strict and centralized financing almost restricts the real autonomy and academic freedom of the university education institutions, especially in taking decision on the most important activities that the university will carry out (pp.335-356). As good as this model may be, it is viewed with contempt for it tampers with the university autonomy, which is an obvious indication that it has the capacity of limiting the university academic freedom. Consequently, the existence of the university education under this funding model is hard to engender sustainable national development.

• **The Collegial Funding Model**

The collegial funding model of the tertiary education institution appears in figure 2.

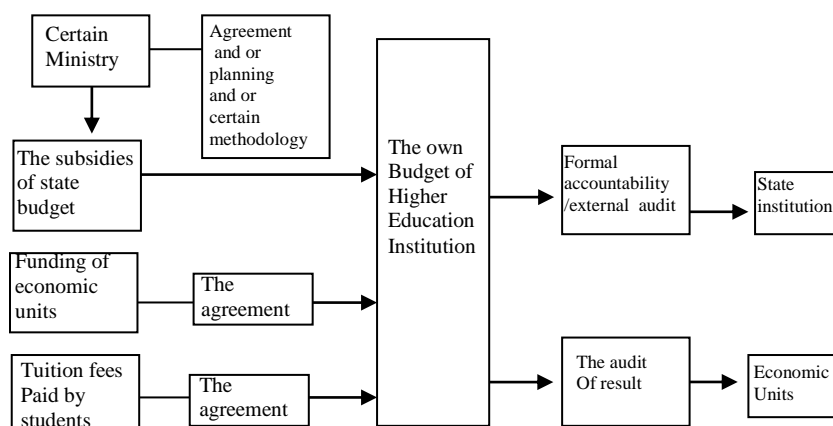


Figure 2: Example of the collegial funding model of the tertiary education institutions

Source: Praneviciene & Puraite (2010, p.339)

The collegial model usually addresses those activities of the university education institutions that are subsidized by the state, the right of the university education institutions to attract private funds in the payment for tuition, reward for the services provided in projects, for implementation of scientific research for other economic units, financing of certain programmes or scholarships, and also involves the right of universities to freely dispose of the resources assigned to them. According to Praneviciene and Puraite (2010, pp.335-356), this model structure is based both on the traditional idea of financial dependency of university education institutions on the state, and on a trusted relationship between the state and universities.

However, even though under this model, the state funding usually accommodates major part of the university education institutions' budget, university institutions are still granted the right of financial independence that allows them to decide how and where university could effectively spend the acquired resources. Subsidies by the state under such a model are usually consist of the budget of the university education institution, utilization of which is decided at the institutional level of a university – senates and/or boards.

This appears to be the prevailing model of funding of universities in Nigeria. Yet, there are serious evidence of agitations against under-funding; something, therefore, ought to be done to offset the gaps that make for complaints from the university educational institutions and the resilience from the government who offers the subsidies. It is a fact that no development sustains in a lopsided relationship especially, when the government which dispenses the power is intransigent and insensible to the plight of education in the country.

• **The Market Funding Model**

The market model of funding of tertiary education institutions is shown in figure 3 below:

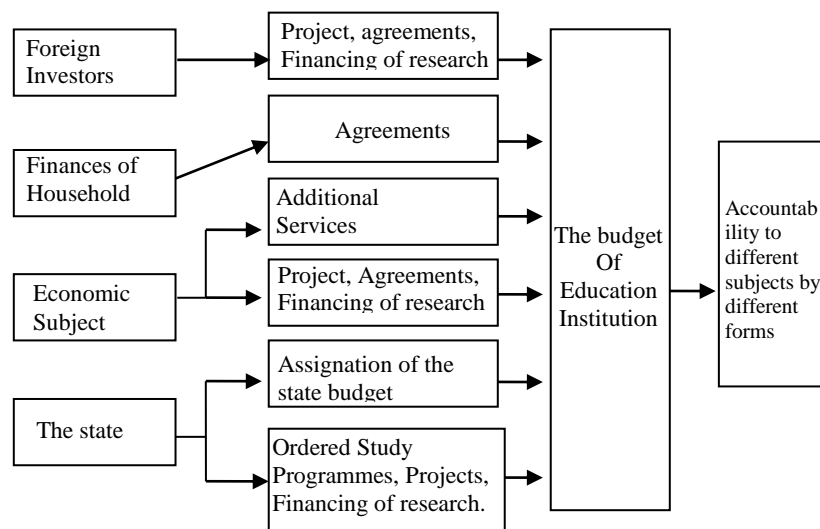


Figure 3: Example of market model of funding of tertiary education institutions

Source: Praneviciene & Puraite (2010, p.344).

