

Enhancing Public Private Partnership for Effective Management of Higher Education Institution Resources

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Abstract

The higher education institutions include Universities, Polytechnics and Colleges of Education among others., The contributions of the output of these institutions to the development a nation are numerous. However, inadequate financial material and human resources in Nigeria tertiary institutions have constantly led to incessant strikes and dwindling quality of education offered. The public-private partnership in the government owned tertiary institutions has positively impacted the state of affairs in the delivery of educational services. Nevertheless, to further improve and sustain the availability and management of resources for learning, the problems encountered in public private collaboration such as poor infrastructure, corruption, political influence should be examined while favourable environments should be created by government and institutional administrators to encourage more participation of prospective private investors to foster a qualitative sustainable higher education system.

Keywords: Resource Management, Higher Education, Private Partner and Public Private Partnership

Introduction

The importance of education to the development of a nation occurs through transformation of other sectors. It is the tertiary level of education that is saddled with the responsibility of providing qualified citizens with the highest level of education. The institutions train the engineers, medical doctors, lawyers, teachers, accountants, entrepreneurs, among other professions. The impact of outputs from these institutions contribute largely to the development of a nation. As a result of the important functions of the higher education institutions, developed nations over the world engage purposeful participation of the public sector, private sectors, donor agencies and the civil society in provision and management of resources.

Public higher education institutions in Nigeria are funded majorly by federal and state governments, depending on ownership. Additionally, the institutions further generate funds internally through levies, charges and fees from students. There are other government agencies who complement government budget such as Tertiary Education Trust Fund (TETFUND), Petroleum Technology Development

Fund (PTDF), Central Bank of Nigeria (CBN) and National Communication Commission (NCC). Apart from the public higher education institutions owned by the Federal and State governments, there are also universities, polytechnics and colleges of Education owned by private owners, individual, religious and non-religious organisations. These private institutions, according to Agada and Abiokwa (2018), get most of their funding from students' fees and levies while the remaining part is usually from international development partner, support from alumni association and linkages with industries in Nigeria and abroad.

There poor state and dwindling quality of education in the higher institutions in Nigeria has become worrisome to stakeholders. In year 2020 Academic Staff Union of Universities embarked on 10-month strike citing inadequate funding of staff and institutions, among other issues, has the bone of contention. The situation is that students' enrolment within the institutions (particularly universities) keep growing at an astronomical rate without commensurate increase in infrastructures. Agada and Abiokwa (2018) lamented that effects of inadequate funding are evident in the fact that physical facilities in the public education institutions are in disrepair, several capital and research projects have been abandoned, laboratories and libraries are ill-equipped, academic staff do not attend conferences regularly and there is a drastic reduction in award of research grants and fellowship.

To put an end to these incessant strikes, the higher education institutions have to direct more efforts towards facilitating more public-private initiatives to augment government efforts. Osundina and Nwokwocha (2015) explained that partnership requires collaboration between the state and the private realm for effective and enhanced development programmes. They emphasized that to achieve development and sustain it, neither government nor the private sector can work alone. Public Private Partnership (PPP) is imperative in the delivery of public services between government and private business on account of a sense of corporate social responsibility and societal demands for strategic partnership in development efforts. Lobner (2009), opined that the private partner is motivated in the public-private partnership due to assumed direct or indirect connection to acquisition of profits. She further asserted that private partner wants to maximize its profit over the contract life and will try to find new profit sources as the contract unfolds. Thus to prevent opportunistic behaviour in that context there must be special attention paid to the legal aspect of contract.

For successful management of resources through public-private partnership, the different stages of the partnership project must be successfully implemented. Lobner (2009) stated that financing, building and operation are highly connected. For instance input deployed in building of an asset determines its quality, which further has a positive or negative effect on operating and maintenance.

Literature Review

Theoretical framework

This study is anchored on the expectancy theory of performance management. The theory was proposed by Victor Vroom in 1965, who stated that motivation of employees towards good performance is dependent on three components, namely expectancy, instrumentality and valence. Expectancy is the belief for performing the job satisfactorily, instrumentality involves the reward for performance, whereas valence focuses on value of positive rewards. According to Vroom, if expectancy, instrumentality and valence are high then motivation will be high and vice versa. In addition, if any of three components is low then motivation will be low.

