

**Some pages of this thesis may have been removed for copyright restrictions.**

If you have discovered material in Aston Research Explorer which is unlawful e.g. breaches copyright, (either yours or that of a third party) or any other law, including but not limited to those relating to patent, trademark, confidentiality, data protection, obscenity, defamation, libel, then please read our [Takedown policy](#) and contact the service immediately (openaccess@aston.ac.uk)

**SYSTEMATIC FINANCIAL RESOURCES ALLOCATION PROCESSES: A Model for  
Critical Resources Mobilization and Deployment for Nigerian Universities**

**By**

**LUKE NWAOKEONU ONUOHA**

**A thesis submitted in partial fulfilment of the requirements for the degree of  
Doctor of Business Administration**

**ASTON UNIVERSITY  
September, 2014**

©Luke Nwaokeonu Onuoha, 2014 asserts his moral right to be identified as the  
author of this thesis.

This copy of the thesis has been supplied on condition that anyone who consults it is  
understood to recognise that its copyright rests with its author and that no quotation from  
the thesis and no information derived from it may be published without appropriate  
permission or acknowledgement.

Aston University

**SYSTEMATIC FINANCIAL RESOURCES ALLOCATION PROCESSES: A Model for  
Critical Resources Mobilization and Deployment for Nigerian Universities**

**LUKE NWAOKEONU ONUOHA**

**Doctor of Business Administration  
(2014)**

**Abstract**

**Purpose** – The purpose of this research is to study the perceived impact of some factors on the resources allocation processes of the Nigerian universities and to suggest a framework that will help practitioners and academics to understand and improve such processes.

**Design/methodology/approach** – The study adopted the interpretive qualitative approach aimed at an ‘in-depth’ understanding of the resource allocation experiences of key university personnel and their perceived impact of the contextual factors affecting such processes. The analysis of individual narratives from each university established the conditions and factors impacting the resources allocation processes within each institution.

**Findings** – The resources allocation process issues in the Nigerian universities may be categorised into people (core and peripheral units’ challenge, and politics and power); process (resources allocation processes); and resources (critical financial shortage and resources dependence response). The study also provides insight that resourcing efficiency in Nigerian universities appears strongly constrained by the rivalry among the resource managers. The efficient resources allocation process (ERAP) model is proposed to resolve the identified resourcing deficiencies.

**Research limitations/implications** – The research is not focused to provide generalizable observations but ‘in-depth’ perceived factors and their impact on the resources allocation processes in Nigerian universities. The study is limited to the internal resources allocation issues within the universities and excludes the external funding factors. The resource managers’ responses to the identified factors may affect their internal resourcing efficiency. Further research using more empirical samples is required to obtain more widespread results and the implications for all universities.

**Originality/value** – This study contributes a fresh literature framework to resources allocation processes focusing at ‘people’, ‘process’ and ‘resources’. Also a middle range theory triangulation is developed in relation to better understanding of resourcing process management. The study will be of interest to university managers and policy makers.

**Key Words** - core and peripheral units, resources dependence, rivalry, theoretical triangulation, resourcing efficiency, critical financial shortage.

## **Dedication**

I would like to dedicate this thesis to the memory of my late parents, Mabel and Charles Onuoha Ajaghi who first planted the seed of higher goals in my heart as a child.

## **Acknowledgments**

I wish to acknowledge a number of people who stood by me throughout my research and thesis writing. I would like to thank my supervisors Prof. Helen Higson and Dr. Melina Manochin, and Programme Co-ordinator, Ranjit Judge for their invaluable help, guidance, and patience. I would also like to thank the Babcock University administration led by Prof J.A. Kayode Makinde for financial and moral support without which I could not have embarked on this tall academic journey. I would equally like to thank my office manager Chigozie Unegbu (Mrs) and technical assistants Ekenwa Isiguzoro, Mayowa Olalere, Joy Franklin (Mrs) and Emmanuel Anokwuru for their invaluable support. Also, I would like to thank my friends in the UK who were of immense support in cash and kind: Jackie and Ngozi Efuribe, Emeka Nwaogwugwu, Iyke and Thessy Ikegwuonu, Lisa and Idorenyi Etokakpan, Chidinma and Austin Nwankpa, Chinwe and Nnamdi Efuribe, Obinna Onuoha, and a host of others. Finally, I would like to thank my wife, Uloma and children, Ngozi, Jachi, Akachi and Chimzorum who gave me their loving support and understanding throughout this work.

## Table of Contents

Abstract	2
Dedication	3
Acknowledgments	4
<b>CHAPTER ONE –BACKGROUND AND CONTEXT OF THE STUDY</b>	<b>10</b>
1.0 Introduction	10
1.1 Statement of the Problem	12
1.2 Background of the Study	13
1.2.1 Economic and Political Background	13
1.2.2 Socio-Cultural Background	20
1.2.3 World Ranking and General Performance Rating of Nigerian Universities	24
1.3 Major Assumptions	32
1.4 Research Objectives	32
1.5 Scope of the Study	33
1.6 Research Questions	33
1.7 Contribution to knowledge, theory and practice	34
1.8 Chapter summary	35
<b>CHAPTER TWO – LITERATURE REVIEW AND THEORETICAL FRAMEWORK</b>	<b>37</b>
2.0 Introduction	37
2.1 Context and Background of the Study	38
2.1.1 Traditional Funding Sources	39
2.1.2 The Inadequate Funding Syndrome	50
2.1.3 Higher Education Funding Policies and Equity	55
2.1.4 Costs Measurement, Allocation and Budgetary Efficiency	59
2.1.5 Funding Policy Reforms	63
2.1.6 Governance	64
2.1.6.1 General definition of governance	65
2.1.6.2 Corporate Governance	67
2.1.6.3 Universities' governance processes and attributes	70
2.1.6.4 Relationship between governance and resources allocation processes	77
2.1.6.5 Attributes and Impact of the good or bad governance	78
2.1.6.6 Limitations to Effective Governance	79
2.1.7 Private and Public Universities	80
2.1.7.1 Ownership and Funding	81
2.1.7.2 Governance Dynamics	83
2.1.7.3 Competition for Faculty and Students	85
2.1.8 Summary of literature review	88
2.2 Theoretical Framework	89
2.2.1 Resource Allocation Processes (RAP) Model	91
2.2.1.1 Characteristics of Resource Allocation Processes	92
2.2.1.2 RAP Model and Revisions	93
2.2.2 The African Political Economy (APE) Model	94
2.2.3 The Resource Dependence Theory (RDT)	96
2.2.4 Power and Centrality Theory	98

2.2.5	Summary of the selected theories/models	103
2.3.	Triangulation of the relevant theories	104
2.4	Link Between the Selected Theories & Research Questions	108
2.5	Chapter Summary	111

### **CHAPTER THREE - RESEARCH DESIGN AND METHODOLOGY** 113

3.0	Introduction	113
3.1	Aims and Objectives	113
3.2	Research paradigm	114
3.2.1	Positivism	115
3.2.2	Interpretivism	115
3.2.3	Pragmatism	116
3.3	Research methodology	117
3.3.1	Quantitative approach	117
3.3.2	Qualitative approach	118
3.3.3	Mixed methods approach	121
3.4	Research Design	123
3.5	The Settings	123
3.5.1	Characteristics of the participants	127
3.6	The theoretical framework	127
3.7	Qualitative Data Collection Approach	128
3.7.1	Data collection methods and participants	128
3.7.1.1	Pilot studies	129
3.7.1.2	Interviews	130
3.7.1.2.1	Face-to-face interviews	132
3.7.1.2.2	Telephone interviews	133
3.7.2	Data analysis procedures	133
3.7.3	How to achieve trustworthiness	140
3.7.3.1	Credibility	141
3.7.3.2	Transferability	141
3.7.3.3	Dependability	142
3.7.3.4	Confirmability	142
3.8	Ethical Consideration	143
3.9	Limitations of data collection and analysis methods	144
3.10	Chapter Summary	146

### **CHAPTER FOUR - FINDINGS AND ANALYSIS** 147

4.0	Introduction	147
4.1	Characteristics of the participants and categorization of the findings	148
4.1.1	Characteristics of the participants	148
4.1.2	Categorization of the findings	155
4.2	The resources allocation process milieu	160
4.2.1	People	160
4.2.2	Process	164
4.2.3	Resources	166
4.3	The factors influencing the resources allocation processes as perceived by the interviewees	170

4.3.1	Theme 1: People	171
4.3.1.1	Core and peripheral units' challenge	171
4.3.1.1.1	The attributes of core and peripheral units	172
4.3.1.1.2	Core and peripheral divide as a function of philosophy, funding dynamics and autonomy	176
4.3.1.2	Culture, Politics and power	181
4.3.1.2.1	Culture as Relative Determinant of Resource Allocation Direction	182
4.3.1.2.2	Internal politics as a pervasive phenomenon	184
4.3.1.2.3	Politics and power as controversial resource allocation determinant	188
4.3.2	Theme 2: Process	193
4.3.2.1	Resource allocation processes (RAP)	193
4.3.2.1.1	Internal resources allocation processes	194
4.3.2.1.2	Autonomy as an important driver for RAP success	200
4.3.2.1.3	Funding dynamics as an important consideration for success of RAP	201
4.3.2.1.4	Consultation, Comparison and Collective Engagement as key to RAP Success	205
4.3.2.1.5	IGR sharing formula as indicator of the success of RAP	210
4.3.3	Theme 3: Resources	214
4.3.3.1	Shortage of critical financial resources	215
4.3.3.1.1	Extent of Impact of critical financial shortage on governance	216
4.3.3.1.2	The extent of impact of critical financial shortage on staff morale	219
4.3.3.1.3	The impact of critical financial shortage on teaching and research	224
4.3.3.2	Critical resources dependence response	231
4.3.3.2.1	Critical reality of resources dependence	231
4.3.3.2.2	Impact of dependence resources on basic operations	232
4.3.3.2.3	Determinants of critical resources dependence response ability	235
4.3.3.2.4	Strategic response to resource gaps	238
4.3.3.2.5	Perceived benefits of successful resources dependence response	240
4.4	Other interesting qualitative data	244
4.5	Insight Gained	245
4.6	Chapter Summary	245
<b>CHAPTER FIVE - DISCUSSION</b>		<b>248</b>
5.0	Introduction	248
5.1	Summary of the findings	248
5.2	Discussion of the specific findings	252
5.2.1	Theme 1: People	257
5.2.1.1	Core and Peripheral Units' Challenge	257
5.2.1.2	Culture, Power and politics	259
5.2.2.	Theme 2: Process	260
5.2.2.1	Resources Allocation Processes	260
5.2.3	Theme 3: Resources	261
5.2.3.1	Critical Financial Shortage	261
5.2.3.2	Resources Dependence Response	261
5.3	Implications of the findings to practice	262
5.3.1	Implications of core and peripheral units' challenge	262
5.3.2	Implications of culture politics and power	265
5.3.3	Implications of resources allocation processes	267

5.3.4	Implications of critical financial shortage	271
5.3.5	Implications of resources dependence response	273
5.4	Efficient Resources Allocation Process (ERAP) Model	276
5.4.1	People	277
5.4.2	Process	278
5.4.3	Resources	279
5.5	Features of the proposed ERAP Model	282
5.5.1	Consultations	282
5.5.2	Comparisons	284
5.5.3	Collective Engagement	285
5.5.4	Control and Monitoring	288
5.6	How the ERAP model works	290
5.7	Chapter Summary	294
<b>CHAPTER SIX – SUMMARY, CONCLUSIONS AND RECOMMENDATIONS</b>		298
6.0	Introduction	298
6.1	Purpose of the study	298
6.2	Overview of the methodology	299
6.3	Major findings	300
6.4	Limitations of the study	304
6.5	Evaluation of the findings and method of data collection	305
6.6	Contribution of the study	307
6.7	Recommendations for practice	308
6.8	Recommendations for further study	311
References		314
<b>Appendices:</b>		
A.	Statistics of accredited universities in Nigeria	333
B.	Semi-Structured Questions	334
C.	Sample of interview narratives	336
D.	Sample of story elements analysis using McAdams' Analytical Method	340
E.	Transformed interview analysis table	341
<b>List of Tables</b>		
Table 1.1: Foreign Trade of Nigeria 1990 - 2007 (N' billion)		14
Table 1.2: Nigeria's Private and short term debt 1980-2001		16
Table 1.3: Federal Universities Funding from 1990 – 2004		18
Table 1.4: Report of Corruption Perpetrated by Nigerian Governors during the Fourth Republic (1999 -2005).		22
Table 1.5: Abridged Report of the Ranking of Nigeria's Topmost Universities - 2007 & 2013		25
Table 3.1: Characteristics of the participants and others		127

## **List of Figures**

Figure 2.1: Triangulation of the four selected theories	102
Figure 2.2: Link between the research questions and the relevant Theoretical framework	109
Figure 3.1: Nigerian Universities Conventional Governance Structure	126
Figure 3.2: The Process of Data Analysis (Creswell, 2002: 257)	135
Figure 3.3: Constant Comparative method (Maykut and Morehouse, 1994: 135)	136
Figure 4.1: Resource Allocation Communication Steps	152
Figure 4.2: Resources Problems Resolution Portfolio	159
Figure 4.3: Universities' Resources Allocation Process Milieu	163
Figure 4.4. Link Between the Themes and the Research Questions	170
Figure 5.1: Efficient Resources Allocation Process (ERAP) Model	281

## CHAPTER ONE – BACKGROUND AND CONTEXT OF THE STUDY

### 1.0 Introduction

There has been a phenomenal growth in the number of universities in Nigeria in the last 22 years (Okojie, 2009; Ijaduola and Agbajeola, 2010; Oduoza, 2010). Before 1999 there were only two categories of tertiary educational institutions in the country comprising of 32: federal 19 and state 13 universities. But the Federal Government's approval of three private universities on May 19, 1999 ushered in a brand new frontier on the landscape of higher education governance in the country (Okojie, 2009; Babalola, Sodipe and Babalola, 2012). Between 1999 and now (2014) the number of universities in the country has grown to 126 with the federal universities accounting for 32, state 35, and private ownership 59 (Appendix A). Statutorily, the Federal Government is the main financier of the federal universities; the state universities are funded by the state governments and the private proprietors found and fund the private universities (Okojie, 2009; Ijaduola, et al, 2010).

