

**IMPACT OF AVAILABILITY AND DISTRIBUTION OF FINANCIAL RESOURCES ON  
EDUCATION MANAGEMENT IN OSUN STATE UNIVERSITY, NIGERIA****Adewole, Joseph Adeyinka., PhD.**

Department of Banking and Finance,  
Faculty of Management Sciences,  
Osun State University, Osogbo, Nigeria.  
joseph.adewole@uniosun.edu.ng, +23408030672138

**Adewale, Abass Adekunle,**

Department of Banking and Finance,  
Faculty of Management Sciences,  
Osun State University, Osogbo, Nigeria.  
abassadewale96@gmail.com, +2348135362344

**Afolabi, Chukwudi Segun, PhD.**

Department of accounting,  
Ekiti State University,  
Ado-Ekiti, Nigeria  
chukwudiafolabi@gmail.com, +2348144360365

**Fakunle, Isaiah Omotayo., PhD.,**

Kings University, Odeomu area,  
Osun State. Nigeria  
io.fakunle@kingsuniversity.edu, +2348056374972

**Tiamiyu, Surajudeen**

Department of Banking and Finance,  
Federal Polytechnic,  
Offa, Kwara State, Nigeria.  
isholasurajudeen26@gmail.com, +2348165373790

**Adeyemo, Abass Adedolapo**

Department of Banking and Finance,  
Faculty of Management Sciences,  
Osun State University, Osogbo, Nigeria.  
abass.adeyemo@uniosun.edu.ng, +2348169710403

**ABSTRACT**

*This study examines the role of finance in education management at Osun State University, Nigeria. Specifically, it investigates the impact of the availability and distribution of financial resources and the role of budgeting on the university's educational management. Two research questions guided the study and two null hypotheses were tested: How does the availability and allocation of financial resources affect various aspects of education management within Osun State University? How does budgeting impact education management at Osun State University? The null hypotheses were formulated as follows:  $H_{0\ 1}$  : The availability and allocation of financial resources do not significantly affect various aspects of education management within Osun State University.  $H_{0\ 2}$  : Budgeting strategies have no significant impact on education management at Osun State University. A survey research design was employed, targeting staff at Osun State University. Data were collected using questionnaires distributed to 100 randomly selected staff members. Multiple regression analysis was performed using SPSS. The findings revealed a strong positive association between education management, budgeting, and the availability and distribution of financial resources ( $R = 0.978$ ;  $R^2 = 95.7\%$ ), with statistical significance confirmed at the 0.05 level. The study concludes that adequate and well-allocated financial resources, along with consistent budgeting practices, are essential for effective education management.*

**KEYWORDS:** *Finance; Education Management; Financial Resources; Budgeting.*

## INTRODUCTION

Education is crucial for a nation's progress and development. It forms the foundation for a country's future, helping individuals, encouraging innovation, and boosting economic growth. (Adeyemi et al., 2024). In Nigeria, known for its diverse culture and young population, a well-managed education system is essential for sustainable socio-economic development and general wellbeing of citizens.

Recently, there has been a push for better financial management to address these problems. Adequate financial resources are needed not only for basic operations but also for innovation, infrastructure improvements, hiring skilled faculty, and offering a comprehensive educational experience. Understanding Nigeria's education system helps highlight these challenges and the potential benefits of effective financial management.

According to Nigeria's government budget projections, funding for universities is capped along with other economic sectors. One issue in Nigerian higher education is that federal universities cannot charge tuition fees by law, leading to complaints about insufficient funding. Providing quality higher education is essential, but it requires proper funding. Over the past decade, the Federal Government has spent less than 2% of GDP on education, with university funding around 1.6%. This has led to poor quality, indicating a need to rethink the funding model to make universities more relevant and competitive (Akinyemi et al., 2012).

A reliable and adequate funding platform is key to achieving accessible and high-quality education. The common approach of fully state-funded or free tuition for a few universities has proven unsustainable. As private higher education grows rapidly worldwide, it has become crucial to address the challenges such as low standards, lack of transparency, and financial strategies that prioritize profits over quality. Therefore, guiding private sector developments in the public interest is essential (Adesola, 2024).