The market model of funding, according to this theory, requires universities to disclose enough information about their operations, implying the highest level of financial and qualitative accountability, because the government, businesses, and other private entities are investors and are only interested in partnering with universities on the basis of transparent academic and management procedures and agreements (Praneviciene & Puraite, 2010, pp. 335–356).

By bridging the gap between public and private funding, the market model helps to achieve some degree of balance, but this is warped by the state's frequent prioritization of money for universities. Universities may be encouraged through rivalry among them for funding from the commercial sector, which is undoubtedly a benefit. This would encourage colleges to charge less, look for better products, and respond to market forces with high accuracy and flexibility. Contrarily, when short-term, financially attractive priorities start to take precedence, competition may stimulate the prospect of neglecting long-term conceptual goals in the quest of maximum financial profit. Therefore, expensive programs with a long period of return may become unappealing and may eventually lead to a scarcity of specific experts in the state (pp. 335–336). properly, university education programs may be orientated properly.

Additionally, Praneviciene and Puraite (2010) argued that a particularly stringent financial regulation does not only present a good idea but may also require too much time from academic staff members to entertain reports and applications, and that such a control would eventually start to resemble rules that are strictly governed by norms of the bureaucratic model in some respects. Additionally, the market model demands extremely quick academic and scientific outcomes, which may conflict with academic freedom (pp. 335–

356). Additionally, in cases where university education system operators are dubious, the principle of providing adequate information about institution activities, which assumes the highest level of financial and qualitative accountability, may be suspended. A corporate relationship marked by uncertainty, skepticism, and mistrust between investors and university education management will never inspire confidence, much less ensure long-term national growth.

• **The Professional Management Model**

According to the professional management model, the institution is run by the academic professionals with the highest hierarchical rank who are chosen by the university's staff and students. When resources are gathered and compared to academic needs, the management model enables professional integration, high-quality academic services, and strong academic solidarity to be maintained. As a result, universities have the legal right to complete autonomy in resource management and allocation, which has an effect on academic freedom, the standard of higher education, and the most effective use of financial resources. This model's central tenet is that all resources—both those held by the government and those earned by universities—are private funds (Praneviciene & Puraite, 2010; pp. 335–358).

The management model is contradictory in that it places an excessive amount of power in the hands of a small group of academics who are predominated by professors of the highest caliber, giving them the ability to abuse their positions of authority and focus on important issues (Praneviciene & Puraite, 2010, pp. 335–358). Additionally, by attempting to eliminate rivals from both inside and outside the university setting, total authority may corrupt absolutely, which could foster the sense of hegemony, corruption, and pride of the minority few over the entire university administration.

• **The Self-Help/Internal Funding Model**

The self-help/internal funding approach is the last one. The integrated funding model of the university education system might be used to define the self-help/internal funding approach outlined in this research. It has three dimensions: the interaction between academia, industry, and government; foreign gifts and investments; and internal revenue production.

The Triple Helix, also known as the university-industry-government interaction, is how the self-help funding model is gained (Robert-Okah, 2017, p. 316). Okejim, Uche, and Obasi (2016) assert that this strategy, through smart revenue sourcing, is able to address the existing issue of university awareness, particularly in the Niger Delta region of Nigeria. The Triple Helix aims to promote technological advancements and economic growth by raising people's awareness of, respect for, and knowledge of the demands, roles, and advantages associated with their interrelationship. Through routine contact and seminars held for university management personnel, chief executives of industries and commerce, and government officials, it ensures that funding is found. The creation and application of knowledge, as well as efficient income generating and management, are all ensured by the effective deployment of this approach. The Triple Helix Institution (THI) in Palo Alto, USA, and the Triple Helix Association (THA) in Turin, Italy, as well as the Triple Helix Conference for rapidly developing nations in Beijing, China in 2015, are examples of countries that have experimented with the model as described by Santanegelo (2014).

