The Emergence of Private Universities in Nigeria and Their Various Challenges

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Abstract

Purpose: The purpose of this study is to examine the challenges confronting private universities in Nigeria

Design/Methodology/Approach: The data obtained were from secondary sources and content analysis done.

Findings: The analysis revealed that inadequate funding is the greatest challenge confronting management of private universities in this country.

Implication: University education plays a vital role in providing high-level manpower for the development of any nation, be it socio-political or economic. In the light of this, appropriate supportive public policy environment of the entire Nigerian higher education system could undergo considerable and robust amount of growth, development and diversification, which will in no small measure lead to a competitive environment between the public and private universities of which the country will the sole beneficiary.

Originality/Value: It was therefore recommended that owners of these institutions be allowed to access Tertiary Trust Fund (TETFUND) grant like the public universities and that government should provide them technical and logistics support, make use of alumni as an arm of fundraising, and they should engage in shared cost in order to enhance their performances in terms of quality service delivery.

Key words: Private universities, Nigeria, Education, Government.

Introduction

It is assumed that private higher education is one of the most dynamic and fastest growing segments of post-secondary education at the turn of the 21st century (Altbach, 1999) thus, the debate for privatization of education has become a global issue in recent years.

In the developing states of Africa, just as the developed countries, privatization of higher education is fast growing for a number of reasons. Firstly, there is the inability of the public sector to satisfy the growing social demand for higher education, hence the need for the private sector to expand students’ access to higher education. Secondly, there are the deregulation policies of the governments on the provision of education and thus giving adequate opportunities for private participation in education. Thirdly, in many African countries, the demand for employment oriented courses and subjects of study had changed and public universities seem unable to respond adequately to this phenomenon, hence it becomes imperative that private sector should increase. Fourthly, in most African countries, public education is criticized for inefficiency while the private sector is increasingly promoted for its efficiency in operation. (Osokoya, 2007)

In the words of Kitaev (2003) private education is a reality and has been growing around the world together with globalization. Even in the centrally planned countries of Eastern Europe, France and the egalitarian Germany; former Soviet Union, China, Mongolia and Tanzania; where the culture of private ownership of educational institutions was alien; the wind of globalization and market reforms have reverted the situation. From the very beginning when university education commenced in Nigeria in 1948, the government conceived of its nature as a public or social service whose production must
not be left in the hands of the private sector. Hence, from then until 1999, a period of over fifty years, the establishment, ownership, management and funding of universities and all tertiary educational institutions remained the exclusive reserve of Federal, Regional and State Governments. Before the 1972 Federal Decree on education and the government take-over of all educational institutions, there were only two Federal universities and four Regional Government owned universities. Then tuition fees were charged; however, with the Federal Decree on education in 1972, the Federal Government took-over all universities and by 1975, abolished tuition fees in all universities (Eze, 1983; Olaniyi, 2001). The government decision to take-over the universities could only be guaranteed while the problems of equity, access and imbalance continued unabated (Adeyemi, 2001; Nwadiani, 1997; Okobiah, 2002). Since the Federal Government take-over of universities, she had made different efforts to revert the decision. The 1979 constitution, which listed education on the concurrent legislative list, saw the birth of State universities. (NUC, as cited in Ajadi, 2010). The number of State owned universities in Nigeria have continue to increase as each of the federating states would want to have their own university. The fact remains that the supply of university education in Nigeria has always been limited by the amount of funds that the owners (governments) have been willing and capable of giving to the universities as grants. The Nigerian Government, which hitherto denied states and private ownership of universities, has come to acknowledge the obvious reality. However it was not until May 10, 1999 that certificate of Registration was handed to each of the first three private universities in Nigeria. They were Babcock university, Ilisan-Remo, Ogun-State; Igbinedion university, Okada-Benin, Edo State; and Madonna university, Okija, Anambra State (Ajadi, 2010). Since then there has been tremendous increase in growth of private universities. Presently, there are fifty (50) private universities in Nigeria which are already accredited and whose academic activities have begun. (National University Commission, 2012) This paper therefore, attempts to examine the various challenges confronting private universities in Nigeria; while suggesting how these problems can be solved in order to ensure the realization of the goals of university education and ensure an enhanced policy of private participation.