The primary research problem addressed in this study revolves around the insufficient funding of education and its profound impact on the quality of education at Osun State University, Nigeria. While education is widely recognized as a key driver of individual and national development, the chronic underfunding of educational institutions in Nigeria, particularly in Osun State, poses a critical challenge to achieving educational excellence.

According to data from the Nigerian government's budgetary allocations, the education sector consistently receives a lower share of the national budget than recommended by international benchmarks. The UNESCO-recommended benchmark for education expenditure is 26% of the total budget. However, Nigeria's allocation has often fallen far short of this target, hovering around

6-8% of the national budget in recent years (Usman, 2016).

Inadequate funding has resulted in a severe lack of essential infrastructure in educational institutions across Nigeria, including Osun State University. Many schools struggle with dilapidated buildings, overcrowded classrooms, and inadequate libraries and laboratories, all of which have a direct bearing on the quality of education (Omiunu, 2014).

The funding shortage has also led to a scarcity of qualified teaching staff. Some universities grapple with faculty shortages, which can hinder the delivery of high-quality education (Usman, 2016). Research is a crucial component of higher education, driving innovation and development. However, due to limited resources, universities often struggle to fund research initiatives and provide faculty with the necessary support to engage in meaningful research (Oke, et al., 2017). Students, the ultimate beneficiaries of the education system, bear the brunt of underfunding. They face challenges such as outdated learning materials, limited access to technology, and reduced student support services, all of which compromise their learning experiences and prospects for the future (Omiunu, 2014).

In an increasingly globalized world, the competitiveness of Nigerian graduates in the international job market is influenced by the quality of education they receive. Underfunded institutions may struggle to offer programs that meet global standards (Usman, 2016). These statistics and evidence highlight the dire consequences of insufficient funding on the education sector in Nigeria, with particular relevance to Osun State University. The underfunding problem is multifaceted, affecting infrastructure, faculty and staff, research, and, most importantly, the quality of education delivered to students. The effect of this problem is widely felt in Osun State University making it imperative to conduct this study on the impact of availability and distribution of financial resources and budgeting on education management in the institution.

This research endeavors to investigate how finance can serve as a catalyst for addressing these challenges and improving the management of education at Osun State University.

This study aims to assess the impact of availability and distribution of financial resources on education management in Osun state university, Nigeria. In particular, the study sought to investigate the ways in which Osun State University's education management is impacted by the availability and distribution of financial resources. The investigation of budgeting's impact on Osun State University's education management is another goal of the study. In order to direct the investigation, some questions were developed; (i) How does the availability and allocation of financial resources affect various aspects of education management within Osun State University? (ii) How does budgeting have impact on education management in Osun State University? The study's hypotheses were stated in the null form; (i) Availability and allocation of financial resources does not significantly affect various aspects of education management within Osun State

University (ii) Budgeting strategies on education management in Osun State University.

This study aims to explore how finance can improve the management of education at Osun State University, Nigeria. Nigeria, the most populous country in Africa, has a diverse and complex education system. It includes various levels from primary to tertiary education. However, the education system faces serious challenges such as inadequate funding, poor infrastructure, unequal access, outdated curricula, and low-quality teaching and research. One of the main issues is financing which causes, with many educational institutions, including Osun State University, to struggle with limited resources and poor learning environments.

## **LITERATURE REVIEW:**

Related literature to the study was reviewed under theoretical framework, theoretical studies and empirical studies as follows;

## **EDUCATION**

Education significantly influences family income, as higher levels of education are linked to improved economic and psychological outcomes (Olanrewaju et al., 2024). When individuals attain higher education, they often have better job prospects, higher earning potential, and a more stable financial situation. This relationship between education and income extends to families, where educational attainment can enhance overall family well-being and stability. Education contributes to better decision-making and health outcomes within families. Educated individuals are more likely to make informed choices about health, nutrition, and lifestyle, which can positively impact their family's quality of life. As a result, education not only shapes individual success but also plays a crucial role in improving the economic and social conditions of entire families, communities and nations.