The proliferation of universities, in the face of the country's increasing debt burden and political instability, has brought along with it critical resource shortages (Asechemie, 1999; Udoh, 2001; Emevan, 2005; Fagbemi, 2006; Ijaduola, 2009; Sodipo, 2010). Faced with perennially worsening economic situation, the Federal Government has consistently reduced annual budgetary allocation to the education sector (Appendix 2). In the light of the above, the Federal Government has continually failed to meet the 26% budgetary allocation to education as stipulated by UNESCO<sup>1</sup> (Hallack, 1990; Sodipo, 2010; Olaniyan, 2003; Ekong, 2004; Akpe, 2006; Ajayi and Ekundayo, 2006). Other available

---

<sup>1</sup> United Nations Educational, Scientific and Cultural Organization

literature laments the perennial lack of transparency in the system of management of higher education in Nigeria (Oduleye, 1995; Odebiyi and Aina, 2002; Adora, Agba and Olajide, 2010).

The key challenge confronting all higher education managers in Nigeria today is how to resolve the critical financial resources shortage through creativity (Akingboye, 2001; Ijaduola, et al, 2008; Okojie, 2009; Adeniyi and Olawale, 2010) and efficient engagement of the available resources. Creativity here refers to the ability of the universities' managements to seek sustainable funding from other alternative sources outside of government (Obasi and Eboh, 2002; Ijaduola, et al, 2008; Okojie, 2009; Ahmad, et al., 2012). Available literature shows that private universities are currently leading on alternative sourcing of funds (Johnstone, 1998; AAU, 2004; Rui, 2013). There are evidences of investments in commercial activities such as hospitality business, consultancy, and bookshop/supermarkets with the aim of raising some funds (AAU, 2001; 2004; Rui, 2013). The reason for this may be associated with their founding on commercial orientation which thrives on competition and distinction (AAU, 2001; 2004; Rui, 2013; Yusuf, 2010).

The study of systematic financial resources allocation processes in Nigerian universities is of research importance because of two reasons. Firstly, the study is of practical significance to universities' managers and higher education policy makers (Angluin and Scapens, 2000; Shattock, 2002; Scott, 2012) as matters of resource management could touch every facet of the universities' business. Secondly, the topic evokes an important reflection on the existing literature on resource allocation processes and may engender fresh focus on universities' governance quality and resource commitment (Odebiyi and

Aina, 1999; Hufty, 2011; Resurreccion, 2012; Scott, 2012). The outcome of the study may lead to renewed emphasis on resourcing efficiency in the higher education sector. These reasons inform the decision to use the topic in an academic research context study.

Four basic questions may be asked in connection with the topic. One: how, and what exactly, does the study of resource allocation processes contribute to the scientific field? Two: how could the allocation processes affect resources management efficiency and bring about desired resources allocation processes and practice change? Three: what is the impact of culture on the resource allocation processes? And four: how could the resources allocation theories identified in the study support or fail to support resource management efficiency in order to bring about quality in governance and improved resources commitment? To resolve these questions will call for definitions and detailed investigation through case studies, interviews, theoretical analysis and a careful analysis of the research findings.

### **1.1 Statement of the Problem**

Universities in Nigeria are in financial crises (Odebiyi and Aina, 1999; Aina, 2002; Ajayi and Ekundayo, 2006). Every public university depends on government grants for a greater part of their annual operating and capital budgets. But the declining economic fortune of the government has led to serious cuts in the annual allocation to the educational sector with the resultant negative impact on available critical resources (see Table 1.3). Between 1990 and 1999, table 1.3 shows that the Federal Government provided only 44% of the N25.543 billion (£101.2m) and N95.781 billion (£382.1m) requested by the federal universities for capital and recurrent funding respectively. The

situation became worse in the period between 2000 and 2004 with total shortfall trailing by 70%. Consequently, different authors attribute nearly every poor performance in the public universities to inadequate funding (Odebiyi and Aina, 1999; Aina, 2002; Obasi and Eboh, 2002; Ijaduola, et al, 2008). But how much of the financial problems in the universities are caused by inefficient resources allocation processes rather than inadequate funding per se is yet to be resolved. The aim of this study is to investigate how the Nigerian universities allocate financial resources in the face of the increasing critical shortages. The challenge of the research, therefore, is to suggest the strategies and steps that would entrench a sustainable culture of efficiency in the management of the universities' financial resources.

## **1.2 Background of the Study**

Detailed background of the study is examined from the perspectives of economic and political background, socio-cultural background and world ranking and general performance.

### **1.2.1 Economic and Political Background**

The economic and political environments in Nigeria, as is common with some other African countries, have deteriorated greatly in the last five decades (Dariye, 1999; Aina, 2002; Ebegbulem, 2012). Today, some experts attribute the nation's major problems to poor leadership and corruption (Dariye, 1999; Aina, 2002; Ebegbulem, 2012). These authors have further associated to poor leadership and corruption heightened ethnic sensitivity, tribal fragmentation, and mismanagement of the country's resources (Dariye, 1999; Odebiyi, et al, 1999; Aina, 2002; Ebegbulem, 2012). According to the authors, the weak leadership and pervasive corruption in the country (Nwazue, 2002; Olawole and

Olukayode, 2010) have led to low accountability, transparency and productivity in nearly all facets of socio-economic activities (Oyejide, 2008; Odebiyi, et al, 1999; Aina, 2002; Ebegbulem, 2012). Nwazue (2002) and Oyejide (2008) observe that the economy, too, has performed woefully as a result. From the early years of huge contribution from agriculture as the major foreign revenue earner for the country, to the present day excessive reliance on oil as the revenue source, the Nigerian national economy has equally witnessed woeful performance. Table 1.1 shows the Foreign Trade statistics of Nigeria's oil and non oil sectors between 1990 and 2007.

**Table 1.1: Foreign Trade of Nigeria 1990 - 2007 (N' million)**



Source: Central Bank of Nigeria Statistical Bulletin, 2005 and 2007 Issues, Abuja

Table 1.1 shows that Nigeria depended excessively on oil as the foreign revenue earner between 1990 and 2007. While the balance of trade on oil grew steadily from N100,553.40 million in 1990 to N6,958,831.20 million by 2007, the non oil sector conversely recorded a negative balance of trade from negative N36,385.60 million in

1990 to negative N377,120.40 in 1996. The performance improved slightly between 1997 and 1999 going down from negative N649,650.80 million to negative N631,361.00 million before rising again in 2000. From that point (2000) the negative balance of trade rose steadily from N739,381.80 million to N3,520,804.70 million in 2007. This analysis shows the kind of volatilities that the country's economy has faced in the past years.

In all these, the economic development of the country has indeed received the greatest negative impact of the corrupt and ineffective leadership discussed by Nwazue (2002), Oyedije (2008), and Ebegbulem (2012). The authors observe that the presence of bad management of the national assets may be evident from the state of dilapidation of most public infrastructure. They further relate their observations to the poor condition of the nation's roads, the ports, the railway and other public utilities such as electricity, water, etc., throughout the country. This researcher further notes that the railway system ceased operation in the last 15 years and has remained non-functional since. All the major roads across the country have fallen into disrepair so much that it now takes double the time to cover certain distances. In many cities, electricity and water supplies go off for days and months. Olubomehin (2003: 97) restates the bad condition of the Nigerian roads and observes that "government has not been able to carry out its responsibilities not only in the transport sector but also in the other sectors." Some scholars argue that a situation of failed state currently exists in Nigeria (Odebiyi, et al., 1999; Nwazue, 2002; Aina, 2002). Whether this view is right or wrong does not appear to be helped by the low physical infrastructure development throughout the country. Dariye (1999), Nwazue (2002), Oyejide (2008), Olawole, et al (2010) and Ebegbulem (2012) attest that the different national planning efforts since 1960 have failed to

achieve expected results due to endemic corruption, and poor management (Balogun, 2002). Other authors note the destructive consequences of tribal hostilities which disrupt national productivity (Olawole and Olukayode, 2010; Ehiabhi and Ehinmore, 2011; Ehioghae, 2012).

**Table 1.2: Nigeria's Public, Private and Short-term Debt, 1980 – 2001**



Source: World Bank, and Global Development Finance (2003)

The conclusion of the various authors is that the handling of the national business has left much to be desired. Areas of concern to the authors include planning without reliable statistics, corruption through the inflation of contract prices, pervasive bribery and debt burden. Table 1.2 shows growth in Nigeria's foreign debt between 1980 and 2001. From 60% in 1980 the Long Term external debt rose to 95% of the Total Debt stock in 1990. The rate of growth slacked steadily between 1995 (83%) and 1999 (78%). It, however, went up again to 96% by 2000 and 95% by 2001. Some authors (Nwazue, 2002; Adebisin 2005; Oyejide, 2008; Olawole and Olukayode, 2010; Ebegbulem, 2012; Ocheni and Nwanko, 2012; Adebisi, 2013) attribute the country's poor foreign debt

report to naivety, greed and poor managerial skill of the country's leadership.

There have also been reported problems in the management of the country's universities (Odebiyi, et al., 1999; Aina, 2002; Adeniji, 2008; Adeline, 2012; Ebegbulem, 2012). Although table 1.3 throws light on the level of funding shortage the federal universities in Nigeria faced between 1990 and 2004 (being as high as 70% for capital and operating expenditures together), Odebiyi, et al.(1999); Aina (2002); AAU (2004); Adeniji (2008), and Ebegbulem (2012) suggest that lack of qualified academic personnel and poor infrastructure have impacted far negatively on the management and performance of the universities. Furthermore, Dariye (1999) also asserts that the endemic problem of ethnicity masked in the 'federal character policy' of the Federal Government has attributed to the appointment of the wrong and unqualified persons into positions of leadership of certain departments. The consequence of the wrong appointments manifests in what Ebegbulem (2012), Okike (2007) and; Dariye, (1999) describe as leadership naivety and weak governance.

Funding shortage has been suggested as the major negative hindrance for universities' growth (Johnstone, 1998; Odebiyi, et al., 1999; Aina, 2002; Wangenge-Ouma, 2008; Adeniji, 2008; Ebegbulem, 2012). From table 1.3, as previously stated, it may be inferred that the Federal Government underfunded the federal universities by 56% for both recurrent and capital requests between 1990 and 1999. In fact, the gap got even worse between 2000 and 2004 rising up to 60% and 70% for recurrent and capital funding respectively.

Table 1.3: Federal Universities Funding from 1990 - 2004

Year	Amount Requested by Universities			Amount Received by Universities			Deficit in Funding		Shortfall	
	Capital Billion ₦	Recurrent Billion ₦	Total Billion ₦	Capital Billion ₦	Recurrent Billion ₦	Total Billion ₦	Capital Billion ₦	Recurrent Billion ₦	Total Deficit Billion ₦	Total Deficit %
1990	0.093	1.123	1.216	0.093	0.642	0.735	0	0.481	0.481	0%
1991	0.093	1.36	1.453	0.079	0.705	0.784	0.014	0.655	0.669	15%
1992	0.075	2.917	2.992	0.741	2.244	2.985	-0.666	0.673	0.007	-8.88%
1993	1.15	3.926	5.076	0.575	3.226	3.801	0.575	0.7	1.275	50%
1994	1.164	6.179	7.343	0.966	3.405	4.371	0.198	2.774	2.972	17%
1995	2.24	9.089	11.329	1.48	4.576	6.056	0.769	4.513	5.273	34%
1996	3.9	8.543	12.443	1.616	5.924	7.54	2.284	2.619	4.903	59%
1997	5.341	10.522	15.82	1.65	3.698	5.348	3.648	6.824	10.47	68%
1998	5.341	17.427	22.768	2.503	7.295	9.798	2.838	10.132	12.97	53%
1999	6.189	34.695	40.884	1.47	10.362	11.832	4.719	24.333	29.05	76%
<b>Sub-Total1</b>	<b>25.54</b>	<b>95.781</b>	<b>121.32</b>	<b>11.17</b>	<b>42.077</b>	<b>53.25</b>	<b>14.37</b>	<b>53.704</b>	<b>68.07</b>	<b>56%</b>
2000	18.23	47.346	65.58	1.937	28.206	30.143	16.3	19.14	35.44	89%
2001	19.76	49.15	68.912	4.227	28.42	32.647	15.54	20.73	36.27	79%
2002	4.61	57.564	62.156	0	30.351	30.351	4.61	27.195	31.81	100%
2003	13.25	65.516	78.762	0	34.204	34.204	13.25	31.312	44.56	100%
2004	16.95	199.68	216.62	11.97	41.492	53.465	4.972	158.186	163.2	29%
<b>Sub-Total2</b>	<b>72.8</b>	<b>419.24</b>	<b>492.03</b>	<b>18.14</b>	<b>152.67</b>	<b>180.81</b>	<b>54.66</b>	<b>256.563</b>	<b>311.2</b>	<b>75%</b>
<b>TOTAL</b>	<b>98.34</b>	<b>515.02</b>	<b>613.36</b>	<b>29.31</b>	<b>194.75</b>	<b>234.06</b>	<b>69.03</b>	<b>310.268</b>	<b>379.3</b>	<b>70%</b>

Source: Adapted from National Universities Commission Reports 1990-2004, Abuja

Odebiyi, et al (1999), Aina (2002), Ekundayo, et al (2006), among others, observe that there are evidences of infrastructural decay and abandoned projects occasioned by lack of funds, bad internal planning, and poor maintenance culture in many universities. Ekundayo and Ajayi (2009); Ijaluola (2009), and Sodipo (2010) agree that inadequate funding by the government has affected the quality of teaching and research; and led to lack of consumables in the science laboratories.