The Foreign Donations and Investments (FDI)

Another strategy that attracts financial resources development into higher education by individuals, persons, companies/corporations, or governments outside was described by the World Bank (2010). When

obtained, the revenue (i.e., the returns on investment in cash or kind) is used for a variety of purposes, including staff development, infrastructure improvement, scholarship awards, training initiatives, the purchase of educational and laboratory equipment, and the opening of new educational institutions (Robert-Okah, 2017, p. 316). In light of this, Okejim et al. (2016, pp. 126-142) listed investment opportunities that included infrastructure development, trade liberalization, national security assurance, and tax relief for transactional corporations. Accordingly, the World Bank (2010) asserts that foreign investments and gifts are an industry that draws a long-term management in higher education in a nation where the investments are made. Here, universities make use of their assets to make money through initiatives in small and medium-sized businesses, consulting, human development, and sound investment.

Last but not least, the internal revenue generation of the self-help model encourages academic institutions to focus on generating income from sources like tuition collection, investing in university farms and canteens, endowments, contributions from statutory organizations, beginning university crafts and arts for exhibition, raising special activity funds, raising revenue from research and innovations, allocating special levy, and being internally consistent.

Given the aforementioned perspectives, it is obvious that the integrated funding model has a self-help orientation throughout. Indeed, funding efforts through self-help, overseas donations, and internal revenue sourcing have similarities that show tremendous efforts leading to a deliberate hard-earning that may be challenging to erase. The university educational institution is obviously capable of supporting autonomy and intellectual freedom due to its relative financial independence. However, careful adherence to specific approaches and awareness of specific difficulties that may hinder internal income generation's visibility as a funding strategy are required for effective adoption.

Techniques for Sustaining Internal Revenue Generating Model for Adequate University Funding

There are some techniques that could be adopted by university institutions to face-lift their revenue generation base, and these include, but not limited to the following:

- **Stakeholder's Collaborations**

When it comes to enhancing education, the saying "two heads are better than one" is accurate. The problem of tertiary institutions can be permanently solved by involving internal and external stakeholders. When both parties agree to work together to strengthen some identified flaws using their combined resources and competencies, these collaborations take place. For instance, academic institutions and businesses could work together on research and development (R&D) projects because businesses typically lack the research capability needed to innovate. On the other hand, because institutions frequently lack the funding necessary to educate people for the workforce, the two can use funding provided by the private sector to help students receive the training needed to obtain the experience required by various industries (Babalola, 2013).

This is true because it is nearly impossible to complete activities or reach goals by only depending on one's own resources in an era of rising demand for scarce resources. Therefore, working together opens up opportunities for realizing their potential. The capacity of African institutions to successfully address economic and educational issues is one of their difficulties. Collaboration amongst stakeholders is a means for developing strategies that can improve education, though.

- **Public – Private Partnership (PPP)**

No man is an Island, two heads are better than one, and a problem shared is a problem solved. These are

only a few proverbs that speak to the benefits of cooperation. There have been discussions about how the government cannot pay for education on its own because public schools are the largest public undertaking in the nation. It is a piece of land that belongs to the government and is continually the center of attention from the general public. Over the years, the government, which serves as the primary source of funding for education, has fallen short of its obligation to provide enough funds. It is now more important than ever for the commercial sector and charitable groups with an interest in education to help fund capital projects, equipment, and literature for educational institutions. Without a doubt, the private sector might revitalize the country's educational system by providing the necessary facilities and a favorable environment for learning, as the government is unable to resolve the sector's seemingly insurmountable issues on its own (Malgwi, 2014). This suggests that the government should open up opportunities for the private sector to provide significant financial support for education. To guarantee a qualitative and quantitative education for everyone and to realize the goals of equal opportunities for all citizens, this sector should function as a balancing agent. Given that education is the business of all sectors of the economy, the private sector should contribute more than what they now do to the education tax fund. This may explain why Nakpedia (2012) asserts that the sector should understand that the nation's educational industry is an expensive social service that shouldn't be placed in the hands of one sector alone.

More importantly, a strong public-private partnership should be encouraged in order to foster a strong economy that is driven by the private sector with the government acting as an enabler, according to Okolo (2012), who also claims that such partnerships are capable of engendering development (Afolabi, 2012, p. 12). In a similar vein, Babalola (2013) asserts that a public-private partnership in the management of an educational institution is a joint effort between the public and private sectors that takes the form of a short-term or long-term agreement. The goal is to strengthen the weak areas of university education and research by coming to an agreement to share risks, expenses, and resources. This collaboration creates a supportive environment for methodically addressing new and current issues that the university institution could not have readily addressed on its own. In actuality, this cooperation allows for shared cost and effort decision-making. The nation will be able to provide quality education thanks to the private sector's involvement in university management.

