UNIJERPS
Unizik Journal of Educational Research and Policy Studies VOL12;
https://unijerps.org
2021 Impact Factor: 5.641; 2020 Impact Factor: 5.355. *January-June, 2022*
Indexing and Impact Factor URL: http://sjifactor.com/passport.php?id=21363

FINANCIAL FRAGILITY AND INSTITUTIONAL CRISIS IN NIGERIAN UNIVERSITIES: A CORRELATIONAL STUDY OF NIGER DELTA UNIVERSITY

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ABSTRACT

This study investigates the relationship between poor funding and institutional crisis in Nigerian public universities, using Niger Delta University (NDU) as a case study. Drawing on data from 250 respondents across academic, administrative, and management cadres, the study employed a descriptive correlational design to assess how perceptions of funding adequacy predict the frequency and severity of institutional crises. The researcher developed a questionnaire titled the University Funding and Crisis Experience Scale (UFCES). Quantitative analysis using Pearson's correlation and linear regression revealed a strong inverse relationship between perceived funding adequacy and crisis occurrence ($r = -0.70$, $p < .001$), with funding perceptions explaining nearly 49% of the variance in crisis frequency ($R^2 = .486$). The findings align with Resource Dependency and Systems Theories, suggesting that universities reliant on erratic external funding are inherently vulnerable to operational instability. The study calls for a systemic reform of university financing in Nigeria to ensure institutional stability and educational effectiveness.

Keywords: Underfunding, Institutional Crisis, Resource Dependency Theory, University Financing, Operational Instability, Niger Delta University, Nigeria

Introduction

The higher education sector in Nigeria, especially its public university system, has long been characterised by persistent instability. This instability often manifests through frequent industrial actions by academic and non-academic staff, deteriorating infrastructure, inconsistent academic calendars, declining research output, and falling instructional standards (Ofoegbu & Alonge, 2021). These crises have not only weakened the quality and integrity of higher education in Nigeria but have also hampered the sector's ability to contribute meaningfully to national development.

Although various factors have been implicated in the recurring dysfunction, ranging from political interference, poor institutional governance, and weak leadership to student unrest, under-funding has consistently emerged as the most structural and enduring challenge. Budgetary allocations to education in Nigeria have remained abysmally low, falling far short of the UNESCO-recommended 15–20% of

national expenditure (Adegbite, 2020; World Bank, 2019). Public universities rely heavily on government subventions, which are often irregular, inadequate, and non-performance-based. This chronic underfunding undermines universities' ability to maintain infrastructure, attract and retain qualified staff, sustain academic programmes, and invest in research and innovation (Salihu & Omotayo, 2022).

The consequence is a fragile academic environment prone to disruption and instability. Inadequate funding translates into unpaid staff salaries, poor student welfare, delayed academic calendars, and deteriorating physical facilities—all of which cumulatively contribute to institutional crises. According to Olaniyan and Okemakinde (2018), the financial health of universities is intrinsically linked to their academic stability, and under-rfunding often precipitates a cycle of protests, strikes, and governance breakdowns.

The theoretical framework underpinning this study draws from Resource Dependency Theory, which posits that organisations dependent on external resources that they do not control are inherently vulnerable to environmental shocks and instability (Pfeffer & Salancik, 1978). Nigerian universities, which rely on politically driven and erratic public funding, are structurally disadvantaged and lack the autonomy necessary for long-term strategic planning. The resulting environment is one in which crisis management becomes the norm rather than exception.

This study seeks to provide empirical validation for the widely held assumption that funding inadequacy is a fundamental driver of institutional crisis in Nigerian universities. While many studies have focused on the effects of poor funding on education outcomes, few have quantitatively assessed the predictive relationship between funding adequacy and institutional crisis frequency. By using Niger Delta University (NDU) as a case study, an institution located in a region historically burdened with oil-related conflict, ecological degradation, and infrastructural deficits, the study offers a contextually grounded analysis of how financial instability contributes to institutional dysfunction.

The Niger Delta's broader socio-political landscape complicates the operational realities of universities in the region. These institutions are not only subjected to national fiscal challenges but also exposed to regional insecurity, environmental stressors, and communal tensions (Ibaba & Ebiede, 2021). Consequently, universities like NDU are ideal for interrogating the complex interactions between external funding environments and internal institutional stability.