The non-availability of sufficient empirical data (Johnstone, 1998; AAU, 2004) on how the underfunding situation impacts on universities' governance, personnel morale, and teaching and research partly underscores a gap which calls for a methodological study

of financial resources management. The proposed research, therefore, draws impetus from the need to generate fresh empirical evidence to determine how to achieve financial resources allocation efficiency in the universities through systematic internal processes. The relevance of such study may be attributed to the fact that the public universities are prone to collateral consequences in the form of continual decline of budgetary allocations from the government during times of economic and political difficulties (Ajayi, et al, 2006; Oyeneye, 2006; Tandberg, 2008; Olowononi, 2010). Table 1.3 further shows consistent shortfalls in the Federal Government funding of both capital and recurrent expenditure requests of the federal universities between 1990 and 2004. From 15% gap in 1991 to 76% by 1999, the gap rose to 100% 2002 and 2003 respectively.

The 1999 introduction of private universities into the higher educational landscape in Nigeria brings in other dimensions to the discourse (Sodipo, 2010; Udoh, 2001; Fagbemi, 2006; Ijaduola, 2009; Ehioghae, 2012; Onuoha, 2012a). Different authors (Ijaduola, 2009; Okojie, 2009; Ehioghae, 2012) refer to the unwillingness of the federal and state governments to grant any form of direct financial support to the private universities. Okojie (2009) observes that some private universities' managements, as a result, have had to invent other novel ways of forging ahead, some in the degree of creativeness and efficiency in their methods of carrying on business. These include openness and transparency (AAU 2004; Kass, 2005); rigorousness in assigning funds to activities (Gallego, Garcia, and Rodriguez, 2009); aggressive market orientation and innovation (Johnstone, 1998; AAU, 2004; Rui, 2013); fundraising and discrete cost-saving initiatives (Yusof, 2008).

As in the case of the public universities discussed above, the researcher suggests that private universities would also have to seek resources allocation processes that could bring about purposeful planning and desired growth in an arrangement of shared governance (Whitchurch, 2012; Scott, 2012; Stensaker and Vabo, 2013). This makes the study of the resources allocation processes in the institutions beneficial, not only to the private universities' managers, but also for higher education planners in general (Liefner, 2003).

In summary, the major focus of the proposed study will centre on whether the limited financial resources available to each university could be efficiently and optimally engaged through systematic allocation processes. The study will be carried out through focused interviews with purposively selected managers of the sample universities and critical analysis of the research findings.

### **1.2.2 Socio-Cultural Background**

Nigeria is a multi-cultural and socially diverse country with over 250 distinct ethnic groups who speak about 510 languages (Ahiazu, 1984; Oxford Business Group, 2012). Some experts posit that the socio-cultural practices of organizations in multi-ethnic environments tilt towards reflection of the cultural norms of the local communities where the institutions are located (Lee and Bowen, 1971; Adigun, 1999; Benner and Glaister, 2009; Ahmad, Farley and Naidoo, 2012; Rifaat, 2012; Oke, 2012). Nevertheless, some other experts posit that universities have their own cultures which differentiate them from the general communities of which they are a part (Adedimeji (2013). Adedimeji refers to the attitudinal and professional issues which gives a university its academic culture. He describes these as the patterns of beliefs and behaviour characteristic of members of

the academia (Adedimeji, 2013). From these patterns of belief and behaviour, the universities come to cultivate their own set of cultures separate from those of the societies surrounding them. Ghosh (2001) finds this to be true in South Africa. His conclusion is that despite the managers' identification with their own ethnic group, there is a common national culture which operates at the managerial level.

The first point of view might partially explain the general thinking that the universities in the different regions of Nigeria have leniency towards the different cultural, religious and value system of their host communities (Lee and Bowen, 1971; Adigun, 1999; Akanbi, 2012; Ahmad, Farley and Naidoo, 2012; Smith, 2013). Therefore, going by this premise, it would be expected that universities in the north may be influenced by the Islamic culture of the place; while those in the east and west might be influenced by the heavy Christian culture in those two regions. A contrary view, however, is expressed in a study by Adefila (2004) as cited by Olawole and Olukayode (2010) that gender disparity, religious inclination and educational attainment have no significant effect on people's perception of the causes of fraud. This may help to explain why, despite the high measure of ethnic and cultural identities exuded by political and social leaders across the country, the negative factor of corruption and ineptitude remains a common reality in the administration of public institutions (Nwazue, 2002; Oyejide, 2008; Johnstone, 2008; Olawole and Olukayode, 2010; Adebisi, 2013). Olawole and Olukayode (2010) have a record of evidence of corrupt acts since 1999 to include case of the first speaker of the House of Representatives who lied about his age and certificates; the case of the members of the Upper Chamber of the National Assembly who arrogated to themselves a special furniture allowance of N3.5million (about £13,700) each; the case of Sani Abacha, late head of state from whose house a loot of \$1,600 billion was recovered,

among others. Furthermore, table 1.4 illustrates the extent to which the Governors of

**Table 1.4: Report of Corruption Perpetrated by Nigerian Governors during the Fourth Republic (1999 -2005).**



Source: Igboke Shadrach U. C, (2008), p 31-33

the 36 states in Nigeria perpetrated corruption during the Fourth Republic. The report in

table 1.4 aids the conclusion that there has been pervasive corruption in all the states of the federation which involves people in high positions (Nwazue 2002; Ebegbulem, 2012; Adebisi, 2013).

On the burden of ethnicity, Akanbi (2012:17) captures the situation succinctly: "I saw there was a lot of tribalism in Nigeria, a lot of discrimination, a lot of ethnic problems, a lot of religious discrimination. That was not the type of environment in which I was brought up!" Akanbi's outcry stems from several media reports of persons who are not allowed employment in public offices outside their states of origin and the cases of religious and ethnic motivated conflicts at several locations within the country. Akanbi's concerns mirror the observation of several other individuals across the country.

Olaolu (2002:57) holds a contrary view that the government (or anyone in power), in the execution of its programme, does not single out for preferential treatment, certain persons, families, or classes of people. Olaolu's position, however, may fail the test of universal acknowledgement given the overwhelming media reports of widespread discrimination and corruption (see table 1.4) in many states. The corrupt tendencies often interfere with resources allocation on market oriented terms as proposed by Lombardi, et al., 2002; Oyedije, 2008; and Rui, 2013; and may hamper the society's chance to experience economic development (Nwazue, 2002; Ebegbulem, 2012; Hong, 2012). Thomas (1998), on another note, points out that organizational culture can modify the values of an employee. There may be a serious concern, therefore, that the general situation in the country at large could influence the integrity of the management of the universities as well, since the leadership of the universities are part and parcel of the general society.

In the typical Nigerian culture (Oxford Business Group, 2012; Rifaat, 2012), it is normative not to argue with the King. The researcher thinks that this value system, if juxtaposed in the ivory towers, could mean that the actions of the vice chancellors might be beyond their subordinates' questioning. That, accordingly, could persuade subordinates to invent grounds of allegiance to flow with the incumbent vice chancellors and not question their decisions and actions or even demand corrections to leadership mistakes. It logically follows that where the leadership is ineffective, the system fails to achieve set goals and sustainable development is hampered (Nwazue 2002; Ebegbulem, 2012; Ahmad, Farley and Naidoo (2012). Thomas and Schonken (1998), Sruwig (2002) and Mufune (2003), however, decry the many shortcomings in research on the African culture-managerial tendencies and Mufune (2003) proposes further clarification of previous inconclusive results in the area. Mufune's view deviates from that of Ghosh (2001:136) who posits that despite the managers' identification with their own ethnic group, "a common national culture persists at the managerial level".

An important question at this stage is: to what extent do cultural and social norms and location impact the resource management processes efficiency of the Nigerian universities? This study will attempt to show to what extent culture among other factors affect the resource allocation processes in the universities studied.

### **1.2.3 World Ranking and General Performance Rating of Nigerian Universities**

The continuous dismal (see Table 1.5) showing of the Nigerian universities on the world ranking of institutions of higher learning draws important focus on the study of the activities of the universities. From Table 1.5, it can be seen that no Nigerian university

appears among the first 5,000 top universities in the world in 2007. Also, the table shows that in 2007, the best Nigerian University came 44<sup>th</sup> on the ranking of Africa's best universities. This, however, has improved slightly in the 2013 ranking with the Obafemi University appearing 8th in Africa and 1113 in the ranking of world's best universities ([http://webometrics.info/en/previous\\_editions](http://webometrics.info/en/previous_editions). Downloaded 26/09/13). Similar adjustments are also seen for University of Ibadan, Benin and Lagos. Auchi Polytechnic also gave the universities a shock by cruising to the second place in Nigeria and 23<sup>rd</sup> in the African ranking. Commenting on the earlier ranking results, Jones-Esan (2007), laments over the poor rating of the Nigerian universities in 2007. Jones-Esan bemoaned the fact that several universities based in south Africa, as well as other African countries that are not as endowed as Nigeria in financial and human resources like Zimbabwe, Botswana, Reunion, Senegal, Sudan, Burkina Faso, Namibia and even Rwanda and Somalia are ranked ahead of Nigeria.

**Table 1.5: Abridged Report of the Ranking of Nigeria's Topmost Universities - 2007 & 2013**

Nigerian Universities among African top 100	Nigerian Ranking	African Ranking	World Ranking
2007			
Obafemi Awolowo University, Ile-Ife	1	44	5834
University of Ibadan	2	65	6908
University of Benin	3	79	7318
University of Lagos	4	96	7601
2013			
Obafemi Awolowo University, Ile-Ife	1	8	1113
Auchi Polytechnic	2	23	2106
University of Ibadan	3	24	2109
University of Benin	4	25	2148
University of Lagos	5	31	2640

Sources: Jones-Esan, 2007 & Webometrics, July 2013

The researcher thinks that a study on how financial resources allocation processes could

help the institutions to attain an improved ranking in the world stage is worth exploring. The present study, however, may not produce all the answers to help achieve complete repositioning of the universities for the top world stage fame. Nonetheless, it would be appropriate to identify some best practices that would produce the enabling environment for excellence.

Two competing international systems of ranking world universities exist (Negash, 2010). These are the Shanghai Jiao Tong University's academic ranking of world universities (<http://ed.sjtu.edu.cn/ranking.htm>) with focus on research in science, engineering, medicine and clinical sciences. Criteria used by the ranking are alumni of the institution winning Nobel Prize (20%); citation frequency (20%); publication in Nature and Science (20%); citation in Science and Social Science Indices (20%); and weighted size of institution (10%).

The second ranking system is the Times Higher Education Supplement (<http://www.timeshighereducation.co.uk/hybrid.asp?typecode=144>). Using a different set of criteria, it assigns for peer review 50% (comprised of opinion survey from academics, 40% and survey from global recruiters, 10%); research citation impact, 20%; faculty-student ratio (proxy for teaching quality), 20%; percentage of international faculty, 5% and percentage of international students, 5%.

In both ranking systems, one could infer that the tests focus on identifying the unique attributes of each university and placing weighted values on them to separate the best from the rest through orderly ranking. From the weights employed by the two ranking systems, one concludes that a good university may be deciphered from a barometer of

factors such as good governance (Lombardi, et al., 2002; Negash, 2008; Scott 2009; Hufty, 2011), which in itself some authors associate with several attributes, namely: composition of the board of trustees, autonomy of the board and council, recruitment of the best managers, application of best practices in decision processes and programming, democracy, vision and mission of top leadership, transparency among others (Angluin and Scapens, 2000; AAU, 2004; Wale, 2010; Hufty, 2011; Rui, 2013; Onuoha, 2013; 2012; Oghojafor, et al., 2012; Sinha and Sinha, 2007; Lombardi, et al., 2002). Aina (2002), Tandberg (2008); and Soomro, et al (2012) proffer others as the quality of the university's faculty and personnel; depth, diversity and delivery of quality programmes/course offerings; stability of academic calendar; diversity and collegiality.