Applying this theory, Lambright (2010) assumes that an example of contract reward is a contractor receiving future contracts with a government agency. However, if the government agency withholds the contractor's funding it would negatively impact on his motivation. Purvis, Zagenczyk and Mccray (2015) explained that stakeholders' participation in projects is dependent on organizational and psychological climate. They opined that active participation can be achieved if efforts are exerted at adequate levels (expectancy); if stakeholders perceive that performance will bring about positive results (instrumentality) and lastly, if outcomes are judged to be personally attractive (valence). The authors cautioned that token participation occurs in three circumstances. Firstly, when effort exerted by stakeholders is low (low expectancy); secondly, stakeholder-perceived contribution is low; and thirdly, if stakeholders disbelieve that the organization will deliver rewards for achieving specific performance levels, which may result from politics, unfair performance evaluation system or other factors.

According to this study, motivating the private partner towards effective performance, will require three key components. Firstly, expectancy which is the belief that the effort put into an educational project will yield satisfactory results. Secondly, instrumentality connotes that the performance of the private partner will yield rewards. Then, thirdly, is valence that depicts the value/ desirability the private partner places on the reward of the project executed. If any of the aforementioned key components are missing, a private partner might be unable to give his best towards performing his job effectively. A private partner might be optimistic at the onset that his involvement in an educational project will yield expected outcome (expectancy) however, he might be limited in his performances producing substandard outputs or even unable to complete projects due to personal factors (greed for excessive profit, use of substandard materials, lack of dedication and commitment) or external factors (inflation, change in monetary policies, security challenges, strikes, protest and riot) this is regarded as instrumentality. Even if instrumentality stage is successful and the third component valence, which concerns the desirability of reward the private partner gets for his performances, is not positive then he would not be motivated to

embark on educational projects with that particular educational institution or others. Desirability of rewards could be negatively affected by factors like management of institutions withholding funds, wanton destruction of properties during protest, loss of revenue from projects due unplanned lockdown during Covid -19 pandemic, etc.

Educational Resources in Higher Institution

Educational resources are sum total of things used directly or indirectly for the purpose of facilitating, influencing or encouraging transmission or acquisition of knowledge, competence, skills and know-how. Bakare, 2009 lists important educational resources in tertiary institutions as classrooms and lecture rooms, laboratory, library and sporting facilities, computers and ICT multimedia, hostel for students, general environment, disabled and medical facilities, shops for toiletries and cafeteria, furniture, seats and decks, water and electricity.

Education resources are basically classified into the following categories ;

1. Physical /material resources : the physical resources are classroom/lecture rooms, staff offices, health centers, library, laboratories etc. material resources are the textbooks, writing materials, curtains and so on.
2. Financial resources: they are funds required for the smooth running of any educational organization. Funds are required for procurement of facilities, equipment and payment of salary and allowances of academic and non - academic staff.
3. Human resources: the human resources are the most important of the resources because organizations do not exist without people. The human resources in the educational setting are academic and non-academic staff, students, community members, interest groups.
4. Time resources: Time is a resource which is regarded to be scarce to human beings. Time utilization refers to hours of duty spent on organizational activities during various stages.

Resource Management in Universities

The soaring demand for higher education in Nigeria in recent years is a departure from the situation in the 1960s and 1970s. The steady increase in student enrolment in universities on yearly basis has implications for on the old and few facilities on the campuses. The existing infrastructure are over-burdened and pressured to the extent that the quality of education offered in these institutions is being questioned.

Many facilities are in deplorable state, while there are issues of unpaid allowances, which often lead to industrial action by staff. A lot of candidates are denied admission annually as a result of limited spaces. These cases constitute

challenges for effective management by heads of higher educational institutions. According to Agabi (2010), resource management in the education system is plagued with such issues as; politicization of educational leadership positions, pressure on existing resources; lack of funding and political instability.