• Global Networking

No man is an island of knowledge is a proverb that encourages ongoing communication between academic institutions around the globe. Nigeria cannot afford to operate a university system that sacrifices quality in this era of globalization and widespread educational pursuit if she wants to compete favorably in the international marketplace. The integration of the international economies through commerce, financial flows, the sharing of technological information, and the movement of people is known as globalization of the world economy. There is a need for education to assimilate the global culture and take fervent contemplation of development in line with current technology trend in order to meet the problems of the 21st century and absolute internalization. Dense institutional networking and cross-border funding of research activities have improved international collaborative research. If the nation's universities can forge these partnerships with other educational institutions abroad, it will help to raise the standard of instruction provided in our universities (Afolabi, 2012, p. 12).

Developing Alternative Education Market

The globalization of the business, communication, and education present significant difficulties for traditional university education providers. In light of this, Maweru (2011) contends that a paradigm shift is

necessary in higher education in order to address both the risks and opportunities posed by globalization and the use of new information and communication technologies (ICT), in addition to these problems. Ahaotu (2012) interestingly and succinctly noted that institutions that can adapt to this process of change will prosper while those that bury their heads in the sand, steadfastly defend the status quo, or even nurse some idyllic vision of a past that never existed, are at very great risk (p.I).

The profile of persons needing a university education has drastically changed with the emergence of the knowledge society; many are already employed, need their education by remote learning or part-time study, and will need short courses for development. This is a chance for income diversification to reach a Nigerian education market that traditional or conventional university education providers have not previously been able to adequately serve. To maintain this possibility, university education providers must alter their methods of operation and delivery in order to draw in overseas students who will pay higher tuition fees. It is not enough to just offer more of the same product. For instance, a study by Wikivest.com (2004) reveals that factors fueling the growth of the alternative education market in the United States of America include: demands for greater access to tertiary education fuelled by rapid changes in the economy, the need to maintain and upgrade skills for employment and industry's need for graduates who are ready to enter the workforce, growing reluctance on the part of governments to fund increasing demand for higher education; the increasing costs of higher education.

A closer look at the issues mentioned by Wikivest.com (2004) reveals that the situation at Nigerian universities is particularly affected by dissatisfaction with the responsiveness of traditional providers. Programs are already being offered by numerous local and external organizations to suit the demands of this expanding alternative education industry. The programs are flexible and typically delivered through online learning methods. The World Bank views the creation of new varieties of academic institutions and new forms of competition as advantageous since they force established institutions to alter their business practices and methods of operation (World Bank, 2010). In order to increase their internal revenue generating and financial basis, established educational institutions should seize this alternative education market.

Challenges to Internal Revenue Generation as Adequate University Funding Model

These challenges are problems or obstructions confronting free access to generating income or money from within the operations of the university educational institutions, and these are discussed below:

- **Poor Provision of Infrastructure**

Any institution's aims must be adequately met in order to provide the facilities needed for efficient teaching and learning. Infrastructures are long-lasting capital projects that include classroom buildings, labs, staff offices, dormitories, piped water, well-connected roads, libraries, and computer facilities. These cost a lot of money, thus institutions use their own internal revenue to pay for the infrastructure necessary for delivering teaching and learning effectively. Ahaotu (2012) specifically mentioned that some of the University of Nigeria Nsukka's infrastructure, such as the water and power supplies, are products of internally generated revenue. The majority of organizations that have embraced commercial operations as a way to generate internal revenue have not placed the proper emphasis required for success. Sensitivity to consumer needs is necessary for a business' growth and development, claims Ventureline (2014, p. 87). This is so that no product is made that the consumers are not interested in, otherwise it would be considered waste. The institution will trade the goods and services it produces with clients (consumers) in exchange for the money it wants to make.

- **Lack of Capability to Create Good Business Idea**

However, there is evidence that some institutions' ability to create their own revenue has improved; some institutions have succeeded in every lucrative industry, while others have failed because they had the correct business strategy. To nonetheless produce the anticipated money, a company idea is required. The construction of primary and secondary schools, the sale of farm products, the sale of bottled water, the opening of gas stations, and the sale of motor packs are all excellent examples of commercial ideas that have allowed some institutions around the nation to earn internal money. It makes sense that the construction of a solid company idea is a crucial element that every educational institution must master as it is the first step in generating riches. In this context, Kaegon (2009) found that educational stakeholders are urged to look for ideas and then develop the most promising ones from the invention stage to commercialization. This guidance for universities is helpful in helping them create solid business concepts for generating internal revenue.