But Soomro, et al, (2012) restate the eight challenges in higher education espoused by UNESCO (2009) as rising demand and mystification; diversification of providers and method; private provisions; distance education; cross-border higher education; quality assurance; teacher education; and academic profession. The authors went further to cite Bunoti (2011) who identified factors which influence challenges in higher education as "economic factors, political factors, quality of students and faculty, administrative factors, academic factors, etc." (Soomro, et al, 2012:150).

Some experts have also identified academic culture as an important feature of successful universities (Bartel, 2003; Shen and Tian, 2012; Adedimeji, 2013). Available literature suggests that academic or university culture is associated to a number of intellectual behavioural dynamics such as engagement in academic research (Bartel, 2003; Adedimeji, 2013); academic outlooks, academic spirits, academic ethics and academic environments (Shen and Tian, 2012). The authors declare that for a university

to live in the context of its name, the “activities on campus must focus on teaching and scientific research on the basis of specialized knowledge, which is the main feature distinctive from other subcultures in society” (Shen and Tian, 2012: 62).

Adedimeji (2013) observes that the academic culture resonates around attitudinal and professional issues. On the other hand, OCED’s (2004) adds that the university has now become a complex, demanding, competitive business requiring corporate governance practices. In the words of Adedimeji (2013:2) “attitudinal issues concern patterns of beliefs and behaviour that characterise members of the academia.” Among these Adedimeji (2013) citing Oloyede (2010) lists critical thinking, neutrality (objectivity), evidence-based conclusions; depth (comprehensiveness) in examination of issues from all sides; judiciousness in human and financial resources handling; pride, meaning self-respect and contentment; lowliness and virtuousness, referring to “ethics of moral excellence, integrity and uprightness” (Adedimeji, 2013: 2). Other attributes listed for attitudinal inclusion are expectation that academics should be well informed, ready to collaborate, post a collegial spirit as they are critical, accurate and open (Adedimeji, 2013). On professional dimensions of academic culture the author identifies mentorship, academic freedom, tenure; and institutional autonomy as the focus. He then concludes that although academic culture is universal, different universities have various core values or aspects of culture that they treasure the most (Adedimeji, 2013). Other authors suggest that if higher institutions are going to survive and thrive during the more difficult times, they would have to embrace evidence-based culture in their decision-making and policy formation (Bok, 2006; Ikenberry, 2011)

It may be logical to argue that Nigerian universities, like their counterparts in other

emerging countries, could do well incorporating the key criteria for ranking of world universities in their modus operandi, following either the Shanghai Jiao Tong University's academic ranking factors or the Times Higher Education Supplement. Finally, Negash (2008) conclusively suggests that universities should allocate resources to activities identified in the rating process in order to improve their ranking. Johnstone (1998) recommends cost sharing, differentiation, private sector initiatives and loosening governmental regulations as further ways of achieving reforms that can enhance the quality of the universities. Other experts (Santoro and Chakrabarti, 1999; Obasi and Eboh, 2002; Bevc and Ursic, 2008; de Castro Lobo, et al., 2010; Smith, 2013) agree with Johnstone's (1998) views.

The new direction appears to be encouraging universities across the world to embrace reforms, to reposition for competition, to embark on commercial partnerships with industry, to innovate (Johnstone, 1998; AAU, 2004; Scott, 2012) and to seek internationalization (Bartel, 2002). In addition Wooldridge (2011) found three general concepts of leadership which may be relevant to the new challenges facing, not only the UK higher education, but also several other universities across the globe. These challenges Wooldridge (2011) sums up as: 1) agility – being able to accommodate new business models, new technologies and new opportunity relationships; 2) distinctiveness - fashioning a shared unique positioning, alone or as a unique member of an opportunity network; and 3) alignment – adopting a shared governance which accommodates a mix of top-down institutional goals and the traditional bottom-up collegial culture. Shattock (2002) asserts that collegiality is a fundamental management style characteristic of the top ten UK universities. It would seem safe, at this stage, therefore, to conclude that the winning university of the future will be credibly positioned to act locally while impacting

globally (Bartel, 2003; Soomro and Ahmad, 2012; Scott, 2012) in an environment of shared-governance (2012; Scott, 2012; Stensaker and Vabo, 2013; Whitchurch and Harvey, 2013).

In summary, the study would show how efficient financial resources allocation processes could influence the rating of the universities (Jarzabkowski, 2002; Negash, 2008). Accordingly, based on the discussion so far, the researcher thinks that there is need for detailed research to obtain empirical data on how systematic resources allocation processes can benefit not only the Nigerian universities and stakeholders, but also all higher education managers world-wide. The outcome of the research will be of immense value for planning and repositioning the six institutions used in the study for better performance assessment and ranking.

There may, however, be barriers to effective application of the research outcomes due to differences in culture, habits, and routine (Broad, et al, 2007; Shen and Tian, 2012; Soomro, 2012). Shen and Tian (2012: 64), for instance, affirm that universities stick to their missions and resist “fickleness of seeking quick success and instant benefits.”. This resistance would result in delays in the application of new innovations. Also, Adedimeji (2013) concludes that even though academic culture, for instance, is universal, many universities hold dear to their respective core values and some aspects of culture. He cites the King’s College of the University of London’s pre-sessional ‘An Introduction to Academic Culture’ course and the University of Ilorin academic culture which emphasizes ‘character and learning’. The authors attribute the response of the universities to issues to their orientation to mission, core values and cultural orientations.

Other constraints may be associated with location, regulation, and propriety (Shattock, 2002; Shen and Tian, 2012; Smith, 2013). Smith (2013: 27) admits that each university is driven by norms that vary to some extent. According to Smith, while it may be said that all universities share same priorities for teaching, research and service, the way they seek to fulfil these functions differ from one university to another. Also, Roger (2009: 524) presents the argument that “very significant errors and weaknesses occur in the importation of models of strategy in the stress on strategic planning rather than strategic processes and in the insensitivity of universities’ planning to the underlying strategy process of the typical university.” AAU (2004: 2) highlights the problem of definition as one that could create problems in the interpretation of research findings in higher education. The paper further admits that there “is a wide range of conditions, experiences and interests underlying the process of change and non change in African higher education systems and institution, which roughly fall into systems and institutions under duress, advantaged ones and relatively advantaged ones.” This suggests that for the study to be universally applicable, certain level of definitions have to be resolved in each typical institution. Shattock (2002: 242) adds the challenge of governance variations, insisting that “how we view the role of the academic community in university governance raises interesting questions of comparison with other professional communities”. Shattock (2002), notes that the pattern of governance has a bearing on leadership and performance of typical universities. It would be reasonable to conclude that the kind of governorship practiced in an institution may have tremendous impact on the response of each relevant university to the 6+research outcomes and for higher education .

The proposed research framework will incorporate six case studies via interviews with

resource managers from purposively selected Nigerian universities representing the three major categories of universities (federal, state and private) in the country, and theoretical analysis.

### **1.3 Major Assumptions**

The proposed study is premised on the following important assumptions:

(a) That the systematic resources allocation and deployment mechanisms adopted by other successful organizations and universities elsewhere in the world can be applied by the Nigerian universities (Johnstone, 1998; Angluin and Scapens, 1999; AAU, 2004).

(b) That stakeholders of the universities and financiers would be favourably disposed to commit more funds given evidence of judicious utilization of the resources previously committed (Pfeffer, and Salancik, 1974; Johnstone, 1998; Rui, 2013).

(c) That each university is at liberty to adopt whatever transparent innovative resource process strategy and best practices it deems judicious (Angluin and Scapens, 2000; Liu, 2007; .Scott, 2012)

### **1.4 Research Objectives**

The general objective of this research is to ascertain the financial resources allocation processes imperative for an efficient management of the universities in Nigeria. The specific objectives of the study include:

- 1) To identify and critically assess the existing financial resources allocation strategies employed by the Nigerian universities;
- 2) To determine the perception of universities' managers on the degree of association between funding and culture, governance quality, staff morale, and teaching and research;

- 3) To construct a suggested model of resource allocation processes that could instil efficiency in the deployment of critical resources in the six Nigerian universities in the study; and
- 4) To recommend a practice change to the six universities.

### **1.5 Scope of the Study**

This study focuses on six universities located in Nigeria's South-west geopolitical zone. The samples include two universities from each of the federal, state and private categories. The study is limited to internal resource allocation processes within the universities, and excludes activities at the national level between the federal government and the individual universities, although it is obviously influenced and informed by this. This means that the study centres on the internal managerial issues concerning financial resources processes within the control of each university's management. The study will focus on the internal management of universities' financial resources, identifying what processes are followed and how commitments are decided; what does not work and why; and how the funding issues impact on governance, staff morale, teaching and research, and capital development. Although the study concentrates on a limited number of universities in Nigeria, the findings may be of interest to universities' managers and policy makers in handling issues that are identical with this study.

### **1.6 Research Questions**

The research questions bellow will drive the investigations and provide the basis for determining how to achieve efficiency in the resources allocation processes in the universities in Nigeria or elsewhere. Later (in Figure 2.2), the link between the selected

theories and the research questions is summarized, showing aspects of the contribution of the different paradigms in answering the research questions. The research questions are:

- 1) What factors affect the resource allocations granted a unit from the internal resources of the university?
- 2) How does the allocation of resources differ between core and peripheral units of the focal university?
- 3) What negotiation strategies do department heads leverage on in order to win more (if any) share of the available resources?
- 4) To what extent do culture, politics and power affect how much a department gets from the available resources?
- 5) What resource allocation processes are currently practiced by the universities and to what extent do they reflect equity and good practices?
- 6) To what extent does shortage of critical financial resources impact on governance, staff morale, teaching and research in the universities?
- 7) To what extent and how do the institutions respond to declining critical resource dependence support?

### **1.7 Contribution to knowledge, theory and practice**

This study makes important contribution to knowledge, theory and practice. Firstly, the study contributes a fresh understanding of the resources allocation process milieu as revolving around 'people', 'process' and 'resources'. Through the people, process and resources analyses, the factors influencing the resources allocation process phenomenon are identified and how the resourcing problems can be resolved are presented.

Secondly, the study presents the resources management literature in a different way that gives fresh light on the systematic resolution of financial resources allocation processes and deployment. The study provides a new conceptual framework to the existing theories on higher education resources management focusing at the resolution of governance quality and resources commitment problems guided by the Laughlin's (1995) middle range thinking theory.

Thirdly, the study proposes resolution of the resourcing problems through the adoption of the efficient resources allocation process (ERAP) model. The ERAP model is an optimality engagement protocol for the universities' resource managers aimed at the achievement of resources allocation process goals in an effective and efficient manner. The ERAP model proposes to invoke practice change that could lead to improved staff motivation, more collective decision-making and greater productivity in the Nigerian universities.

## **1.8 Chapter Summary**

This chapter has presented the introduction of the study giving the comprehensive economic, social and contextual backgrounds of the research. The chapter provided the statement of the problem and the aim of the study as to investigate how the Nigerian universities allocate financial resources in the face of the increasing critical financial shortages. The chapter also indicated that the challenge of the research would be to suggest the strategies and steps that would entrench a sustainable culture of efficiency in the management of the universities' financial resources. The general objective of the research was stated as to ascertain the financial resources allocation processes

imperative for an efficient management of the universities in Nigeria. The scope of the study was clearly indicated as limited to the internal managerial issues concerning financial resources processes within the control of each university's management and not to include the external resourcing problems between government and the universities.

The remaining part of the study has been arranged in chapters logically to facilitate the investigation of the general and specific objectives of the research. The chapters are as follows: Chapter 2: Literature Review and Theoretical Framework; Chapter 3: Research Design and Methodology; Chapter 4: Findings and Analysis; Chapter 5: Discussion; and Chapter 6: Summary, Conclusion and Recommendations. Other sections are the References and Appendices.

## **CHAPTER TWO – LITERATURE REVIEW AND THEORETICAL FRAMEWORK**

### **2.0 Introduction**

The following literature review is structured in two parts, namely: Context and Background of the Study and the relevant Theoretical Framework. The subsections under the Context and Background of the study include Traditional Funding Sources; the Inadequate Funding Syndrome; Higher Education Funding Policy and Equity; Costs Measurement, Allocation and Budgetary Efficiency; Policy Reforms; Governance, and Private and Public Universities.