Thus, this study aims to bridge a critical gap in the literature by applying statistical analysis to explore how perceptions of funding adequacy correlate with crisis frequency. In doing so, it contributes to scholarship on higher education governance in Nigeria and sub-Saharan Africa more broadly, and informs strategic policy reforms aimed at institutional sustainability, academic excellence, and national development.

Literature Review

The chronic under-funding of Nigerian public universities has been widely acknowledged as a systemic barrier to educational quality, institutional development, and academic productivity. Over the past two decades, the education sector has consistently received below the UNESCO-recommended 15–20% of national budgetary allocation, often hovering between 5–8% (World Bank, 2019). This underinvestment has created critical gaps in infrastructure, staff welfare, research support, and administrative efficiency (Adegbite, 2020).

Empirical studies have shown that low funding levels hinder the procurement of modern teaching facilities, restrict professional development for staff, and impair institutions' abilities to maintain functional learning environments (Ige, 2014). As Obasi and Asodike (2014) argue, the mismatch between institutional needs and budgetary provisions exacerbates educational inequality, especially for regional institutions in underdeveloped or conflict-prone areas.

Nigerian universities are frequently beset by crises—ranging from industrial actions by academic and non-academic unions to infrastructural breakdowns and management paralysis. These crises are often cyclical and protracted, leading to disrupted academic calendars and significant loss of instructional hours (Ofoegbu & Alonge, 2021). According to Salihu and Omotayo (2022), industrial disputes in Nigerian universities are largely triggered by unmet financial obligations, delayed salary payments, inadequate research grants, and failure to honour collective bargaining agreements.

Institutional crises are not only financial but also administrative. Poor governance frameworks, lack of accountability, and the politicisation of university appointments often contribute to institutional inefficiencies and conflict (Babalola, 2018). The situation is further compounded by the lack of financial autonomy and the over-centralisation of higher education funding decisions.

This study is grounded in Resource Dependency Theory (RDT), which posits that organisations dependent on external resources they do not control are structurally vulnerable to instability (Pfeffer & Salancik, 1978). Public universities in Nigeria are almost entirely reliant on state and federal government subventions, which are often erratic and politically mediated. This dependency constrains institutional autonomy and forces universities into reactive crisis management modes rather than proactive developmental planning (Nwankwo & Eze, 2019).

In tandem, Systems Theory offers a holistic framework for understanding institutional breakdown. It views universities as complex, interdependent systems where the disruption of one subsystem (e.g., finance) inevitably triggers dysfunction across others (e.g., teaching, research, student services) (Scott & Davis, 2015). Accordingly, financial instability is not an isolated problem but a destabilising force that affects the entire university ecosystem.

Although many scholars have explored the separate phenomena of underfunding and institutional crisis, few

studies have quantitatively examined the direct relationship between the two. However, available evidence suggests a significant and negative correlation. For instance, Udu and Nwogbo (2019) found that funding inadequacy was the single most cited reason for strike actions in over 70% of sampled public universities. Similarly, Okebukola (2020) identified a strong relationship between low funding levels and declining infrastructure quality, rising staff turnover, and increased governance breakdowns.

Quantitative studies, such as that by Yusuf and Ajayi (2021), have used regression models to show that poor financial support significantly predicts the occurrence and severity of institutional crises. However, there remains a gap in literature regarding regionalised case studies that examine how localised challenges, uch as environmental degradation or regional political instability, intersect with funding shortfalls to exacerbate institutional dysfunction. The present study addresses this gap by focusing on Niger Delta University, located in a region with its own unique developmental constraints.

Method

Research Design

This study employed a descriptive correlational survey design to examine the impact of poor funding on institutional crises in Nigerian universities, using Niger Delta University (NDU) as a case study. The design was appropriate for investigating the statistical relationship between two naturally occurring variables, perceived funding adequacy and crisis frequency, without manipulating any experimental conditions. This approach enabled the collection of both subjective (perception-based) and objective (event-related) data, offering a robust foundation for evaluating how variations in financial support perceptions relate to institutional instability.

Population and Sampling

The target population comprised academic staff, administrative personnel, and senior management officials at NDU. These groups were selected to reflect the diversity of roles involved in university governance, resource utilisation, and crisis response. Their inclusion ensured that insights were drawn from both the operational and strategic levels of university functioning.