## **Historical Overview of Osun State University (UNIOSUN)**

Osun State University (UNIOSUN) was founded in 2006 by the Osun State Government to address the increasing demand for higher education in the state. Initially operating from a temporary campus in Okuku, the university later established its main campus in Osogbo. UNIOSUN welcomed its first students in 2007 and expanded by opening additional campuses across Osun State (Osun State University, 2024).

As UNIOSUN developed, it focused on building modern facilities, such as lecture halls, libraries, and laboratories. The university broadened its academic programs to include various disciplines and prioritized hiring qualified faculty to enhance teaching and research quality. It also introduced student support services like counseling, scholarships, and extracurricular activities to improve the

student experience (Osun State University, 2024).

### **Significant Milestones and Changes in Education Management**

UNIOSUN's key milestones include the construction of its main campus, expansion of academic programs, and recruitment of skilled faculty. The university has also focused on research and innovation, promoting partnerships with industries and government agencies. To tackle funding issues, UNIOSUN has diversified its funding sources and improved resource management. Embracing digital transformation has been crucial for modernizing teaching and learning, helping the university stay competitive in a fast-evolving educational environment (Osun State University, 2024).

### **Gaps in the Literature**

Existing research often lacks in-depth analysis of the unique institutional contexts of specific Nigerian universities. Each institution may have distinct financial challenges and opportunities that require tailored solutions. Few studies conduct comparative analyses of multiple universities, limiting the generalizability of findings. A more comprehensive understanding of the diversity of financial management practices across institutions is needed. While some studies establish correlations between finance and education management, there's a gap in research that rigorously assesses the impact of specific financial management practices on educational outcomes.

Many studies diagnose financial challenges but fall short in offering practical policy recommendations for universities and policymakers to improve financial management and educational quality. Limited longitudinal studies exist that track the evolution of financial management practices and their effects over an extended period. Longitudinal research can provide insights into trends and changes in the financial dynamics of Nigerian universities. Few studies incorporate the perspectives and experiences of students in relation to financial management and its impact on the quality of education.

### **Empirical review**

Osuji and Nyebuchi (2021) examined how school administrators in Port Harcourt manage finances through commercial ventures, social events, and private sector contributions. The descriptive survey included 105 administrators, and findings showed that revenue generation and auditing improve school administration. They recommended more revenue-generating activities, like farming, to supplement government funds.

Titus and Ukaigwe (2018) investigated fund management strategies, focusing on commercial ventures in Bayelsa State's public secondary schools. With 115 principals participating, the study found that keeping income records aids in effective administration. Data was analyzed using Mean, Standard Deviation, and z-test statistics.

## Theoretical review

### Financial Management Theory:

Financial Management Theory, as propounded by scholars like Weston and Brigham (1975) and Ross et al., (2013), provides a framework for understanding how organizations manage their financial resources to achieve their objectives. This theory emphasizes strategic allocation, efficient utilization, and rigorous monitoring of financial resources, aiming to maximize value and support organizational goals. Relevance: Financial Management Theory encompasses various principles and strategies related to budgeting, resource allocation, and financial decision-making. Within Osun State University, effective financial management practices are crucial for optimizing resource utilization. This theory aids in understanding how the university's financial decisions impact its ability to invest in infrastructure, faculty, and student services while maintaining financial sustainability.

## METHODOLOGY

This study adopted a survey research design to investigate the impact of financial resource availability, distribution, and budgeting on education management at Osun State University. The survey design was selected because it facilitates the collection of quantitative data reflecting respondents' views, attitudes, and experiences regarding the study variables.

The study population comprised staff members of Osun State University. A simple random sampling technique was employed to select 100 respondents from this population. This approach ensured that each staff member had an equal chance of being included, thereby enhancing the representativeness of the sample.