To ensure physical and material resources are properly managed, Asabiaka, (2008) suggested that facility maintenance plan should be adopted by educational organizations. These are preventive, routine, emergency repairs and predictive maintenance. However, the physical state of several infrastructures within government tertiary educational institutions does not reflect total compliance to the routine above. Inadequate funding has always been the foremost cause of inadequate resources and poor maintenance of facilities within these institutions. However, a resourceful manager would attract more resources to the school rather than being totally dependent on statutory sources of funds. Constant collaboration with private investors to improve the quantity and quality of resources within the educational institution will enhance sustainable development.

Public Private Partnership

Public Private partnership means the collaboration among government and private sector in the delivery of high quality, effective and efficient higher education. Arogundade and Sasere (2018) defined Public private partnership as the contractual agreement between the public and private sector to achieve well-defined and shared objective in a cost effective, efficient and sustainable manner. Raji (2018), opined that Public private partnership involves pooled public and private resources; shared responsibilities; complementary efforts; equity sharing (if there is any government organ investment); formation of special purpose vehicle to develop, build maintain and operate for the contracted period. Public private partnership had long been practice in countries like Netherlands, Denmark, Belgium, Canada but it is being referred to using different names in various places. It is sometimes called Private Financial Initiative or Alternative Financing Procurement.

In, Nigeria the regulatory body for public private partnership named Infrastructure Concession Regulatory Commission was inaugurated in 2005, though the initiative dates back to the 1990s. Arogundade et al asserted that the present initiative of public private partnership was adopted at the beginning of the 4th Republic in 1999. Over the years private sector have formed partnership with higher institutions in the advancement of research, construction infrastructure such as lecture halls, laboratories, hostel accommodation, ICT centers, promotion of scholarship, supply of textbooks and journals. Banks, Communication companies such as MTN, Globacom also provide services ranging from ICT services to e-payment services. In Nnamdi Azikwe University Akwa, buildings such as, Chike Okoli center for entrepreneurial studies, Juhel building housing pharmaceutical sciences are Public, Private Partnership initiatives.

To stimulate active participation and collaborations, reforms were put forward by the Federal government namely, Community Accountability and Transparency Initiative (CATI), Private Development Initiative(PDI) and Higher Education Collaboration (HEC). Public private partnership in the tertiary institutions is geared towards investing in infrastructures, increasing the efficiency of the financial resource usage and better commercial usage of the invested funds.

Public Private Partnership (PPP) types which involves range of options which vary with regards to ownership, operations, maintenance, financing, risk allocation and duration :Joint Ownership, contracted forms and private financing. Joint ownership is an arrangement whereby a legal entity is formed in order to pull out useful assets from a moribund , misused or indebted government business. Contracted forms of PPP come in the form of concessions, leases and contracted agreements which are just simply procurement such as maintenance of contract where a particular aspect of a government's operation is contracted out. (Ugwogo, 2015). (Fadeyi, Adegbuyi, Agwu and Ifeanye, 2016) stated that in the case of concessions, the private partner may or may not build facility, but is allowed to manage the facility and charge users a fee for use of the facility. For leases the private vendor pays rent for facility and utilizes the resources. Private financing involves capital investment by a private company to assist government in building infrastructure. The contracted forms comprise Build Operate –Transfer(BOT), Build –Own–Operate –Transfer (BOOT), Rehabilitate Operate Transfer (ROT), Build Own and Operate(Ugwogo, 2015).

Build Operate-Transfer: Private investor builds a facility, sells the output to the public, and transfers it at the end of the contract.

Build-Own-Operate-Transfer: A private entity finance, design, build and operate a facility, then collects user fees for specified period to off-set its investment. At the end of the fixed period ownership is transferred the public sector authority.

Rehabilitate-Operate and Transfer: Private vendor rehabilitates a facility, operates to the extent of full cost recovery and transfer.

Build –Own –Operate: The private partner finances, builds, owns and operates a facility or service in perpetuity. For instance after deregulation of telecommunication sector, key players in the sector such as MTN, Airtel, Globacom build, own and operate their facility, though, they are being regulated by National

Communications Commission.

Outsourcing is another form of Public Private Partnership commonly used, where security, messengers and cleaner cadres are outsourced to private sector in public service in Nigeria. In other situations private investors build hostels in institutions, but overall, the manner in which they engage and participate in educational projects will reflect the strategy chosen by the relevant public sector to best achieve laid down objectives.

