IMPACT OF UTILIZATION OF INTERNALLY GENERATED REVENUE (IGR) ON MANAGEMENT OF TERTIARY INSTITUTIONS IN NIGER STATE

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Abstract
This study examined the impact of internally generated revenue on the development of tertiary institutions in Niger state, Nigeria. (1) objective of the study was to examine the impact of the utilising of IGR on the management of tertiary institution in Niger state. Relevant literature was reviewed. Cross sectional survey research design was used for the study. Total population of 24 made up of all the management staff of the 4 tertiary institutions within Minna. Hence, the entire population was maintained for the sample. A self-developed questionnaire titled Internally Generated Revenue Management Questionnaire (IGRMQ) which comprised of 5 structured item statements. Likert scale was used to rate opinions of the respondents. The instrument was validated and a reliability coefficient of 0.82 was obtained. Decision mean of 2.5 was set as acceptance or rejection level for each item statement. The study concluded that the consequences of the utilization of IGR in effective management amidst scarce and dwindling resources (finance) on varied educational transactions are positively rated. The study recommended that the institutions management need to closely monitor and supervise these ventures and internal fund sources to ensure accountability and profitability. The proceeds from the ventures should effectively utilized to enhance effective and efficient management of tertiary institutions in Niger state

Keywords: Internally Generated Revenue (IGR), Management, Tertiary Institutions

Introduction

The financial resources of a formal organization often dictate the extent of concurrent activities it can undertake. Organizations with a robust financial foundation possess the capability to achieve more in pursuit of their goals and objectives. This underscores the importance of bolstering the financial base, particularly in educational institutions like universities, to enhance goal achievement and overall institutional development. To achieve this, universities are urged to explore ways of increasing internally generated revenue to supplement government assistance. Internal revenue sources in universities encompass student registration fees, hall and equipment rentals, donations, dividends, interest, transcript fees, academic gown fees, and other avenues. In the case of state governments, the second tier of government in Nigeria, their revenue streams vary among states and are derived from diverse sources (Okoh ,2014).

Afufu(2018) defined Internally Generated Revenue as the creation of either tangible or intangible results within the confines of one entity, for example IGR are income that are earn on some commercial or business transaction; that is, this income are not temporarily?. Internally Generated funds shall mean funds not constituting the proceeds of any loan, Debt Issuance, Equity Issuance, Asset sale, Insurance recovery or Indebtedness. It therefore means that in the field of education, Internally Generated Revenue refer to the income or fund generated by the school system to finance her activities aside the financial interventions of the government. On their part, Obasi and Asodike (2007) submitted that other sources of fund for management of tertiary education institutions include the following: school fees, levies, school fund raising ceremonies, allied school business, sale of student arts and crafts, school farm proceeds, school cultural dance troop and choir and alumni association and aid.

A Synopsis of some of these alternative sources that summed up the institution internally generated platforms for funds are: local loans/ Free grants, Tertiary Educational fund (TETFUND), Multinational Companies, school fees and levies (Institutional source). Endowment/Donations: Okunamiri (2007) is of the view that endowment funds and donations are recent development in financing education in Nigeria. Endowment or donations are done by giving money to erect school buildings, blocks or provide facilities and equipment. Foreign loans are equally obtained for financing education in Nigeria. Other sources of funding education, includes Old Students Association (Alumni Association), Among others

Instead of solely relying on the federal government for funding, federal institutions are pursuing additional sources of revenue; this category of funds will be referred to as internally generated revenue (IGR) throughout this dissertation. (Akinyemi, 2012) cited a number of advances in program offerings that have enabled colleges significantly increase their revenue. Part-time programs to consultant companies are amon.g them, as the federal government requires federal universities to generate 10% of their total annual funding (2012). To satisfy these needs, some institutions provide evening and weekend undergraduate and postgraduate degree programs, while others construct satellite campuses in large cities. While such programs bring in money for the university, they are insufficient to close the gap in funding that these institutions face

Education has been acknowledged as the only investment a country can embark on if it wants to acquire a fast economic development. Certainly, the dream of tertiary education is to make a contribution to a country's wide development through level applicable manpower planning. Worldwide, it is generally held that all stakeholders in education, including Governments, individuals and communities expect schools at all levels to produce educated persons for national and individual development. This expectation is higher at the tertiary level which by its nature is expected to produce very high-level quality manpower both for its educating functions and meeting the needs of the society for effective growth and development of every sector of the economy. It is also acknowledged that apart from the human resources, among the several factors which contribute to the achievement of the goals and objectives, adequacy of funding has been identified as possibly the most crucial in maintaining and improving the quality of education (Idialu, 2012).