The Theoretical Framework will present a critical review of a number of theoretical paradigms believed to assist in the understanding of the phenomena under research. These are: Resource Allocation Process (RAP) Model (Bower and Gilbert, 2007), African Political Economy (APE) Model (Aina, 2002), Resource Dependence Theory (RDT) (Pfeffer and Salancik, 2003) and Power and Centrality Theory (PCT) (Hackman, 1985). The researcher here does not make any claim of these presenting an exhaustive list of all the concepts in accounting research field. Relying on hindsight, however, the researcher believes these paradigms may be of important theoretical relevance to the understanding of resource management issues in organizations and by adaptation, of universities. The review notes on each of the paradigms (see later) confirms that aspects of the paradigms contribute to the understanding of the financial management research field. Although other relevant paradigms exist, limiting the list to the above four only conforms to Laughlin's (1995: 65) proposition that "all empirical research is partial and incomplete and that theoretical and methodological choices are inevitably made whether appreciated or not." Also, the four concepts may further be considered appropriate going

by Corbin and Strauss' (2008) recommendation of 'a substantial degree of saturation'. The above two references suggest that it would not be expedient to seek an exhaustive list of theories and methodologies in one piece of study. One way or another, the researcher would have to exercise a degree of ontological and epistemological leniency in choosing the theories and methodologies for the planned study. This researcher, therefore, proposes that the four paradigms here should be seen to have met the tests in Laughlin (1995) and Corbin and Strauss (2008) and should be seen to provide substantial insight towards the understanding and prediction of resources allocation process issues in the universities, and this study will show why.

## **2.1 Context and Background of the Study**

There are several contrasting accounts of proliferation of universities and increasing economic and managerial deficiencies in Africa (Sodipo, 2010; Udoh, 2001; Asecheme, 1999). Several authors attribute the economic woes to the increasing debt burden and political instability of the host nations (Sodipo, 2010; Udoh, 2001; Asecheme, 1999; Emevan, 2005; Fagbemi, 2006; Ijaduola, 2009). In Nigeria, reports show that the Federal Government has continually failed to meet the 26% budgetary allocation to education as stipulated by UNESCO (Hallack, 1990; Sodipo, 2010; Olaniyan, 2003; Ekong, 2004; Akpe, 2006; Ajayi and Ekundayo, 2006). There is a long list of other issues considering governance, transparency and performance reported against universities. For instance, some notable authors claim there is perennial lack of transparency in the system of management of higher education in Nigeria (Adora, Agba and Olajide, 2010; Oduleye, 1995; Odebiyi and Aina, 2002). Yet others point at politics and managerial inefficiency (AAU, 2004; Liu, 2007; Wangenge-Ouma and Cloete, 2008 Odebiyi and Aina, 2002). The literature review here will explore these themes in greater detail.

The next section will focus on the sources of funding available to all three categories of universities as established from existing literature.

### **2.1.1 Traditional Funding Sources**

This section presents a review of existing literature on the traditional funding sources available to all universities.

Financing of higher education in Nigeria or elsewhere in the world is critically challenged by economic and political constraints (Aina, 2002; Atuahene, 2008; Wangenge-Ouma and Cloete, 2008; Nkrumah-Young, K., Huisman, J., and Powell, P., 2008). Adams (1977:86) is in agreement with this view stressing that “individual institutions are squeezed by escalating costs and lagging revenues” while “administrators are tormented by ‘financial stringency’...” The Federal Government grant constitutes the major source of funding available to the federal universities (Aina, 2002; Adeniyi, 2008; Okojie, 2009).

According to the authors, the last 30 years have witnessed a huge decline in infrastructural development and a high level of poverty in several African countries. This is associated with steady decline in budgetary allocation to the educational sector, which, in turn, leads to many dire consequences: emigration of skilled academic personnel to the developed economies; decline in quality of teaching and research; and more frequent agitations among staff and students for improved welfare packages (Aina, 2002; Atuahene, 2008; Wangenge-Ouma and Cloete, 2008). Adams (1977) admits that in bad times when there are cuts in government budget, higher education, often

considered as a luxury, is very negatively affected.

Aina's (2002) research highlights the Nigerian irony where the national higher education policy disallows collection of tuition fees in the federal universities, even as at the same time government is unable adequately to fund the institutions (see Table 1.3). Triangulating primary and secondary data, Aina's research is focused on the biggest three federal universities situated in the south-west zone of Nigeria. His finding is that although both the policy makers and the citizens agree that the government alone cannot fund higher education, the political will to change practice in favour of fees collection is absent. It is doubtful, however, whether Aina's research concentration on only three institutions in the south-west to the exclusion of the well over 28 others in the north and south-south geo-political areas of the country could be seen as adequate. His sample size, therefore, appears to be too small. His reliance on only qualitative responses for assessment of adequacy of funding a university could encourage subjective answers which may lack the rigor to support far reaching conclusions. Above all, Aina's (2002) appears to be a lonely voice. It will, therefore, make good sense to find out what other researchers in Nigeria think of this topic. This gap calls for further empirical research on the subject.

Resource mobilization and value creation is central to university and all public sector management (Parker and Gould, 2000). Okojie (2009) contends that the challenge has been to find the necessary resources to support the massive growth of university education that occurred between 1948 and today. Okojie admits that the inability to realize funding expectations has raised concerns about quality of university education. Odebiyi and Aina (1999) assert that one of the major problems now facing the Nigerian

universities is the problem of under-funding. A study conducted by Babalola et al (1996) identified core problems of financing higher education in Nigeria as overspending on general administration, general academic and retirement benefits, at the expense of teaching and research. Adeniyi (2008) asserts that the case remains unclear about the direction or strategy of the Federal Ministry of Education (FME) and its supervisory organ, the National Universities Commission (NUC), on how the universities can best be funded. In somewhat of a remote connection to the accountability and management issues resolution, Lapsley and Miller (2004) focus on the shifting organizational forms of the universities insisting that there is need for adoption of a unique but whole new performance measurement and control system that would reflect the true prosperity of the institutions just as is the case for industrial corporations. The authors, however, admit that this is bewildering, in the mean time, with much uncertainty (Lapsley and Miller, 2004) which calls for further research.

There seems to be a correlation between the prosperity of the country and the quality of her universities (Li, Shankar, Tang, 2009). Reporting on the Academic Ranking of World Universities, the authors noted that the top 500 universities were owned by only 38 countries, and the United States alone hosted 157 of them. Perhaps this explains the absence of any African university within the list of 500 top ranked world universities.

Advising state governments to go out of their way to fund the universities, Kolawole (2009) asserts that a university is a capital intensive enterprise, which should not be embarked on unless there had been adequate provision for the relevant demands it brings along.

Babalola et al. (1996) found that on the average, Nigeria spent N5, 903.50 (\$5,500) per university student in 1991/92. Although no official figures exist to confirm Babalola, et al's figure, the researcher thinks the figure may have, since outgrown the reported average by a wide margin, and further research is urgently required here. Atueyi (2009), quotes Professor Akinjide Oshuntokun's suggestion that funding of education should not be left for government alone, considering its overriding importance. His suggestion is a partnership of federal, state, local governments, and banks, and the universities regenerating themselves for meaningful research. His further advocacy is for separate funding of post graduate education.

Okojie (2009) cites the legal framework of the funding system of federal universities in Nigeria stating that the National Assembly makes appropriation to all sectors including education. He further reiterates that the National Universities Commission (NUC) is empowered by the Federal Law (LFN) 2004, Cap N81, Sections 4(1) f and 4(8) to receive grants from the Federal Government and to disburse same to Federal Universities. He further informs that the annual allocations emanate as recommendations from the executive arm of the government.

Despite the advertised legislative role of the federal government in the funding of higher education in Nigeria, claims of under-funding have persisted (Olaniyan2003; Ajayi and Ekundayo, 2006; Akpe, 2006; Okojie, 2009; Adeniyi, et al, 2009; Ijaduola and Agbajeola, 2010; Babalola, et al., 2012). Ndagi (1983) observes that the amount of money that is allocated to education not only depends on the total amount of revenue available, but on the priority order of ranking for any particular fiscal year. Supporting Ndagi's view, Odebiyi and Aina (1999), and Adeniyi, et al. (2010) affirm that inadequate funding has

had a calamitous effect on teaching and research (there was not enough money to acquire teaching equipment, fund cutting edge researches or pay appropriate salaries to attract and retain top level professors), and that universities have had to embark on income-generating projects in order to source for funds. In specific terms, the authors itemize the effect of dwindling finances of Nigerian universities as explicated in many adaptive mechanisms such as scaling down of laboratory/practical classes; discouragement of field trips; curtailment of attendance at academic conferences; reduction in the acquisition of library books, basic chemicals and laboratory apparatus; ban on new appointments, outright freeze on study fellowships, and curtailment of research and other grants (Odebiyi and Aina, 1999; Aina, 2002; Ijaduola and Agbaejola, 2010).

Nigeria's case seems a mirror effect of the instances of other developing countries (Bevc and Ursic, 2008; Lillis, 2009; Rui, 2013; Ahmad, et al., 2012). Lillis (2009), in particular, cites Dr Ustina Markus, formerly of the Kazakhstan Institute of Management, Economics and Strategic Research (KIMEP) as saying that lack of a reserve fund at the university and a construction boom on campus, much of it carried out by a company that reportedly has ties with Bang (the institute's president) as evidence of questionable financial decisions. Lillis, however, further reports that the Kazakhstan resolve is to make higher education more competitive in the modern world (Lillis, 2009).

Unfortunately many of the authors are concentrating on what is wrong with the system and make only minimal attempt at suggesting what needs to be done (Aina, 2002; Wangenge-Ouma and Cloete, 2008). More especially, they seem to heap all the blame for the non functionalities on the government and pay little attention to the role of

governance on universities' performance (Aina, 2002; Wangene-Ouma and Cloete, 2008). It must be doubtful if any of the commentators on financing of Nigerian higher education, for instance, know the unit cost per undergraduate student for a year. With the apparent lack of statistics any suggestions by authors would be merely guesswork (Johnstone, 1998).

There is an abundance of literature in support of the view that universities just have to move away from traditional, to embrace innovative, funding initiatives (Odebiyi and Aina's, 1999; Okojie, 2009; Aghion, et al, 2009; Rui, 2013; Smith, 2013; Razavi & Attaranezha) studies show that the universities need to be open to innovations in the area of sourcing of non-government funds to run the respective universities. They posit that universities should learn from one another and possibly under-study the success stories in sister universities. Okojie (2009) admits, however, that many Nigerian universities have developed creative fund generation strategies. Okojie's proposition appears instructive that the farther away from using traditional funding methods to meet universities' resource needs, the better are the institutions rating on creative and innovative internally generated revenue (IGR) sourcing. Adeniji (2008), however, suggests that all major funding for national development should focus on research and development for the parameter of allocation, in the assurance that universities will become major beneficiaries of the funds.

Odebiyi and Aina (1999) further acknowledge that the bursary department of each university has the responsibility for managing the funds and finances of the university. The red 'tapeism' associated with this centrality of funds management at Obafemi Awolowo University in Nigeria (a federal university) appears to be a recital of the usual

complaints at other universities. The authors, however, argue that the involvement of the bursary department ensures that there is effective control and judicious management of the resources.

There is a growing thinking that private universities in Nigeria, like elsewhere in America, have more effective resource mobilization strategies and governance than government-owned universities (AAU, 2004; Jones-Esan, 2007; Aghion, et al., 2009; Garba 2009; Rui, 2013). A future research would be appropriate in comparing the performance of private universities in Nigeria and the United States. Jones-Esan (2007), in particular, suggests that foreign students coming to Nigeria prefer private universities because of the stable calendar and greater discipline among teachers and students in the private universities. Aghion, et al.(2009) attributes the great success of private universities in Europe and USA to the degree of autonomy they enjoy. The authors declare: “Our results on autonomy suggest that universities need to control the use of their budgets, independently choose the compensation of the faculty and have the freedom to hire whichever faculty they most prefer “ (p. 26). In this study, it will be of interest to determine how autonomy drives resource processes and commitment resolutions.

The researcher recalls a number of universities using fundraising as a strategy for meeting their future financial goals. Not long ago, Babcock University, Nigeria, (the university where the researcher works) launched a \$250m capital campaign that would last till 2012. In 2006, Bowen University, Nigeria conducted an open field launching that generated over N150m (\$1m) on the spot. The two universities may not have attained their original targets about eight years after, but that move certainly marked for the institutions a major mile stone in resources mobilization engagement.

Aina's (2002) paper was silent about the evolving important place of private initiative in university education in Nigeria which began in 1999. Before this date, the researcher notes that the few available public universities then had repeatedly failed to fully absorb the large number of candidates for seeking admission into higher institutions. Aina's paper was silent on how the private universities have thrived so well with tuition fees as their major source of funding (Rui, 2013; Aghion, et al., 2009). This omission leads to two important questions: (1) could the growing success of private universities' not be making a strong statement for universities autonomy in Nigeria? (2) Could this be a signal for a funding policy reform and how far could it impact on the performance index of the higher education sector in general?

In the case of Ghana, Atuahene (2008) states that the government has always viewed education as a means of improving the living standards of the people and, consequently, is constitutionally responsible for providing support for education at all levels. According to him, despite the huge investments of the government on education, the sector remains under-funded. He owns up, however, that the amount spent on the education sector, though huge by national standards, is internationally small. His research outlines a new policy framework and critically looks at some implementation problems with the policy recommendations. But Atuahene (2008) did not disclose in relative terms how the shortfall in the funding of higher education in that country stood. It is clear from his critique of the students' loans scheme that he is in favour of achieving equity through reforms. He documents that the total amount repayable by a student loan beneficiary would be 435% of the original amount borrowed. Unfortunately, this situation could rather increase the burden of the student loan beneficiaries. However, his study

suffered from the absence of a reliable national data base capable of supporting successful resources allocation study. Atuahene's article leaves some unanswered questions. There is, for instance, the problem of how to track defaulting students who would have left school many years previously.