**Statement of the problem**

The courses offered in private universities in Nigeria reflect either a commercial consideration or religious orientation; this suggested that they focus more on a particular subject area. They offered courses that require less investment in terms of infrastructure, equipment and physical development. While the public universities are large institutions offering courses in variety of disciplines. The academic interest and advances in frontiers of knowledge decide the type of courses offered in the public universities in Nigeria. (Ajadi, 2010)

Many of the private universities in Nigeria are relatively new and operate with a limited number of academic and non academic staff in order to minimise costs. (Abiodun-Oyebanji, 2011; Fadipe, 1990; Robinson & Nwaham, 2007)

There is explosion in student enrolment in public universities therefore, the available facilities are no more enough and this brings in a lot of vices into the system which led to examination malpractices, cultism and teaching /learning is becoming difficult for both lecturers and students as a result of shortage of fund available to these universities. (Abiodun-Oyebanji, 2011; Ajadi, 2010)

Cost recovery plans of private university owners may affect the quality of service rendered which could consequently affect quality of graduate in the long run. (Abiodun-Oyebanji, 2011)

Many private universities were established for profit maximization rather than service to the country; hence they charge high fees which many Nigerians can-not afford. (Ajayi & Ekundayo, 2010; Adewole, 2011)

**Research Objectives**

To this end the general objective of this study is to examine the challenges confronting private universities in Nigeria. Specifically the study will seek the following objectives:

1. To examine what inform the different programmes offered by private universities in Nigeria.
2. To examine reasons for the low number of staff being employed by private
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universities in Nigeria. (Academic and non academic categories).
3. To examine the source of fund available to private universities in Nigeria.
4. To examine why private universities in Nigeria are charging high fees that are beyond what an average Nigerian can afford, and
5. To evaluate how costs recovery tendencies of these private universities can affect the quality of service they are expected to render.

Research Questions
The research will seek to provide answers to the following questions:
1. What informs the running of certain programmes in private universities in Nigeria?
2. What are the factors responsible for the low number of both academic and support staff in private universities in Nigeria?
3. How can these universities access funds in order to improve their facilities?
4. What is responsible for the high fees being charge by private universities in comparison to what is obtainable in public universities? and
5. What is the relationship between costs recovery tendencies of owners of the private universities in Nigeria and the quality of service expected from these institutions.

Conceptual Framework
The conceptual framework of this study includes development of university education in Nigeria, emergence of private universities, justification for the establishment of private universities and challenges of these universities. This section will discuss each of these concepts in details.

Historical Development of University Education in Nigeria
The provision and management of university education started in Nigeria with the establishment of University College Ibadan in 1948 and affiliated to the University of London to award degrees. The University College continued as the only university in Nigeria until 1960. (Ajayi & Ekundayo, 2010).

The report of Eric Ashby Commission which was set up in 1959 later led to the establishment of the “Ashby University” as regional universities in the then three regions of Nigeria: In the East, the University of Nigeria, Nsukka 1960, in the West, the University of Ife 1961, and Ahmadu Bello University Zaria in the North 1962. (Aclele-Williams, 1996; Ogunu, n.d). Also, in 1962, in the words of Babalola, Jaiyeoba, and Okediran (2007) University College, Ibadan was granted full-fledged University status. University of Lagos, Akoka was established in 1962, and university of Benin, which was established in 1970, these constitute Nigerian first generation universities.

The post-civil war oil boom era and the geographical restructuring of Nigeria into 12 States led to the stringent demands for more universities in the newly created states. (Ajayi & Ayodele, 2002). Government acceded to this demand and in 1975, seven new universities of the second generation were found in Calabar, Ilorin, Jos, Kano, Maiduguri, Port-Harcourt and Sokoto by the Federal government.

In the 80s, there was proliferation of state owned universities. This period was characterized by political proliferation of tertiary institutions while the economy was experiencing down turn. There were no enough resources to back up the creation of these institutions. These state universities constitute Nigeria’s third generation universities.