Sampling procedures is the means of choosing the study subject from which the relevant data for the study gotten. In order to get a good representative's sample size, the sampling techniques used for this is simple random sampling. The random sampling technique was used to select respondents. The research used one hundred (100) copies of questionnaire for the analysis of data collected.

Utilising regression analysis, the data gathered via questionnaires was examined. The analysis's output was presented using Statistical Package for Social Science SPSS 22.0.

The study employed the following econometric model to test the hypotheses:

$$\text{EDM} = f(\text{FR}, \text{BG}) \dots \dots \dots (1)$$

$$\text{EDM} = \beta_0 + \beta_1 \text{FR} + \beta_2 \text{BG} \dots \dots \dots (2)$$

Where:

FR is availability and allocation of financial resources

BG is Budgeting

EDM is Education Management

EDM is the dependent variable

FR is an independent variable

BG is an independent variable

$\beta_0$  is an intercept parameter

$\beta_1$  is a slope of regression

$\beta_2$  is a slope of regression

## RESULTS

**Table 4.1: Model Summary for the Impact of Financial Resources on Education Management in Osun State University.**

Model	R	R Square	Adjusted R Square	R Square Change	Durbin-Watson
1	.978	.957	.956	.957	2.01

Table 1 show that availability and allocation of financial resources have a substantial and positive effect on education management in Osun State University. The correlation coefficient (R) of 0.978 indicates a very strong positive relationship, meaning that as financial resources become more available and better allocated, the effectiveness of education management increases. The R-Squared value of 95.7% shows that the availability and allocation of financial resources explain 95.7% of the variance in education management outcomes, leaving only 4.3% unexplained by other factors. The Durbin-Watson statistic of 2.01 suggests there is no autocorrelation, confirming the reliability of this relationship.

**Table 4.2: ANOVA Results for the Impact of Financial Resources and Budgeting on Education Management**

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	118.057	2	59.028	1073.622	.000b
Residual	5.333	97	.055		
Total	123.390	99			

a. Dependent Variable: Education Management (EDM)

b. Predictors: (Constant), Budgeting (BG), Financial Resources (FR)

Table 2 assess the impact of budgeting on education management. The ANOVA results indicate a statistically significant relationship ( $p < 0.05$ ) between budgeting strategies and education



management, with a p-value of 0.000. This strong statistical significance leads to the rejection of the null hypothesis (H02) that budgeting has no impact on education management. Instead, we accept the alternative hypothesis, confirming that budgeting significantly influences education management practices in Osun State University.

### Summary of Hypothesis Testing

- **H01:** The availability and allocation of financial resources do not significantly affect various aspects of education management within Osun State University.
  - *Decision:* Rejected. The findings suggest a significant and positive effect of financial resources on education management in Osun state University.
- **H02:** Budgeting strategies have significant effect no impact on education management in Osun State University.
  - *Decision:* Rejected. The results indicate that budgeting significantly affects education management in Osun state University.

**Table 4.3: Confidence Interval**

Model		95.0% Confidence Interval for B	
		Lower Bound	Upper Bound
1	(Constant)	-.193	.025
	FR	.786	.994
	BG	.059	.284

The results of the confidence intervals showed that the 95% confidence interval was reached. This indicates that the fraction of computed confidence intervals that include the actual population is reflected in the model's sample data.

**Table 4.4: Collinearity Diagnostics<sup>a</sup>**

Model	Dimension	Eigenvalue	Condition Index	Variance Proportions		
				(Constant)	FR	BG
1	1	2.855	1.000	.02	.00	.00
	2	.127	4.748	.98	.04	.04
	3	.018	12.534	.00	.95	.95
a. Dependent Variable: EDM						

According to the results of the Collinearity Diagnostics, the Variance Inflation Factors (VIF) is 1.00. Generally speaking, if a VIF is greater than 4, it should be investigated further; if it is greater than 10, it indicates significant multicollinearity that needs to be corrected. Further research is not necessary because the VIFs result in this model is 1.00.