From South Africa, Gourley (1995), proposes that in order to avoid dependence on government grants, universities could float an additional term (bringing to three the number of trimesters in a school year of average of 13 weeks per period); engage distance and open learning models using the aid of information technology; embark on inter-university co-operation, sharing services of staff and even offering joint degrees and diplomas to cut down costs; and generate income through research, innovation and consultancies of various kinds. Gourley (1995) expects the institutions and the country as a whole to benefit from such innovations.

Brophy and Dudley (1982) have strong doubt as to how much distance learning would succeed in many countries of Africa given the low state of technology and other cultural infrastructure. For instance, the authors are concerned about the state of the postal system in some African countries that are as good as dead and where electricity supply is epileptic. The question then is what strategies could be employed by the universities, not only to generate the much needed alternative operating and capital funding, but also to deploy effectively the resources at their disposal?

Citing South Africa's National Plan on Higher Education (NPHE 2001), Wangenge-Ouma and Cloete (2008) agree that funding of higher education is critical for the attainment of that country's five policy goals identified by the 2001 national plan. The authors listed the

important policy goals as producing graduates needed for social and economic development in South Africa; achieving equity in the South African higher education system; achieving diversity in the South African higher education system; sustaining and promoting research; and restructuring the institutional landscape of higher education system (Wangenge-Ouma and Cloete, 2008; Johnston, 1998; Lui, 2007). In their articles, the different authors argued that the funding challenges facing the different countries they represent could jeopardise the good intentions of the national policies in place.

Aina (2002) reports that the federal institutions in Nigeria are not allowed to collect tuition fees directly from the students although the story is different in the state and private universities. According to him, the tuition fee in the state universities is small, but has other indirect costs that go with it, including, for instance, registration fees, union dues, room rent, sports dues, departmental levies, insurance subscriptions, medical fees, etc. Available literature affirm that many private universities charge a consolidated fee that takes care of everything from tuition to whatever else the proprietors consider necessary to charge for (Aina, 2002). Unfortunately, too, there is no common regulation on the quantum of indirect fees that any university could charge which leaves room for abuse.

While it is arguably admissible that the cost of education is cheaper in the public institutions; the private universities appear to be doing far better at rendering quality teaching and research (Aghion, et al., 2009; Rui, 2013). Their growing good quality performance must be informed by their primordial knowledge that their services simply become their promotion tools. The question at this stage is how do the federal and state universities, with all the funding support from the government which is not available to

private universities, fail to improve on their technical efficiencies? In all these, it would seem of critical study relevance to discover the inherent limiting factors in the management of the available critical resources at the disposal of lowly performing public institutions. While Aina (2002) claims that some universities have shown effective management of the financial resources at their disposal, he also admits that many more appear to have fared equally woefully. Further research may be useful in this area to determine the resource allocation processes that have yielded positive results for some and how the maximization of such practices could transform resources management in the higher education sector (Jongbloed, 2004; Lepori, et al., 2007; Teixeira and Koryakina, 2011; Ahmad, et al., 2012).

Bevc and Ursic (2008:233) equally note that within the European Union (EU) the trend is towards charging tuition fees for full-time study in public institutions. This contrasts with the case of Slovenia where all the universities are financed through government expenditure which have been showing increasing trends since 2005 (Marks and Jasmina, 2008). From the EU the story of funding is mainly in the hands of the government through a council (Aghion, et al., 2009; Shen, et al., 2012). Productivity is considered in deciding the future allocations to the institutions (Johnstone, 1998; Elton, 2000; Lapsley and Miller, 2004; Chatterji and Seaman, 2006). Research into how comparable are the Nigerian funding criteria to the UK funding council model predicated on quality, transparency, cost of research in different subject areas and reward to volume of research or reflection of national priorities (Angluin and Scapens, 2000; Chatterji and Seaman, 2006) will be a valuable exercise.

In the next section, the review will focus on the extent and implications of inadequate

funding to the universities.

### **2.1.2 The Inadequate Funding Syndrome**

This section reviews literature on the inadequate funding syndrome and the implications for the universities.

Inadequate (or under) funding has become a common phenomenon in the history of management of higher education in Africa in the last 30 years (Aina, 2002; Atuahene, 2008; Wangenge-Ouma and Cloete, 2008; Onuoha, 2012). Pendlebury and Algaber (1997) and Scott (2012) affirm that UK universities have similarly been confronted by dwindling appropriations in recent years.

Aina (2002) attributes under funding to lack of adequate planning, proliferation of universities, ad hoc expansion of enrolment, and academic versus non-academic employments ratios. Wangenge-Ouma and Cloete (2008) reiterate the same point, emphasizing that the quantum of funding available is important for the attainment of the university's cherished goals, via, teaching, research, community (public) service, and other associated goals. Some governments have enacted laws excluding collection of tuition fees (Aina, 2002) while some are silent about it (Wangenge-Ouma and Cloete, 2008). Pendlebury and Algaber (1997) disclose that the consequence of the contraction in funding and expansion of enrolment is greater emphasis on financial management and the role of management accounting.

In England, the Higher Education Funding Council for England (HEFCE) provides funding for research on the basis of numbers of research-active staff and of performance

in the most recent Research Assessment Exercise (RAE) (Elton, 2000; Johnes, 2007). The HEFCE's research spending in a year averages £1.25 billion while spending as much as £4.0 billion in recurrent funding (Johnes, 2007). Other available literature report that HEFCE's current focus is on issues of equity and social inclusion directed at ensuring equality of opportunity for disabled students; mature students; women and men and all ethnic groups (<http://www.hefce.ac.uk/widen/>). Yet the performance gap between European and US universities has been attributed to poor governance and incentives as well as insufficient investment in higher education. The proposed study of resource allocation processes in Nigerian universities may benefit from the experience of Europe and the United States. Important comparisons and contrasts with a few foreign examples could help to clarify the observations, characteristics and dimensions.

While the UK total public and private spending on higher education amounts to 1.3 percent of GDP, US was ahead with 3.3 percent (Kelchtermans and Verboven 2008). Asplund, et al (2008:261) consent that there is "the crucial issue of how to reconcile the targeted high investment levels with the limited public resources available, particularly in a context of soaring enrolment rates". How resource management processes in Nigerian universities could benefit from the UK and US experiences would make an interesting study. However, that form of investigation would not be the direct focus of this study.

According to Wangenge-Ouma and Cloete (2008), the universities have had to resort to one form of self-generated revenue to augment the steadily declining government funding. They point out that the fee portion of the university total revenue has tended to respond in inverse correlation with the dwindling fortunes of the government. "The

inadequate funding for capital expenses has forced many universities to fund capital development from their operating budgets or take loans” (HESA 2008 as cited by Wangenge-Ouma and Cloete 2008:909).

Specific dangers of inadequate funding, according to Wangenge-Ouma and Cloete (2008), include jeopardy of the proposed national policy goals. In Nigeria and elsewhere, Aina (2002:237) notes problems in the areas of brain drain, teaching and research, which is forcing the universities “to embark on income generating projects in order to generate more funds”. Similar report has been presented for other communities by other authors (Johnstone, 1998; Liu, 2007; Rui, 2013). Aina (2002) asserts that Nigerian universities today (2002) have become ungovernable and tension laden in the face of unresolved issues of payment of fees and other politicking. Atuahene (2008:407) adds the challenges of “inadequate and dilapidated infrastructural facilities, falling standards, relevance and quality of programs due to ineffective instruction, and the lack of motivation on the part of faculty causing unbridled emigration of qualified teachers”. How best to confront the inadequate funding problem, without which the relevant universities under reference would remain underdogs in the educational landscape, going by world ratings, is of major interest to many researchers (AAU, 2004; Liu, 2007; Wangenge-Ouma and Cloete, 2008; Atuhene, 2008; Negash, et al., 2008; Ahmad, et al., 2012; Scott, 2012; Wahid, et al., 2013). Some of the authors (Wangenge-Ouma, 2008; Atuhene, 2008, etc.) seem to be theoretical with suggestions on dependence resource as their examples of these are few and in some instances, they have employed qualitative recommendations instead of building up empirical data for future reference.

Several authors have suggested different approaches to the issue with Aina (2002) and

others arguing in favour of autonomy which would permit charging of tuition fees in all universities to bridge the increasing gap arising from inadequate funding by the government; induce reduction in the cost of administration and enhancement of commercial activities with a view to profitable operation of the universities ventures (Johnstone, 1998; Aina, 2002; Obasi and Eboh, 2002; AAU, 2004; Aghion, et al, 2009; Aui, 2013). Owoyemi (2009) proposes that top managers of the universities could bring the financial resource fortunes of the institutions to a highly positive status by combining optimal and honest commercialization of the resources. Aina (2002) caps his recommendation with a call for the education of parents, students and their guardians on the implications of the various modes of funding of higher education. The issue of alternative funding through commercial activities, however, appears like only part of the point. What he had not celebrated in his finding is that many of the commercial units in other universities have continued to gulp lots of funds and never produced a reasonable income (Aina, 2002). In his research, only one of the three universities he sampled had returned a profit from commercial activities. Yet it has to be clarified that the very institution where that positive result came from sits right at the centre of Lagos, arguably one of the most populous and economically viable cities in Africa. There is need for wider sample to have a more reliable report in this area. More importantly, a study is arguably needed to determine the role of systematic resource allocation processes in the formulation of development strategies for the higher education sector.

Wangenge-Ouma and Cloete (2008:912), bring in resource dependence theory into the funding analysis. Resources dependence theory, popularized by Pfeffer and Salancik (1974, 1978, 2003) holds that organizations would win continuous support of their investors as long as they provide services that are acceptable (Pfeffer and Salancik,

1974, 1978, 2003; Bower and Gilbert, 2007). Wangenge-Ouma and Cloete (2008:912), putting forward resource dependence theory “suggest that diversification of sources of revenue can only guarantee universities continued financial stability if the various sources accrue significant amounts such that any unforeseen underperformance by one source does not financially destabilise the institution”. Also, Citing Ouma (2007), the authors state that there has been limited resource dependence by South African public universities for reasons of weak university/business relations; limited industrial/business base; and lack of developed alumni and fundraising structures. Others are the absence of the culture of giving; impoverished geographic and economic environments of many higher education institutions; limited tax breaks for individuals and companies; and limited research capacity for some universities. The above authors, along with many others, admit that research funds follow research capacity and productivity (Elton, 2000; Chatterji and Seaman, 2006; Wangenge-Ouma, et al., 2008; Aghion, et al., 2009; Psacharopoulos, 2010). The authors are resolved that this would give older institutions wider leverage to resource claim than the new ones.

It may be argued, however, that some of the funding methods suggested appear elsewhere to be unrealistic as there is insufficient empirical data to support their listing. It would be appropriate to suggest, therefore, that policy makers should ensure that both old and new institutions enjoy equitable allocation of external resources. How to achieve this will qualify as an important research area for a future study. In the UK, however, HEFCE has made remarkable sense of this by making funding grants performance-based using the criteria of quality research output and growth in enrolment (Elton, 2000; Jones, 2007; Chatterji and Seaman, 2006; Chatterji and Seaman, 2006; Psacharopoulos, 2010). Perhaps, it would be expected that a generalisation of the UK's

HEFCE model could bring globalised quality to financing of higher education.

The next section will present relevant literature to position funding policies and equity for solutions to resources management in the universities.

### **2.1.3 Higher Education Funding Policies and Equity**

This section presents relevant literature highlighting the place of funding policies and equity on resources management in the universities.

There are funding challenges for higher education throughout Africa, Europe and around the world (Bevc and Ursic, 2008; Aina, 2002; Wangenge-Ouma and Cloete, 2008; Atuahene, 2008; Kempkes and Pohl, 2008). These challenges include how to raise the additional resources needed to improve quality, develop new programmes, increase capacity and guarantee stability. Other challenges are 'how to increase equity participation in Higher Education for different socio-economic groups; how to improve efficiency of use of available resources and other aspects of equity funding (Bevc and Ursic, 2008:229). Efforts to find funding policies and equity have led to several international and regional conferences on Higher Education Funding held in Asia (2003), Prague (2003), Moscow (2004), Bangkok (2006), Barcelona (2006), and Portoroz (2007), to name a few. The authors further assert that the main conditions for a good higher education funding system are sufficient resources for a stable development, efficiency and equity (citing Psacharopoulos and Woodhall, 1985).

In discussing programme diversity and quality, economic efficiency is measured from internal and external efficiencies. While external efficiency of education is defined as

realization of different goals in society outside the education centre, internal efficiency is defined as the relationship between education inputs and outputs within the education sector (Goddard, et al., 1998; Gillie, 1999; Bevc and Ursic, 2008). The authors conclude that for equity and efficiency to prevail permanently, certain conditions must prevail such as exceptionally good preparation and technical design; consideration of funding system; consensus among all the partners involved in the basic elements of the reform. One critical fact, however, is that the countries differ on the level of economic endowments, standards of best practice and political disposition. There can be no one formula that would be applicable to all the different countries, also perfect funding may appear only theoretically feasible.