- **Unsuitable Feasibility Study**

An important obstacle to institutions in the nation producing internal money is an inadequate feasibility assessment. The majority of institutions in the nation have successfully implemented a business plan for what they would accomplish; but, in order to provide the venture a solid foundation, a feasibility study must be conducted. The purpose of the feasibility study is to ascertain whether the business opportunity is feasible, realistic, and viable. It also allows for a realistic analysis of the opportunity's pros and cons as well as market issues, technical and organizational requirements, and financial overview.

The market problem, which could present opportunities for the cooperative on the market, is the main concern. The proposed endeavor shouldn't be pursued if there is insufficient demand for the product. The co-operative's internal structure is addressed by the technological and organizational requirement. The financial overview is based on the estimates that were obtained from the study; it is necessary to ascertain the company's overall financial status and to describe the sources and uses of finance. However, feasibility studies seek to logically and objectively identify the advantages and disadvantages of an already-existing firm or a planned endeavor, as well as environmental opportunities and risks, resources needed to survive, and finally, the likelihood of success. This is so because when presented with a business proposal or opportunity, institutions prefer to concentrate on its advantages.

- **Insufficient Take-off-Fund**

Any project that is being carried out in tertiary institutions typically needs start-up capital. Some institutions won't be able to fund projects that would increase their internal income base due to a lack of take-off funds. Some institutions are faced with the challenge of take-off funding as some of these initiatives are capital heavy despite having excellent business ideas that would boost their potential for income production. As a result, intuitions need a sufficient take-off budget to carry out their objectives.

- **Fund Misappropriation**

The problem of financial mismanagement on the side of management limits the capacity of educational institutions to generate income. According to allegations in Nigerian universities, the Vice Chancellor and the Registrar illegally and flagrantly plundered more than N10 billion from the institution (World Bank, 2010). The worldwide use of public funds for personal purposes is typically frowned upon and is frequently claimed to be widespread among government officials, including those in the educational sector. The

majority of tertiary institutions' management, particularly at the level of decision-making, may have contributed to the institutions' financial famine. Additionally, difficulties with financial accountability at the federal and state levels have always had an impact on the tertiary institution's ability to generate income. Financial statement of account for the tertiary institution's revenue generating. According to the institution, financial statements of account regarding income and expenses have not been properly maintained. Adenugba (2013, p. 423) stated that internally generated revenue, which was intended to accelerate finance, is bedeviled by corrupt practices on the part of revenue officials; those who are involved in collecting and keeping records of revenue are not giving accurate financial statements. As a result, there has been significant embezzlement of funds and reduced generated revenue.

• **Poor Management**

Poor leadership has the same negative effects on any organization as an unreachable vision. The lack of these institutions to defend individual interests versus organizational interests typically results in glorification of struggle to achieve organizational goals. Leadership issues at all levels of governance, including families and organizations, are often to blame for this. Vevtureline (2014) asserts that effective leadership produces high morale, good employee retention, and long-term success that can be sustained. People who are passionate about creating internal revenue for the institution should be in charge of managing tertiary institutions. Without exception, every member of the university staff must be prepared to contribute to the institutions' overall financial base. This suggests that any compromise of these leaders' interests in their activities and values will negatively affect the institution's ability to generate money internally.

Conclusion

University education is undoubtedly indispensable even though it is capital intensive; it remains a highly demanded social service in the education industry. The dire demand for adequate funding of university education has continued to persist and generate strong agitations, which should not be allowed to command the tempo it has attained in the present disposition in the country. Since there exists several funding models, the university education authorities need to weigh these models namely: the bureaucratic financing model, the collegial model, the market model, the professional management model and the integrated model comprising the self-help/foreign donation and investment/internal funding model in the light of their advantages and disadvantages. Specifically, it has been discerned that the self-help model of the internal revenue generation type has some obvious advantages over others, and this will offer universities some degree of independence and autonomy in fund generation and dispensation. University education institutions in Nigeria should evolve transparent accounting procedures in fund management and administration for sustainable national development. Government is therefore encouraged to enshrine the internal revenue generating model as an aspect of the National Policy on Education for public awareness.

Contributions to Knowledge

It is hoped that this paper will:

- i. Enable university institution evolve internal model which will alleviate existing financial management and administration problem.
- ii. Enhance sustainable national development when universities adopt adequate internal funding model in financial management.
- iii. Reduce the incessant face-off usually experienced between the Government and Universities labour unions.

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