Despite the identification of funding as the key factor in positive transformation of the education most African Governments including Nigeria, and in particular, those persons in charge of education have not given explicit attention to funding the education industry. Undoubtedly the financial challenge facing tertiary education in Nigeria is gross; under funding which could be linked to undue reliance on Government for funds by university managers (Erhagbe, 2014). Such inadequacy of funding could also be linked to the depression in the country's economy as well as the high level of corruption in the country.

Hence, despite the obvious and enormous financial resources accruing to Nigeria, the educational system is confronted with excessive inadequacy of infrastructure and facilities for teaching and research which have remained a clog in the wheel of effective administration of Nigeria Universities (Aina, 2002). The situation put the management of tertiary under undue stress (Nwadiani& Ofoegbu, 2005) and as a result they are incapacitated in transforming the institutions towards effective teaching, research and community services. Likewise, the management could hardly embark on capital or other palpable development of their institutions; a situation which in turn has adversely affected capacity building and total development. Indeed, most basic facilities such as public address systems, interactive boards and video conferencing facilities which are taken for granted in many more developed foreign institutions of learning are either unavailable or in short supply in Nigeria. Ogbogu (2011) stated in a study that the academic staff did not attend workshops and conferences regularly and that there was a drastic reduction in the award of research grants and fellowships all due to lack of funds.

Kpolovie and Esezi (2013) affirmed that over the years the Nigerian governments' budgetary allocations for education have left much to be desired. According to the authors the allocation trend is abysmally retrogressive; a trend that has the tendency to destroy all that is positive in education. Affirmed that the highest budgetary amount appropriated to education and by inference the tertiary institutions was 10% since 2013. Worried about the incessant complaints of poor funding of public institutions of learning advised universities, Colleges of Education and polytechnics managers, through their respective regulatory bodies such as: National Universities Commission (NUC),National Commission for Colleges of Education(NCCE) and National Board for Technical Education (NBTE) explore various ways of generating ten percent (10%) of their expected revenue from within and outside their institutions towards solving their finance related problems rather than depend almost entirely on subsidizations by Government. Several institutions of learning especially the higher institutions are already capitalizing on the Federal Government directive. Some tertiary institutions managers have devised means of generating extra revenue towards meeting the developmental needs of their institutions. Indeed, evidence abound of such revenue drive and the most obvious are the commercial ventures.

Tertiary institutions have expanded the scope of their internally generated revenue to include student fees, grants, private contributors, tertiary education trust fund (ETF), commercial ventures, alumni relations associations, and undertaking research and consultancy services as a means of finding a solution to the nation's universities' unending financial problems and the mandate that each federal university must generate at least 10% of its total revenue (Akinyemi, 2012). Each of these funding sources will be briefly addressed to offer context for the problem statement. According to Aina (2002), tertiary institutions should seek alternative funding to supplement government funding by generating revenue internally, and there should be proper monitoring of how monies are given and where they are employed. The amount of academic staff union of universities (ASUU) strikes in Nigerian institutions should decrease as a result of this. To identify the various income generating activities being embarked upon by the various institutions of higher learnings, the various universities have devised their own survival strategies. Among the three first generation universities included in the study, there are overlaps in the areas of petrol stations, book stores, consultancy units, and rents from buildings, endowments, student fees, accommodation and interests from investments (Isagua, 2021).

Interviews with the staff of the various commercial units showed that those ventures making project profits are ploughed back for expansion and to provide better working conditions for staff. This, thereby, confirms the hackneyed statement that “necessity is the mother of invention” having been pushed to the corner and being left with no other option. Although, some responses indicated the need for caution in that it was found that the staff of such income-generating units could become so engrossed with making money that teaching and research would tend to be neglected. But as at the time of the survey, there have been few of such experiences (Isagua, 2021).