Funding equity emphasizes a good balance between contributions from the state, students and their parents and resource centrality (Bevc and Ursic, 2008). Citing Jimenez 1987; Mingat, et al (1988), and Carlson (1992), Bevc and Ursic (2008) reiterate that tuition fees are an instrument of price policy in education and can exert negative effects when the level is found to be inadequate. The authors affirm that the decision on the level of tuition fees should take into account the size of (excessive) demand on Higher Education, the price elasticity of demand on Higher Education and the economic background of students and their parents (Bevc and Ursic, 2008).

The researcher thinks that Nigeria could benefit by closely reviewing the funding policy to borrow from the UK example for a reasonable period of time. In England, for instance, the responsibility for financing equity in higher education is on Higher Education Funding Council for England (HEFCE) (Elton, 2000; Johnes 2007). HEFCE performs a role as a buffer organization between government and the educational institutions, ensuring

effective resource allocation process and implementation of the applicable resource distribution formula. HEFCE works in partnership with the institutions “to promote and fund high-quality, cost effective teaching and research, meeting the diverse needs of students, the economy and society” (Johnes 2007:387). Allocation of resources is based on actual enrolment per programme and leads to funding efficiency, cutting out programmes’ duplication, with consequent result to overhead savings (Kelchtermans and Verboven 2008; Johnes 2007). While this seems to be working well in England, it is doubtful if the same parameters would be generalisable for other regions of the world, such as Africa, where the tenacity for detail and objectivity are disadvantaged by lack of functional data bases (Atuahene, 2008).

Funding systems could be classified as centralized or decentralized (Kelchtermans and Verboven, 2008; Woods, 2008), internal or external. The first category is where funding is under strong central control whereas the other extreme involves market oriented approaches such as voucher systems, where there is dominance of student contributions. The authors agree that the common tendency is towards more decentralization, giving the institutions room for greater autonomy in winning external resources and in the internal management of the resources at their disposal (AAU, 2004; Kempkes and Pohl, 2008; Jarzabkooski, 2002) which comes with a positive and better reflection on performance. This may be considered fair as it ties resource distribution to the institutions’ input/output - productivity and contribution towards achievement of the overall policy goals (Bevc and Ursic, 2008). The authors finally acknowledge that the main bearers of higher education costs are students (from their future incomes), their parents and taxpayers (Bevc and Ursic, 2008). The relevant combination must cover all costs, a shortage being augmented from change in share of the other two sources (Bevc

and Ursic, 2008:232).

A major constraint to financing equity in educational policies in Africa is lack of comprehensive harmonized data (Asplud, et al, 2008; Akinsanya, 2007; Atuahene, 2008). The authors identify the problem of insufficient data on the background of disadvantaged families across countries and raise questions on how to determine who to include in the list of disadvantaged families. This area critically engages greater attention of policy makers and could represent an important area for further research.

Marks and Jasmina (2008) citing Goldstein and Thomas (1996); Bradley, Johnes, and Millington (2001); and others, affirm that efficiency can be measured from the perspective of an individual scholar, the educational institution, a municipality or even a country. The authors' view, partly supporting an earlier similar work by Glass, Hyndman and McKillop (1996) is that efficiency measures have ranked individual institutions differently when the research has been based on individual scholars, as opposed to more aggregate measures. The funding system in Slovenia, however, allows for funding determined by classification of institutions into study groups based on weighting (Glass, et al., 1996). Justification for such is based on the knowledge that different study groups need more funds to operate because of the education field in which they operate. The authors affirm that some institutions need more inputs to achieve same level of output, that is, are less technically efficient. Technical efficiency (that is the ratio between enrolment and graduation) and heterogeneity are important factors in the study group classification (Marks and Jasmina, 2008). More resources are allocated to the more technically efficient groups. Gillie (1999:43) asserts that it is "in planning and use of resources that universities have the greatest opportunity to improve their efficiency and

effectiveness". Due to observed wrong classifications of certain groups, however, Marks and Jasmina (2008) are calling for improvement of the funding system. Loubert (2008) equally finds that increases in finances to schools could make a difference in school quality as measured by academic achievement.

The same authors point out that the problem here has to do with group classification. They insist that wrong classification means that the resources are inefficiently distributed. Since more resources go to the class determined to be more technically efficient, it is the view of the authors that manipulations that would lead to abuse and has been so. Elton (2000:276) refers to the example of UK research assessment exercise where competition led to the proliferation of new journals and "the growth of undesirable practices, such as the publication of essentially the same work in different guises in different journals and the splitting up of research papers into several smaller ones." But Loubert's call for improvement tells the rest of the story. This literature, therefore, leaves room for further research to determine the sharp lines of definition and selection processes that separate one functional higher educational institution from other poorly managed universities.

The next section will look at the literature on cost measurement, resources allocation and budgetary efficiency in the universities. There will be a brief review of the role of accountability as well.

#### **2.1.4 Costs Measurement, Allocation and Budgetary Efficiency**

This section looks at the literature on cost measurement, resources allocation and budgetary efficiency in the universities. The review highlights the role of accountability in

resourcing solutions.

Given the tight public budgets, the efficient spending of public funds in universities is receiving increasing attention in the economic-political debate (Kempkes and Pohl, 2008; Woods, 2008; Jarzabkowski, 2002). Various literatures show that the characteristics of state university regulation have, indeed, a significant effect. In another relevant study, Hills and Mahoney (1978:464) conclude from a study of the Bureaucratic Model of Budgeting that “the relative abundance or scarcity of resources available for allocation is a significant influence on the budgeting processes”. They assert further that “a bureaucratic, or universalistic, criterion, relative workload, was influential in the allocation of resources during the period of abundant resources and of little influence during the period of scarce resources.”

Furthermore, Woods (2008:139) cites UK’s Jarrat Committee’s Report (1995) on management of universities that “it is in planning and use of resources that universities have the greatest opportunity to improve their efficiency and effectiveness.” The author is of the view that the 1984 National Advisory Board for Public Sector Higher Education guidance on good management practice of the sector and the Jarrat Committee report of 1995 ushered in “a shift in the relationship between higher education and central government.” Citing Dearlove (1998) and Miliken and Colohan (2004) the author asserts ‘managerialism’ as the outcome of that shift (Woods, 2008). The author explains that government thinking is that private sector solutions introduced to public sector management could be used to drive change (Woods, 2008). This thinking appears reconcilable with Aghion’s (2009:2) study finding “that universities’ output is higher in the states in which they are more autonomous and face more competition.” It may be

arguably appropriate to assert that autonomy and competition are among the major attributes of private entrepreneurialism.

Gillie's (1999) analysis of effects of summer school attendance on students' overall continuous assessment scores leads to the conclusion that improved decisions and more effective use of resources can be achieved by measuring and analyzing routinely collected data, adding that subjective impressions about outputs can be quite misleading. But Hackman (1985:72) in an elaborate work process research concludes that "the centrality of a unit draws from its environmental power and resource negotiation strategies to affect the internal resource allocation that it acquires from the organization". The study found agreement with others earlier (citing works of Pfeffer and Salancik, 1978; Wildavsky, 1979, etcetera) that budgeting is a political exercise; further concluding that the needs of an institution may be stronger in times of financial stress than in a period in which there is more budgetary slack. Accurate data of each unit, therefore, stands central to effective budget decisions (Hackman 1985). On another note, Goddard and Ooi (1998) move on to comment on the importance of good cost measurement system, such as the ABC Model of overhead allocation for the study of cost management of the departments. The ABC model, according to Goddard, et al (1998) is good for less sophisticated traditional systems because it ensures that a unit is charged only for its actual consumption of central resources. At the same time, the authors opine that the model has inbuilt incentives for units not to over-consume the 'charged-for' services. Their claim is that this will lead to a more efficient allocation of resources across the university as users become aware of the opportunity costs of consuming the relevant services.

The Goddard, et al, (1998) study is, however, limited to library services in University of Southampton. It will require further testing in more places to qualify for confident application to all other service units in more universities. A cost-sharing model may be of universal acceptance if attention is paid to the full details of the input and can be seen as key to institutional efficiency and equity (Obasi ad Eboh, 2002; Nkrumah-Young, Huishman and Powell, 2008). Pendlebury and Algaber (1997) report that the search for appropriate costing and pricing of indirect services had led to the efficiency studies of 1985 which was at the instance of the Committee of Vice Chancellors and Principals. The authors drew attention to the “lack of management accounting systems in universities and the need for improved financial management information, including a greater awareness of direct and indirect costs, and the devolution of financial responsibility and financial-control to departmental cost centres” (Pendlebury and Algaber, 1997:281).

Finally, Aina (2002) raises concern on how to maintain openness and accountability in the running of the university business. His suggestions of semi-autonomy of commercial entities within the university, proper score-keeping, and adequate funding, among others, are instructive but require further studies. Perhaps it would be very instructive to pay attention to Glass, Hyndaman and McKillop (1996) and Elton (2000) who highlight need for future research to consider other functional ways of investigating empirically the provision of teaching and research in a UK university, and how to arrive at an efficient resource allocation system in the future. The current study will seek to provide empirical evidence for driving efficient resource management processes in Nigerian universities.

The next section will look at available literature on funding policy reforms and the

implication for effective administration of the universities.

### **2.1.5 Funding Policy Reforms**

This section looks at available literature on funding policy reforms and the implication for effective administration of the universities.

Seeking better funding strategies for higher education, different governments have instituted reforms to improve on the existing practices from time to time (Gillie, 1999; Aina, 2002; Atuahene, 2008). Empirical evidences show difficulty in evaluating the effects of student financing reforms (Asplund, Adbelkarin and Skalli, 2008)). Factors identified for this difficulty are country differences, changes in population size within countries and obvious lack of appropriate data partly because some countries (Belgium, Hungary and Latvia, for instance) are too recent to permit sound evaluations of the net effect on enrolment of tuition fees backed up with loans and grants. Wangenge-Ouma and Cloete's (2008) and Gillie's (1999) references to educational funding reforms in South Africa and UK, respectively, are good examples of where reforms have brought about change of policy and practice. Each new reform attempts to correct the ills of the one before it (Dearden, Fitzsimons, Goodman and Kaplan, 2008).

The target of every funding reform is to provide a set of practice rules and guide for the institutions, the students and the government itself (Andres and Bello, 2007). Andres and Bello (2007) add that "the allocation of money and power are two of its key elements, not only because finances and governance are the subject matter of many of the items in the list of transformations advocated. Aside from these practical grounds for relevance, there are also political economic ones, in higher education systems like those

of the Latin American nations that have traditionally received public funding and autonomy without much accountability; reformers seek to connect the investment public resource with a demonstrable attainment of social benefits, and make decision makers in universities responsible for their decisions” (Andres and Bello, 2007:512).

Significant as the above comments stand, the reforms are, however, too easily subject of heated political manoeuvres and could be dependent on the political beliefs of the government in power. One may conclude, therefore, that reform proposals could be lost along the corridors of political haemorrhage. The measure of usefulness of the reforms would perhaps depend on the political environment, cultural parameters and goals of the sponsors. Each of these may be a source of major hindrance to the enforcement of the new reforms. Introduction of reforms under emerging democratic set up could pose an upstream task. Various authors may argue, however, that reforms are a good way of lifting practice to a new level; when done right, the reforms could compel improvements for better practice. The authors (Wangenge-Ouma and Cloete, 2008; and Gillie, 1999) must be right suggesting that there is need for regular policy reforms.

The next section will look at available literature on governance and what role it plays on resources allocation processes.

### **2.1.6 Governance**

This section reviews the literature on governance and attempts to establish the relevance of the topic to universities financial resources allocation processes and deployment. The discussion is in subsections for purpose of clarity as follows: the

general definition of governance; corporate governance; universities' governance processes and attributes; relationship between governance and resources allocation processes; attributes of good or bad governance and limitations to effective governance.

#### **2.1.6.1 General definition of governance**

This section will introduce governance in general terms showing its centrality in managerial success.

The World Bank (1991:1) defines governance in relation to the management of a country as “the manner in which power is exercised in the management of a country’s economic and social resources for development.” In other broader definitions, governance is explained with terms such as traditions and institutions by which authority is exercised; process by which leaders are selected, monitored and replaced; capacity to effectively formulate policies, organize the citizens for orderly relationships, allocate resources and co-ordinate or control activities to produce good economic and social welfare for the community (World Bank, 1991; Lombardi, et al., 2002; Bell, 2002; IBFRD/World Bank, 2006). Hufty (2011:405) further defines governance in much more general sense by referring to the conglomeration of “structures, processes, decision-making and actions in a collective manner for creation, reinforcement or reproduction of social norms and institutions.”