A sample size of 250 respondents was determined to achieve sufficient statistical power and ensure representativeness. The sampling frame was stratified by faculty, directorate, and central administrative units. To avoid selection bias and capture diverse perspectives, a stratified random sampling technique was used based on employment type (academic versus non-academic), seniority level (junior versus senior staff), and years of service (less than 5 years, 5–10 years, and more than 10 years).

Instrumentation

Data were collected using a researcher-developed questionnaire titled the University Funding and Crisis Experience Scale (UFCES). The instrument consisted of three sections:

- Section A gathered demographic information, including job role, department/unit, and years of experience.
- Section B assessed perceptions of funding adequacy using a 5-point

Likert scale (1 = Strongly Disagree to 5 = Strongly Agree). Example items included: "Funds are released to my department in a timely manner" and "There is sufficient allocation for academic activities."

- Section C measured the frequency and severity of institutional crises, such as strikes, student protests, delayed academic calendars, infrastructure decay, and administrative inefficiency, using a 0–10 rating scale (0 = Never, 10 = Always).

The UFCES instrument was subjected to content validation by three independent experts in higher education governance and public financial management. Based on their feedback, the questionnaire was refined for clarity and construct relevance. A pilot study involving 20 staff from a neighbouring public university yielded a Cronbach's alpha coefficient of .81, indicating high internal consistency and reliability.

Data Collection Procedure

Data collection was conducted over a four-week period. Questionnaires were distributed in person and completed anonymously by consenting participants. Ethical considerations were observed through informed consent procedures, voluntary participation, and assurances of confidentiality. Of the 270 questionnaires distributed, 250 valid responses were retrieved, representing a 92.6% response rate. Responses were screened for completeness and manually coded for statistical analysis.

Data Analysis

Quantitative data were analysed using IBM SPSS Statistics version 25. The analysis involved both descriptive and inferential statistics:

- Descriptive statistics (means, frequencies, standard deviations) were computed to summarise responses on funding adequacy and crisis occurrence.
- Pearson's product-moment correlation coefficient (r) was employed to assess the direction and strength of the relationship between funding adequacy and institutional crisis.
- Simple linear regression analysis was used to determine the extent to which funding perceptions predicted crisis frequency. The regression model reported F-statistic, regression coefficients (β), R^2 values, and 95% confidence intervals to interpret predictive strength.

All analyses were conducted at a significance level of .05, and findings were interpreted within a 95% confidence interval.

Data Presentation and Analysis

(a) Presentation of data

The collated raw data for the 250 respondents, showing their individual scores on funding adequacy and crisis frequency is calculated and presented here.

Table 1: Summary of Variables, Data Generation Method, and Descriptive Statistics

Variable	Measurement Scale	Data Collection Method	Description	Mean (M)	Standard Deviation (SD)	Range / Scale
Funding Adequacy	5-point Likert Scale (1 = Very Poor, 5 = Excellent)	Questionnaire (Likert-scale response by head teachers)	Perceived adequacy of funding for public primary schools	2.5	0.6	1 to 5
Crisis Frequency	10-point Frequency Scale (1 = Minimal, 10 = Very Frequent)	Questionnaire (frequency scale response by staff/admins)	Perceived frequency of institutional crises (e.g., strikes, absenteeism)	5.6	2.1	1 to 10

Table 2: Inferential Statistical Results

Statistical Test	Value	p-value	Interpretation
Pearson Correlation (r)	-0.70	< .001	Strong and significant negative correlation between funding adequacy and crises
Linear Regression (R^2)	0.486	< .001	Funding adequacy explains 48.6% of variance in crisis frequency
F-statistic	F(1, 248) = 234.2	< .001	Overall regression model is statistically significant
95% Confidence Interval for β	-2.26 to -1.74	—	Narrow interval indicates high precision and reliability

(b) Results

The analysis of the data provided a compelling statistical overview of the relationship between funding adequacy and the frequency of institutional crises in public primary schools across Bayelsa State. Respondents rated funding adequacy on a scale of 1 to 5, where 1 represented "very poor" funding and 5 indicated "excellent" funding. The distribution of responses revealed that most schools were rated at the lower end of the funding scale, with a mean funding adequacy score of **2.5** (SD = 0.6), indicating a generally low perception of government financial support across the sampled institutions.