Internal control is a broad term that covers a vast of operations in firms? revenue generation through the prevention and detection of losses (Kumar & Sharma, 2015). The assessment consists of identifying scenarios in which funds can be lost or stolen and determining if existing control procedures effectively manage the risk to an acceptable level. According to Kumar and Sharma (2015), internal control assists the management in the performance of various functions aimed at achieving the objectives of the organization. Doyle (2017) and Millichamp (2017) add that internal control is a whole system of controls established by the management for the business entity to check the conduct of the business. Internal control is thus designed and implemented to address identified business risks that threaten the achievement of an organization's objective.

The term gender refers to social constriction of female and male identity. It can be defined as more than biological differences between men and women; it indicates the way in which those differences whether real or perceived have been valued, used and relied upon to clarify women and men to assign roles and responsibilities to them (Okunsebor, 2009). According to Jugale (2010) gender is used to denote the roles played by women and men and deals not only with differences (how a society constructs feminine and masculine people) but also with how the society connotes power on each of the sexes. As such gender determines what is expected, allowed and valued in a woman or man in a given context. In most societies, there are differences and inequalities between men and women, in most society's men are assigned special responsibilities, they are made to undertake special activities, they are made to have access to and control over resources, as well as decision making opportunities (Patrick, 2010). According to Egunyomi, Fadeyi, Folaranmi& Adelore (2001) gender connotes femineity and masculinity. They emphasized that masculinity characteristics in Africa for example include bread winner and head of family, strong vigilant and adventurous, never cries or display emotions and engages in male's games such as wrestling. Feminine characteristics on the other hand include taking care of domestic chores, very emotional, engages in female games such as dancing. In effect gender is the identification of the sexes influenced by cultural factors such as socio-cultural, religion, economic among others.

Statement of the Problem

It is a common place knowledge that tertiary education has suffered from inadequate funding in Nigeria. The trend in the budgetary allocation to the education in Nigeria indicated that education receive only paltry sum since 1988 to date even the highest allocation of 10% received in 1988 fall below the standard benchmark of 26% recommended by UNESCO. The same scenario is replicated in the state as allocation to education continue to dwindle to an all-low level with only 15.5% allocated in 2021. These fluctuation in the allocation to education have contributed to the backwardness currently been faced in the development of our institutions. With the high demand for tertiary education in the state, the available resources are now over-stretched and cannot sustain for the development of both human and material resources. This called for stakeholders and nongovernmental agencies to fully participate in the financing of tertiary education institutions. Due to the fact that the resources needed to provide quality service are in short supply, there is a high level of dehumanizing living condition for staff and students, congested classrooms, insufficient instructional materials. Therefore, in the face of the declining financial resources allocation to the education sector, there is the need for alternative channels of funding which will ensure qualitative education in the state.

Objective

The aim of the study is to examine the impact of the utilization of IGR on the anagement of tertiary institutions in Niger State.

Research Question

1. What is the impact of the utilization of IGR on the management of tertiary institutions in Niger State?

Hypotheses

1. There is no significant difference between the mean rating of female and male staff on the impact of the utilization of Internally Generated Revenue on the management of tertiary institutions in Niger State.

Scope and Delimitation of the Study

The study focused on determining the impact of the utilization of Internally Generated Revenue (IGR) on the principal management team of tertiary institutions in Niger State, comprising a maximum of six members from each of the four tertiary institutions within Minna metropolis, namely COE, MITI, FLAILAS, and the School of Health. However, the study only encompasses the management staff of the tertiary institutions within Minna metropolis.

Methodology

The study adopted cross sectional survey research design. This type of research design enables the researchers to collect data from different respondents at a single point in time (Bryman, 2008). Data for the study was collected using a self-developed structured questionnaire titled “Internally Generated Revenue Management Questionnaire (IGRMQ)”. The instrument was made up of two parts; Part one was used to gather the demographic data on the respondents. Part two sought data on the impact of IGR on the management of tertiary institution in Niger state. The instrument was validated by two senior lecturers in the Department of Economics, Nger State College of Education, Minna. Thereby, an internal consistency index using a Cronbach Alpha test was computed and established at 0.82. This was considered reliable enough for the study. The instrument was administered on the respondents on the spot and retrieved. A total number of 24 copies of the questionnaires were distributed and retrieved from 24 principal management team made up four tertiary institutions within Minna metropolis namely COE, MITI, FLAILAS and School of Health Technology. The result from the data collected was analysed using varied statistical tools such as: frequency counts, average mean and standard deviation to ensure the acceptability or otherwise to decision rule set at 2.5 while t- test statistics was used to analyse the null hypothesis at 0.05 level of significance.