The fourth generation Universities are those ones established between 1991 to date. These include more federal and state universities, Nigeria open universities and private universities. All these universities according to Ajayi and Ayodele (2002) should be autonomous and national in outlook.

Emergence of Private Universities in Nigeria
The establishment of private universities dates back to 1979 when education was placed on the concurrent list in the nation’s constitution. By the provision of the constitution, individuals, private entrepreneurs and organization were empowered along with the state and federal government to establish and fund such institutions. Within a period of four years, twenty-four private universities were established without due regard to proper planning and implementation.
The Buhari-Idiagbon regime that seized power ( ) December 31st 1983 promulgated Decree (Act) 19 of 1984 and 16 of 1985 which cancelled, the approval for setting up private universities. The federal university did not only repeal the private universities (Abolition and Prohibition) Decree of 1984 but also outlined the criteria to be satisfied by prospective proprietors of such universities in the country. The act stipulated the conditions that must be met to enable the National Universities Commission (NUC) assess the adequacy or otherwise of the applications and process before approval and licensing. (Abiodun-Oyebanji, 2011)

Justification for the Establishment of Private Universities in Nigeria

The role and positive impact private universities had on the education and socio-economic development of Nigeria can not be over-emphasized. (Isibor, 2011; Osho, 2012). Isibor, posited further that private universities have impacted positively on the education sector so far. Before now, there were incidences of strike actions in the government owned or public universities, no regular academic calendar and a programme that should last for just four years could end up causing a student six or seven years. In fact, student then could only know the year of admission they could not predict their year of convocation. This was also buttressed by Obasi (2007). Consequently, the Nigeria universities certificates that were once highly rated in foreign countries lost their credibility, such that when a Nigerian graduate wanted to pursue a master’s degree abroad, they were forced to undergo undergraduate courses before they were enrolled. However, the entrance of private universities has brought stability into the system. (Abiodun-Oyebanji, 2011).

In the words of Morenike (2003) since the major university teachers’ strike in 1989, the university system in Nigeria has been rooted into pungent soil; according to him, from that point on-ward, the university degree has become no more a university degree but a certificate, armed with which a job might be obtained at a later date. Therefore, there is a need for private involvement in providing educational opportunities for people in developing countries, particularly in Nigeria, to ensure that all categories of the citizens have access to university education. This was also corroborated by Ajadi (2010) and Obasi (2007).

In the words of Ajadi (2010) private universities has also reduced admission pressure on public universities. Though, access to university education is still low, private universities have afforded Nigerians the opportunity to seek admission alternatives. To buttress this, Oyedepo as cited in Abiodun-Oyebanji (2011) says that covenant university; a privately owned university has admitted 1,530 students within seven months as pioneers. This in no small measure gave hope and opportunities to candidate that would have been denied admission in to public schools. Private universities have also raised academic standard and moral values in the nation’s ivory towers; it has equally improved quality delivery of education, they have restored sanity and discipline into the system and have reduced industrial action drastically in the system. For instance, the first ranking of universities done by the National Universities Commission revealed that private universities despite their young ages, performed better than many of the public and old universities. (Abiodun-Oyebanji, 2011). So far, the private universities have proved to be a big challenge to the public universities in some areas they have made remarkable success. Babalola’s (2002) description of the Babcock University as a success story in the short period of its existence is a worthy cases study. Muzali (1999) argues further that the establishment of private universities in Nigeria has boosted healthy competition and enhanced standardization between the public and private universities. These competitions in the words of Robinson and Nwaham (2007) could be based on research teaching, infrastructural and manpower development.

Ajayi & Ekundayo (2010) and Obasi (2007) in their separate studies posited that, in order to align with practices in other parts of the world, there is therefore a need for the establishment of private universities in Nigeria. In advanced countries of the world, both private and public sector of the economy are involved in the provision and management of university education. For instance in Japan, 75% to 80% of the universities are privately owned. (Osokoya, 2007) Establishment of private universities has also brought about employment opportunities to Nigerians. For instance, in the words of Robinson and Nwaham (2007), Covenant University a privately owned university at inception in 2002 offered employment to 46...
academics staff (including 6 professors and 2 senior lecturers), 12 administrative staff, labourers, security men, messengers, clerical officers and so on and this has drastically reduced the rate of unemployment in the country. This is a common scenario in most privately owned universities in the country.