Benefits of Public Private Partnership in Tertiary Education Institutions Twenty First Century

1. Increasing access to education: Public private partnership can enlarge the capacity of infrastructure in the tertiary education system to accommodate more prospective admission seekers.
2. Effective utilization of existing assets: Moribund or underutilized assets can be reconstructed more effectively by the private partners.
3. More competition: students from the public institutions can compete with their private counterparts when exposed to improved infrastructure. This will drive the public sector to increase the quality of education it provides.
4. Easing Budget constraints: The gap between the available funds and infrastructural needs are reduced. The institutional financial resources are augmented through collaboration with private investors.
5. Risk Sharing: the risk of public private participation project is borne by both public and private sectors .
6. Greater flexibility: there is more autonomy and greater flexibility of the private partner, which is a clear departure of rigidity often witnessed in government systems.
7. More improved levels service: more innovative strategies can be introduced in order to increase the quality and level of services rendered.
8. Prompt delivery of project: bureaucratic tendencies associated with public sector is reduced if not eliminated, thus, PPP projects are completed swiftly.

Challenges of Public Private Partnership in Tertiary Education Institutions

1. Standards and best practices: corruption and favoritism in the award and execution of contracts might work against the implementation of partnerships with private sector.
2. Poor infrastructure: absence of important infrastructure like electricity, good roads might further push the cost of project up and consequently, increasing the prices charged to the users after completion of project.
3. Political instability: with incessant changes in political leadership and subsequent policy changes, it may be unwise to commit capital into a public system that is not self-accounting and for which probity confidence levels is quite low (Odeleye, 2012).
4. Challenges of Accountability: due to so much financial misappropriation, bribery being reported of the public sector, a prospective private partner might be discouraged to work such confines of riddled with systemic decay.
5. Limited influence of public authority over the investment
6. Equity concerns: poor students may not always be able to afford paid services which may lead to segregation between them and their richer counterparts. Arogundade and Sasere (2018) opined that in such situations, equity is not balanced.

Quoting (OECD, 2012) They, continued that differences in students' learning outcomes are less likely to be attached to the inherent quality of the providers, but tend to be related to their socio economic composition.

Conclusion

The demand on Education resources far outweighs the supply, unfortunately government as the major financier of the public tertiary education institutions has always blamed economic issues like inflation, fluctuation of oil prices as part of the reasons for inadequate funding. However, the Public private partnership adopted in developed countries like Netherlands, Belgium, Denmark and Canada have proven to be successful. Nigeria too has recorded some success with the initiative, nevertheless, it is believed that a lot still remains to be achieved through creation of enabling environments devoid of industrial action, favoritism, political stability and insecurity. The educational organizational climate must be positive by encouraging more private partners to invest in more educational projects that would cater for the ever-increasing enrolments in the institutions and also raise quality of education offered therein.

Recommendations

The main goal of management is to ensure that system goals are achieved through clear allocation of roles and resources through monitoring of organizational task. Whereas the level of efficiency achieved in performance of managerial task is highly dependent on the resource management abilities of the manager. Thus to achieve goals of each tertiary education institution, educational administrators should ensure adequacy of physical and material resources, periodical training of academic and non academic staff, conducting sound academic research which impact the society positively.

To achieve the aforementioned, Public private partnership has to be strengthened, by providing an enabling environment which can foster sustainable development. The educational administrator should ensure the contracts are awarded based on competence, he should shun favoritism, nepotism, corruption bribery and other unethical practices. In addition administrator and his team should provide enabling environment devoid of security issues that could lead to wanton destruction of facilities.

Government assistance is required concerning monetary policies. The soaring prices of raw materials, overall security issues and changes in governmental policies discourage prospective private investors. Government should increase annual budgetary allocation to education sector to 26%. In some other instances ongoing projects within tertiary education institutions are abandoned. Private partners, on the other hand, should desist from habits of making excessive profits without regard for quality of project being constructed. Such investors cut corners by purchasing cheap and sub-standard materials in order to widen the profit margin.

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