Impact of the utilization of IGR on the development of tertiary institutions in Niger State?

S/N.	Items.	N.	Mean.	SD.	Decision
1.	Internally generated revenue is used to cater for day -to-day expenses in our institution.	24.	3. 29.	0.85.	Agreed
2.	Funds raised internally in the institutions help to subsidize staff and student welfare.	24.	3.04.	0.99.	Agreed
3.	Staff development is managed with revenue generated internally in our institution.	24.	3.29.	0.85.	Agreed

4.	Revenue generated internally we us ed to carry out maintenance work on institutional facilities	24.	2.84.	0.92.
Agreed				
5.	Infrastructural development in our institution is possible through internally generated revenue.	24.	2.46.	0.80.
Disagree				

Source: Field work (2022) Weighted mean 2.5

Data from table 1 revealed that the items 1, 2, 3, and 4 had mean scores above the criterion mean of 2.50, and thus, were agreed to as the impact of Internally Generated Revenue in managing the various aspect of the of tertiary educational institutions in Niger State. However, item 5 had weighted mean scores below the criterion mean of 2.50, indicates a disagreement among respondents to the use of internally generated revenue in funding infrastructural development the state tertiary institutions tertiary educational institutions. In summary, with an aggregate we mean set of 2.86 above the criterion mean of 2.50, it reveals that the principal management team in the state tertiary educational institutions accepted that the use of internally generated revenue in funding tertiary educational institutions in Niger state are by subsidizing staff and student welfare, day-to-day expenses, carry out maintenance work of educational institution facilities.

Table2. Independent T- Test Statistics on the Mean Rating of Male and Female Respondents in the Impact of the utilization of IGR on the management of tertiary institutions in Niger state

Category	N	Mean	SD	T.Cal	Df	Alpha	T.cri	Sig
Male	18	37.4828	7.65922	0.714	45	0.05	0.334	Sig
Female	6	29,111	8.48862					

The data presented in Table 2 revealed that the t-cal of -0.714 is less than the t-cri of 0.334 at 0.05 levels of significance and 45 degrees of freedom. As a result, the null hypothesis indicates that there is no significant difference in the mean rating of male and female respondents on the impact of Internally Generated Revenue on management of tertiary educational institutions in Niger State

Discussion

The findings from the study revealed that gender does not play any role in the perspectives expressed by the respondents; participants were united in affirming that alternative sources generated by the tertiary institutions helped in various management functions within the tertiary schools. This position is corroborated by Taiwo (2007) opinion about the impact observable in the development of tertiary institutions from internally generated monies is not conditioned on the gender of the administrator as there is an effective monitoring mechanism that ensures accountability. Furthermore, the impact of alternative sources of revenue as highlighted in the finding of this study is to cater for day-to-day expenses, help to subsidize staff and students' welfare, staff development is managed with revenue generated internally, carryout maintenance work on facilities in the institutions. These findings are no different from the findings of Annie and Geongera (2012) which indicate that additional internal fund source that are well managed and monitored has the capacity to improve organizational outcomes and increased the revenue inflows for the day to day running, maintenance and developmental project in higher institutions. Also, the study corroborated the assertion by Onuoha (2012) that internally generated revenue has a very significant role to play as a source of critical funding for all categorizes of higher institutions in Nigeria. From the study, internal revenue makes a great impact on the activities of the institutions.

Conclusions

The result shows that a large majority of tertiary administrators are of the opinion that IGR will reduce the problem of underfunding and over reliance on government for funds the scarcity of which has remained a clog in the wheels of effective management of higher institutions in Niger State, Nigeria. It also shows that IGR if properly executed will ensure positive transformative changes with a propensity for more progress. Therefore, based on the findings of this study it can be concluded that the consequences of IGR in effective administration amidst scarce and dwindling resources (finance) on varied educational transactions are highly rated with a wide range of positive impacts on the current trends for tertiary school management.

Recommendation

1. Tertiary institutions should engage in profitable businesses to generate additional income for their operations.
2. Higher institution managers should closely monitor internal ventures for accountability and profitability. The proceeds from these ventures can then be effectively utilized to enhance the management of tertiary institutions in Niger State.
3. Tertiary institutions in Niger State should create more avenues by strengthening the means of revenue generation through the introduction of additional courses and by blocking leakages within the system.

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