According to Ajadi (2010) the establishment of private universities has assisted government in the funding of education which has always been a problem facing university education in Nigeria because of the increase in the demand for it. Olaniyan (2001) is of the opinion that the demand for university education has been growing faster than the willingness of education while resisting individual payment for it. This resulted in government granting operating license to private individuals’, corporate and religious organizations to establish private university which is already a global phenomenon. (Akpotu and Akpochafo, 2009)

Challenges Confronting Private Universities Owners and Management in Nigeria

Prominent among the challenges confronting private universities management in Nigeria include:

- **Inadequate funding:** Private universities in the words of Ajadi (2010) rely heavily on tuition fees and other internally generated revenue (IGR) from students to meet their expenditure. Running a private university is a capital intensive venture that the return on investment (ROI) takes years. To run a University is not cheap and unfortunately many private universities owners in Nigeria appear not to have the financial muscle to bear the financial burdens of these institutions. Different scholars and stakeholders have identified funding as the major challenge facing the management of university system in Nigeria, whether public or private. (Oyeneye, as cited in Abiodun-Oyebanji, 2011). Inadequate funding and the apparent shortage of fund available to private universities system have been responsible for inadequate facilities in many of these universities; many of them seem to be groaning, silently for lack of funds. (Oluagbamila, 2008). High cost of facilities such as building for classrooms, offices, hostel, furniture items for students

and staff, laboratory equipment, relevant books and journals in the library in terms of procurement and maintenance, however, constitute a very serious problem to private universities. (Fadipe, 1999).

This was also mentioned by Ampomsah and Onuoha (2013) that high cost of training and development for faculty members, lack of well resourced libraries and inadequate teaching and learning equipment and infrastructure are some of the challenges facing private universities in Ghana and Nigeria.

- **Problem of shortage of faculty members:** In a study carried out by Varghese (2004) it was discovered that reliance on part-time academic staff is a common feature of private universities irrespective of their location and orientation. Many Nigerian private universities are in dire need of adequate human capital, modern infrastructure without which one cannot run and manage an ideal university that is globally competitive and locally relevant. According to Abiodun-Oyebanji (2011) some of the needed or required manpower are not available to some of these private universities and majority of their staff, especially academic staff are bottom heavy in terms of mix. Many also rely on lecturers from other public university for a part time job or those on sabbatical to meet the accreditation requirement. Many of these private universities are contending with the problem of shortage of faculty members to drive or beef up their universities. (Ajadi, 2010). Fadipe (1999) is of the opinion that nonprofessional teachers who are neither good nor effective can not be said to be contributing much to quality education. Robinson and Nwaham (2007) are of the view that many of the lecturers lack both technical and personnel competences required in teaching because they are not professionally qualified.

- **Quality service may be compromised as a result of Cost recovery plans:** The owners of some of the private universities are businessman and women who have invested in education and therefore expect returns on their investments. The cost-recovery plans however may affect the quality of services they render and
consequently affect the output in the long run and this may jeopardize the applicability of acquired knowledge to the industry. (Abiodun-Oyebanji, 2011). It is generally believed that many operators of private universities are out to rake in much profit. Majority of the private universities being run in Nigeria are profit making ventures which account for the high school being charge. (Obasi, 2007). Ajayi and Ekundayo (2010) in their words opined that these schools charged high fees which many Nigerians can-not afford but only the few rich or privilege ones.

Adewole (2011) posited that some private university operators are after profit and according to him, in this business of running a university, one may have to wait for between 20 and 25 years before one can talk of profit. Many private universities owner appears to be motivated by profit rather than service. (Ajadi, 2010)

- **Creation of social gap:** Education Services provided by Private individuals do create inequality and widen the already existing social gap between the children of the well-to-do Nigerians and that of commoners. The children of the rich have more access to private universities than the children of the poor and this has continued to aggravate the social gap between the rich and the poor in the country. (Abiodun-Oyebanji, 2011). In the words of Ajadi (2010) the high fees charged by private universities in Nigeria makes it difficult and deterred qualified candidates whose parents cannot afford such fees.