## CONCLUSION

This study examined the impact of financial resource availability, distribution, and budgeting on education management at Osun State University. The findings revealed that financial resources and budgeting strategies play a significant role in the efficient management of the university. Specifically, the study established that adequate and well-allocated financial resources enhance operational efficiency, staff salary management, and the procurement of essential learning materials. Furthermore, effective budgeting strategies contribute to financial transparency, resource optimization, and overall institutional performance. The results of the multiple regression analysis demonstrated a strong positive relationship between education management, financial resource allocation, and budgeting practices. The correlation coefficient ( $R = 0.978$ ) indicated that financial management variables accounted for a substantial proportion (95.7%) of the variance in education management outcomes. Additionally, hypothesis testing confirmed that both financial resources and budgeting significantly impact education management, leading to the rejection of the null hypotheses. Based on these findings, the study concludes that financial management is a critical determinant of education quality and institutional sustainability. Universities must adopt strategic financial planning, ensure efficient allocation of resources, and implement sound budgeting practices to enhance their management effectiveness.

## Recommendations

Based on the research objectives and findings, conclusion of the study, the following recommendations were made:

1. Osun State University management should consistently apply sound budgeting practices to maintain and enhance the effectiveness of its educational management. Regular review and refinement of budgeting processes will help ensure that financial resources are allocated in a manner that supports the university's strategic goals.
2. Osun State University management should actively seek to increase its internally generated revenue to supplement existing financial resources. Additionally, the university should focus on the efficient and effective allocation of these resources to sustain and improve educational management. This can be achieved by prioritizing areas that directly contribute to educational quality and operational efficiency.

## REFERENCES

- Adesola, A. S. (2024). Private Sector Participation and the Development of University Education in the Nigeria's Fourth Republic, 1999-2021: A Historical Analysis. *International Journal of Educational Review*, 6(1), 59-78.
- Adeyemi, M. O., Odeh, R. C., & Agbulu, C. A. (2024). Influence Of Principals Social Events and Educational Services Fund-Raising Strategies Utilization on The Management of Public Secondary Schools in Oyo State, Nigeria. *International Journal of Global Affairs, Research and Development*, 2(1), 30-59.
- Ajuzie, M.V. (2001). A concise history of education in Nigeria: Issues and new challenges. Akoka Lagos, Nigeria: Time Publications.
- Akinyemi, S., Ofem, I. G., & Adebisi, O. (2012) Educational Financing Reforms in Nigeria: A Survey-Based Cost Implications Analysis for University Education. *International Journal of Humanities and Social Science*, Vol 2, No. 15, August.
- Oke, T. I., Ogundele, M. O., & Oparinde, R. O. (2017). Educational Resources Allocation and Effective Diversification of Nigerian Distance Education Programme. <https://irepos.unijos.edu.ng/jspui/handle/123456789/3127>
- Olanrewaju, S., Garba, G., & Ogunwale, T. (2024). Quality of housing services in the student residential areas of Osun State University, Osogbo campus, Nigeria. *Property Management*, 42(1), 58-69.
- Omiunu, O. G. (2014). Availability and utilization of ICT among human resources capitals in tertiary institutions in Southwestern Nigeria. *Journal of Education Research and Behavioural Sciences*, 3(5), 126-132.
- Osun State University. (2024). *About Us*. Retrieved August 14, 2024, from <https://www.uniosun.edu.ng/about-us>
- Ross, S.A., Westerfield, R.W. & Jaffe, J.F. (2013) Corporate Finance. 10th Edition, McGraw-Hill, Irwin, New York.
- UNESCO, (2002). Teacher education through distance learning. Paris: UNESCO.
- Usman, Y. D. (2016). Educational Resources: An Integral Component for Effective School Administration in Nigeria. *Online Submission*, 6(13), 27-37.
- Weston, J. F., & Brigham, E. F. (1975). Managerial Finance. 5th Edition, London: The Dryden Press.