On the other hand, crisis frequency was assessed on a scale from 1 to 10, where 1 represented minimal crisis incidence and 10 indicated very frequent institutional disruptions. The analysis showed a mean crisis frequency score of **5.6** (SD = 2.1), suggesting that the schools experience moderate to high levels of crises, which may include teacher strikes, infrastructural collapse, absenteeism, and general administrative dysfunction.

To understand the nature of the relationship between these two variables, a Pearson correlation coefficient was computed. The result revealed a strong and statistically significant negative correlation between funding adequacy and crisis frequency ($r = -0.70$, $p < .001$). This implies that as perceptions of funding adequacy decrease, the frequency of institutional crises increases considerably. The strength of the correlation highlights the extent to which fiscal constraints are likely driving operational instability in public primary schools.

To further examine the predictive relationship between funding perceptions and crisis occurrence, a simple linear regression analysis was conducted. The regression model was statistically significant, $F(1, 248) = 234.2$, $p < .001$, and explained approximately 48.6% of the variance in

institutional crisis frequency (R^2 = 0.486). This suggests that nearly half of the variability in crisis occurrences can be accounted for by how adequately schools perceive they are being funded—a substantial effect in the context of educational management.

The resulting regression equation was:

Crisis Frequency Score = 10.03 − 2.00 × Funding Adequacy Score

The unstandardised regression coefficient (β = -2.00) indicates that for every one-point decline in the perceived adequacy of funding, the crisis frequency score increases by two points. This finding has significant implications: a school moving from a "fair" funding level (score = 3) to a "poor" level (score = 2) could expect a jump in crisis frequency from, for example, 4.0 to 6.0, crossing a threshold that could signal administrative breakdown or educational disruptions. Moreover, the 95% confidence interval for the regression coefficient ranged from -2.26 to -1.74, further confirming the precision and robustness of the model. The narrow confidence interval reinforces the reliability of the negative relationship between the two variables.

In summary, these results provide empirical support for the argument that inadequate funding plays a critical and quantifiable role in precipitating crises within the basic education sector in Bayelsa State. The strong negative correlation and predictive power of the regression model underscore the urgency of increasing public investment in school infrastructure, staffing, and learning resources as a pathway to reducing institutional instability and improving overall educational outcomes.

Discussion

The results of this study provide robust empirical support for the enduring argument that chronic under-funding is the foundational cause of systemic crises in Nigerian public universities. With approximately 49% of the variance in crisis occurrence at Niger Delta University (NDU) explained by perceptions of funding adequacy, this research shifts the debate from speculative attribution to statistically grounded diagnosis. The strength and significance of the negative correlation between funding adequacy and crisis frequency confirm that fiscal distress is not just a contextual irritant, but a structural determinant of institutional fragility.

This finding lends empirical weight to the conclusions of Salihu and Omotayo (2022), who contend that poor financing erodes institutional autonomy and resilience across Nigeria's public tertiary education system. The predictive value of funding observed in the current study shows that institutional crises such as industrial actions, academic disruptions, and infrastructural neglect are not episodic or coincidental; they are the logical consequences of prolonged financial starvation. The linear regression model's predictive clarity suggests that these crises are systemic manifestations of an underfunded and overburdened educational environment.

From a theoretical standpoint, the findings align significantly with Resource Dependency Theory (Pfeffer & Salancik, 1978), which posits that organisations that

rely heavily on external resources, particularly those they do not control, are inherently unstable and prone to dysfunction. In the case of NDU, dependence on irregular and insufficient government subventions has created a cycle of volatility in which university leadership is more preoccupied with crisis response than strategic planning. This externally induced precarity leaves institutions vulnerable to both internal discontent and external political interference, thereby weakening institutional governance and autonomy.

Moreover, these insights also corroborate Systems Theory perspectives (Scott & Davis, 2015), which conceptualise universities as holistic organisms comprised of interrelated subsystems, administration, academics, research, student welfare, and finance. The destabilisation of one subsystem, such as funding, produces ripple effects throughout the entire institutional ecology. In this context, staff strikes become acts of economic survival, student protests are reframed as expressions of disempowerment, and academic stagnation becomes symptomatic of broader systemic decay. Such interconnected dysfunctions are signs of a failing system, not merely the result of poor leadership or mismanagement.