- **Courses offered:** The courses offered in private universities in Nigeria reflect either a commercial consideration or religious orientation. They offered courses that require less investment in terms of infrastructure and equipment. This is in contrast with some of the private universities in countries like India, where Engineering and Medicine, which require a high level of capital investment in infrastructure and other facilities. (Ajadi, 2010). The emergence of private universities in Nigeria raises issues related to national development from a broader perspective. Some disciplines are very important for the development of the country which may not be market friendly; these courses are not offered by private universities.

- **Staff Development:** According to Osokoya (2007) facilities for staff development and research opportunities for staff are limited in the private universities compared with the public universities. Information materials in the library are few, majority rely solely on open access materials online for their clients. Most of the lecturers have little or no time for research because the institution failed to employ enough staff.

- **Students problem,** the increase in the number of student intake is assumed to be posing a lot of problem. It was recorded that when private universities first started, it was easy to cater and control the students. Increase in the number of student intake has brought a lot of vices like exam malpractices, cultism, lack of maintenance by the students and many more. (Amponsah and Onuoha, 2013).

### Possible Solutions to Problems Confronting Private Universities in Nigeria

Since inadequate funding is the bane of many private universities, It may therefore, be right to say that government should therefore help ease their financial burden as it does for public universities; this can be achieved through their access to the Education Trust Fund (ETF) grant and also through support from the private sector and international agencies. This idea seems to be in order since many of the parents of children who attend private universities also contribute to Education Trust Fund. (Abiodun-Oyebanji, 2011). Recently, the Committee of Vice-Chancellors and Registrars of private universities of Nigeria at their 28th meeting recently called on the Federal Government to fund private universities in the country by extending Education Tax Fund (ETF) projects to their institutions. (Olagbemiro, 2012)

With proper funding, quality staff and adequate facilities would be ensured and then, some of the challenges confronting private universities can therefore be tackled. Government could also assist by providing them with infrastructural facilities or generally provide them with logistic supports. Since many of the private universities
are confronted with the problem of shortage of quality Faculty members, this could be addressed by strengthen local staff and enhance their international staff ratio by recruiting top-class foreign teachers/researchers in programmes it desires to excel.

According to Abiodun-Oyebanji (2011) the owners of private universities must not be motivated by profit but by service. Private universities are not something that one can invest in and recoup such investment immediately; it is a long term investment.

The National University Commission (NUC) must also ensure that minimum academic standard is enforced in many of the private universities which are bottom heavy with its academic staff mix. The quality should be such that will constitute a good proportion of seasoned and experience academic staff.

Conclusions and Recommendations

Universities are the centre of knowledge, the incubators of international best practices, be it public or private. It is the citadel for the production of critically minded individuals, a place where ideas contest for supremacy and the best ideas prevail. The system is responsible for the development and production of high-level manpower within the context of the nation’s needs.

It has therefore been seen that university which is the bedrock of development in the country, especially the privately owned ones which are newly coming up are being confronted with myriads of problems among which are inadequate funding, acute shortage of quality faculty members, profit maximization drive and so on. However, for meaningful development to take place in private university system in Nigeria the government must be ready to work hand in hand with the owners of these institutions by lending helping hands to them in terms of opportunity to access TETFund grant and providing them with necessary technical and logistics support as required by these institutions.

It is equally very important that governments should adequately subsidize students in private universities so as to reduce the burden of financing private higher institutions which is usually borne by parents. Government scholarship as well as bursary awards should therefore be extended to students in the private higher institutions.

The alumni of the school can also be used as a source of generating fund. Insurance scheme can be engaged in so that different types of foreseeable risk can be shared.

That given appropriate supportive public policy environment, the entire Nigerian higher education system could undergo considerable and robust amount of growth, development and diversification, which will in no small measure lead to a competitive environment between the public and private universities of which the country will the sole beneficiary.

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