Qualitative responses obtained from open-ended items in the questionnaire further illuminate the lived realities behind these statistical patterns. A recurring theme in these narratives was delayed or irregular release of funds, which participants identified as the principal cause of low morale, attrition of staff, stifled research output, and labour unrest. Some respondents lamented their inability to conduct research or attend conferences due to lack of funding, while others pointed to the opaqueness of budgetary processes and lack of accountability as drivers of institutional mistrust and disengagement. Administrative personnel, in particular, noted the operational paralysis caused by the absence of predictable funding, citing cases where even routine maintenance and logistics had to be delayed pending state disbursements.

Taken together, these findings suggest that incremental or palliative approaches, such as emergency funding or short-term grants, are grossly insufficient to address the crisis. What is urgently needed is a comprehensive overhaul of the university financing architecture in Nigeria. This includes transitioning to a performance-based funding model that allocates resources based on measurable outputs and strategic priorities, while ensuring transparency, equity, and institutional accountability. Furthermore, there is a critical need to enhance financial autonomy for universities, enabling them to design their own revenue-generation strategies, including commercial ventures, alumni endowments, research consultancy, and industry partnerships, within a regulated framework that upholds public accountability and academic integrity.

On a broader policy level, this study underscores that education financing is not merely a budgetary line item, but a strategic pillar of national development and security. An underfunded university system cannot be expected to produce the calibre of human capital required for Nigeria's technological advancement, democratic governance, or socioeconomic transformation. Without adequate and sustainable investment, public

universities will remain trapped in cycles of decay and disruption, regardless of the commitment or competence of their administrators.

Ultimately, the findings reiterate that addressing the funding crisis is not just a managerial responsibility, but a national governance imperative. It calls for a unified commitment by federal and state governments, development partners, university leadership, and civil society to prioritise higher education as a critical component of Nigeria's long-term survival and competitiveness. Until such systemic reconfiguration is achieved, universities like NDU will continue to teeter on the edge of crisis, unable to fulfil their mandate as engines of national development.

Conclusion and Recommendations

The findings of this study provide compelling evidence that under-funding is not merely an incidental challenge but a systemic impediment to the stability and performance of public universities in Nigeria, particularly in the Niger Delta region. The case of Niger Delta University (NDU) underscores how financial inadequacies fundamentally compromise the university's capacity to operate efficiently, retain talent, deliver quality education, and maintain institutional cohesion. With nearly half of the variance in crisis frequency statistically explained by perceptions of funding adequacy, it becomes clear that financial instability has cascading effects on academic, administrative, and infrastructural subsystems. This crisis is not sporadic; it is entrenched, predictable, and structurally induced by prolonged neglect and fiscal fragility. Thus, the crisis profile observed at NDU should be interpreted not as a failure of leadership or planning alone but as a reflection of broader policy dysfunction within Nigeria's tertiary education system.

Against this backdrop, it is imperative to reframe university financing as a governance and development priority rather than a discretionary allocation. The current model of erratic government subvention, often vulnerable to political manipulation and bureaucratic delays, has proven unsustainable. Universities require a predictable and performance-sensitive funding structure that aligns financial inputs with institutional outputs such as research productivity, graduate employability, and innovation. Furthermore, financial reform must go hand-in-hand with expanded institutional autonomy. When universities are empowered to diversify their revenue streams, through alumni contributions, industry partnerships, research commercialisation, and responsible fee regimes, they become less vulnerable to fiscal shocks and more agile in pursuing strategic goals.

Additionally, reforming university finance must be accompanied by greater transparency, accountability, and stakeholder engagement. Budget processes should be clear, participatory, and subject to oversight mechanisms that prevent fund mismanagement while promoting meritocratic allocation. Investing in capacity building for university financial managers, enhancing internal audit systems, and linking funding to academic quality assurance can help build a culture of trust and performance. Moreover, the role of staff and student unions

must be redefined from reactionary protest mechanisms to proactive development partners in the design and monitoring of financial policies.

In conclusion, addressing the funding crisis in Nigerian public universities requires more than surface-level interventions. It demands a systemic recalibration of how the state conceptualises and supports higher education. Universities like NDU are not only centres of learning; they are incubators of national talent, civic culture, and socio-economic transformation. If their financial foundation remains unstable, their potential to contribute meaningfully to national development will remain unrealised. A future-proof educational system must therefore rest on the pillars of financial sustainability, institutional autonomy, and strategic accountability. Only then can Nigerian universities fulfil their mission as engines of innovation, inclusion, and national progress.

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