From the above definitions it is deductable that governance determines the character of an establishment (World Bank, 1991; Lombardi, et al., 2002; Bell, 2002; IBFRD/World Bank, 2006; Hufty, 2011). That is, it could be said that the quality of governance determines the tone of an organization’s deliverables. In other words, governance can

be seen as a combination of attributes that specifies the way an entity is run with attention to structures, processes and relationships within the organization (World Bank, 1991; Lombardi, et al., 2002; Bell, 2002; IBFRD/World Bank, 2006; Hufty, 2011). So, whether it would be perceived by its publics as a well managed organization or it would be seen as one that is not effectively run its governance characteristics would show. Quality of governance, therefore, could be compared as to a standard of good governance and refers to management consistency, policies harmonization, clarity of guidance, systematic processes and appropriate decision-rights for specified lines of authority and responsibility (World Bank, 1991; Lombardi, et al., 2002; Bell, 2002; IBFRD/World Bank, 2006; Hufty, 2011; Agama, 2013).

From these definitions again, it is possible to predict governance quality by assessing the composition of the management and method of election into positions: who gets elected the chairman of the board; who is the chief executive officer? Who are the managers? How do they commit or refrain from committing the assets of the organization? How and to whom do they account for their use of authority? The goal of every governance system is to produce good performance or discouragement of bad performance (World Bank, 1991; Lombardi, et al., 2002; Bell, 2002; IBFRD/World Bank, 2006; Hufty, 2011; Agama, 2013). Accordingly, the following quote from IBRD/The World Bank (2006:4) inscribes a measure of relevance to the growing emphasis on the study of governance matters: "Good governance pays a very huge development dividend. An improvement in governance of one standard deviation can triple a nation's income in the long run. Higher income also correlates with better governance, but the casual relationship is mostly from governance to income."

The effectiveness of any governance strategy could be measured by the quality of its outcomes, the organizational culture and standard of best practices prevalent in the establishment (Amaral and Magalhaes, 2001; Lombardi, et al, 2002; Aina, 2002; Rui, 2013; Magalhaes, et al., 2013). In other words, any managerial system that could affect the way business is carried out in the establishment will equally affect the kind of output quality of that system. From these notes, it is possible, therefore, to refer to good or bad governance strategies. A good governance strategy would lead to success as a bad strategy would lead to failure or bad results (Lombardi, et al., 2002; Aghion, et al., 2008; Hufty, 2011). The type of governance an organization's leadership desires could be nurtured through an intentional philosophy centred on excellence and global best practices (Lombardi, et al., 2002; Aina, 2002; Aghion, et al., 2008; Rui, 2013). These encompass all formal and informal, vertical and horizontal processes, with focus on performance (Hufty, 2011).

The next section will present literature review on corporate governance to differentiate from the general view to specific application.

#### **2.1.6.2 Corporate Governance**

In this section, the review focuses on governance as relates to the corporate environment.

Corporate governance is the system by which organizations are directed and controlled (OECD, 2004; Ticker, 2009; Hufty, 2011; Rezaee, 2012). This system defines the structures, processes, rights and responsibilities of the various stakeholders within a corporation (Oghojafor, et al., 2012; Plender, 2003; Machold, 2004; Amao and Amaeshi,

2008; Sinha and Sinha, 2007; Sanda, et al, 2005).

There has been a very important focus on corporate governance as a result of the collapse of some US corporate giants: Enron, MCI Inc (formerly WorldCom) and others (OECD, 2004; Ticker, 2009; Rezaee, 2012; Oghojafor, et al., 2012; Plender, 2003; Machold, 2004; Amao and Amaeshi, 2008; Sinha and Sinha, 2007; Sanda, et al, 2005). These authors suppose that the regulation of the internal structures and processes goes to ensure proper direction, administration and control of the corporation. Eells (1960:108), reputed as the first documented use of the word corporate governance, refers to “the structure and functioning of corporate polity.”

From this review, essentially, corporate governance can be viewed as the protection of the rights and expectations of the shareholders, employees, and other stakeholders through systematic structures and processes that specify the distribution of rights and responsibilities among the members of the corporation (Eells, 1960; OECD, 2004; Ticker, 2009; Ayininuola (2009); Rezaee, 2012; Agamah, 2013). This understanding is in agreement with Sifuna’s (2012) view that corporate governance focuses on internal and external corporate structures through a system of regulations and best approaches to direct and control actions of management and directors, and in the process mitigate risks that could result from the wrong actions of the corporate officers. From this point of view, corporate governance, therefore, must be concerned with reduction of conflict of interest between stakeholders using the tools of structures, processes, customs, policies and regulations (Eells, 1960; Cadbury, 1992; Plender, 2003; Machold, 2004; OECD, 2004; Sanda, et al, 2005; Amao and Amaeshi, 2008; Ticker, 2009; Oghojafor, et al., 2012; Goergen, 2012; Sifuna, 2012; Rezaee, 2012).

The above views are supported by IFC (2010) survey cited in Agama (2013) as pointing out transparency and accuracy of disclosures; respect for shareholder rights; proportion of non-executive directors on the boards; general ethical standards; integrity and credibility of management as issues of important corporate concern for attracting investors to the emerging markets (Agama, 2013). In nearly every discussion of corporate governance, important focus is on effective performance, to ensure that the expectations of the various stakeholders are met (Eells, 1960; Cadbury, 1992; Plender, 2003; Machold, 2004; OECD, 2004; Sanda, et al, 2005; Amao and Amaeshi, 2008; Ticker, 2009; Oghojafor, et al., 2012; Goergen, 2012; Sifuna, 2012; Rezaee, 2012; Agama, 2013). These issues are equally prominent in the universities although the strict emphasis may be different from the purely commercial orientation as is the case with corporations. Corporations may be driven by the desire for market share maximization (Owoyemi, 2009; Onuoha, 2012a) and the Nigerian universities seek expansion of enrolment and viable curriculum under heavily regulated environment (Okojie, 2009). Both environments may call for focused governance to achieve or to conform. An insight from the preceding literature suggests a scope that can highlight the importance of resourcing efficiency as an important association with internal governance structures. This study, therefore, will consider how governance may be affected by financial resources management efficiency in the universities.

The above reviews provide grounding for a contextual review of the universities' governance which follows next.

### **2.1.6.3 Universities' governance processes and attributes**

In this section the review focuses on the practice and role of governance in the universities system. The discussion here will show why there appears to be growing emphasis of recent on governance of the universities.

Narrowed to universities context, governance here refers to the rules, processes, procedures and relationships within the university that typify how business is conducted in the institution (Lombardi, et al., 2002; Hufty, 2011; Magalhaes, 2013). This includes whether the university is organized as a private or a public institution and whether it does businesses from a single location or multi campus locations (Lombardi, et al., 2002). Rui (2013) and Magalhaes (2013) hint that private institutions enjoy greater autonomy which gives the leaders opportunity for more independent research and power to bring novel solutions to the management of the institutions. It would appear that private universities derive the ascribed superior performance over state controlled institutions from their immense degree of autonomy (Shattock, 2002; Aghion, 2009; Magalhaes, 2013)

There are universities which run multi campuses under a single board and there are as well many single campus, single board management systems (Lombardi, et al., 2002). The authors observe that for every university there is a council or board and committees for finance, development, research, library, and others. What is not often common, Lombardi, et al (2002) attest, is uniform scope of engagements. This major difference is found in the focus and organization between the university entities as for whether public and private governance (Lombardi, et al., 2002). In the 2002 study of top American universities, using fundraising as measurement, the researchers (Lombardi, et al. 2002) found that private universities had better quality governance than public universities.

This observation appears to highly agree with the recent finding of the study of management of private universities in Europe and Shandong Province of China (Magalhaes, et al., 2013; Stensaker and Vabo, 2013; Rui, 2013).

When establishments fail to handle the governance question properly, they create room for breaches which affect systematic resources commitment, timely response to financial obligations, and corporate transparency (Lombardi, et al, 2002; Sinha and Sinha, 2007; Owoyemi, 2009; Onuoha, 2012). Workers' commitments diminish and strategic focus is adversely affected (Aina, 2002). Other attributes of quality governance arrive through effective and timely communication in the forms of minimum level of destructive rumours and higher credit rating of the entity (Onuoha, et al., 2013). For universities, this is an important demonstration of good governance which comes with greater and improved collegiate relationships, higher productivity and institutional visibility (Aina, 2002; Shattock, 2002; 2004; Owoyemi, 2009; Aghion, et al., 2009; Onuoha, et al., 2013; Whitchurch and Harvey, 2013).

It may be appropriate to conclude from the foregoing discussion, that a university could achieve the primary goals of academic delivery – teaching and research (Aina, 2002; Shattock, 2002; 2004; Owoyemi, 2009; Posthuma and Al-Riyami, 2012; Onuoha, et al., 2013; Whitchurch and Harvey, 2013) by the university leadership seeking appropriate governance configuration that would enhance the output expectations of quality programming, collegiality, good organizational culture and sustainable best practices. That begins from intentional adoption of a philosophy of governance patterned after a sound business model that would result in consistent delivery of value to the stakeholders (Owoyemi, 2009). Owoyemi's recommendation is a university governance

structure that would allow for management not only to equip, but to recruit, deploy and retain the right manpower. He strongly affirms that such model would require the universities seeking funding not through occasional fund raising launchings or a dependence on declining hand outs from the federal government (Owoyemi, 2009). Aghion, et al. (2009:27) asserts that universities would have to embrace competition under “sufficient autonomy” which would compel them to “become better at research when the level of funding allocated by merit based competition is higher.” But Shattock (2004:227/8) underscores the new thinking about governance as centred on “improving institutional performance” as opposed to merely “safeguarding propriety”

In the UK the Committee of University Chairs (CUC) and Leadership Foundation (LF) for Higher Education have outlined important governance characteristics and structure capable of leading to effective governance of the universities. The CUC has identified ten key elements of Higher Education (HE) governance which are expected to be code of operation for the different bodies of governors. As contained in the CUC draft of 2014. The governing body of each university must:

“be unambiguously and collectively accountable for institutional activities...; protect institutional reputation by ensuring clear ethical standards, policies and procedures are in place...; ensure institutional sustainability by setting and ensuring the successful delivery of institutional mission and strategy....; ensure the effective operation of academic governance...; ensure institutional financial health...; ensure that effective control and due diligence takes place in relation to external activities...; promote equality and diversity throughout the institution...; ensure that governance structures and processes are fit for purpose, meet recognised standards of good practice, and adopt

clear definitions of the roles of the chair; ensure its size, membership and associated skills are fit for purpose with external members forming a majority...; and review regularly its effectiveness and that of any committees in its sub-structure...”  
(<http://goo.g1/114/9xW> Retrieved 01/02/2015).

The Leadership Foundation for Higher Education, on its part, underscores four important roles of governance, namely:

“Ensuring accountability and effective scrutiny...; setting strategic aims and goals....; monitoring and measuring performance...” and “...appointing and ensuring the effectiveness of the head of institution/CEO”.  
(<http://www.lfhe.ac.uk/en/governance-new/What-is-governance/index.cfm>. Retrieved 01/02/2015).

The foundation goes on to enumerate “communication”, engaging the “right people as governors” and a “structure that allows governors to contribute on the council” as key ingredients of governance success.

The structure recommended by the foundation has some important features that include:

- a) “A corporate governance structure of a governing body, supported by a number of committees, including audit, remuneration and nominations committees as recommended in the CUC Guide, and usually a planning and resources or other form of strategic planning group.”
- b) “A senate or academic board, responsible for the academic work of the institution, often with faculty or school boards reporting to it.”
- c) “A management structure led by the vice-chancellor or principal, a key component of which may be a senior management team or leadership group.”

The foundation also pointed out some problems that could arise with this traditional approach, namely:

- That the senior managers could be over reliant on committees for decision rather than take responsibilities.
- That the decision making process could be slow in relation to the pace of development which may result in the senior managers having too much concentration of power than the committee.
- That the committee system may not make good use of the skills and enthusiasm of some governors.

It is, therefore, noted that some organizations are seeking alternative structures to try to address some of the issues raised here.

From these sources and more, the ideal governance model appears to suggest some notable characteristics, namely: 1) governance structure is driven from the bottom-up; 2) shared governance relationships which involve both academics and the administrators in leadership; and, 3) committee engagement for special aspects of the university's business. From this outlook, it could be inferred that governance success would function on collegial management principles (Stensaker and Vabo, 2013; Magalhaes, et al., 2013) honed around leadership concepts of agility, distinctiveness and alignment concepts of leadership (Wooldridge, 2011). This could only have been possible because of the high degree of academic and management autonomy enjoyed by the university (Giroux, 2001; Aghion, et al., 2009; Scott, 2012; Magalhaes, et al., 2013).

The importance of quality governance to the success of a university receives positive acknowledgement from Lombardi, et al (2002:19) who attest that: "The implications of

organizational change depend on the details of the resulting organizations and delegations of authority, and the impact of any change will vary depending on the capabilities and needs of each campus. The success of any particular university system also depends as much on the quality of the governing organization's leadership as it does on the precise organization. A governance structure with strong and effective leadership can help the research university to succeed; the same structure with weak leadership can inhibit success."

Such views perhaps led Lombardi, et al (2002:19) to conclude that UK public and private research universities compete "in remarkably similar ways for students and faculty, as well as for federal grants, contracts and private resources". This suggests important focus on the quality and perspectives of the people who direct the system (Lombardi, et al (2002). Affirming that the boards usually had complete fiduciary responsibility for the institution and exercise close supervision over financial and budget matters, the authors add that these people could help the university succeed if they share its aspirations (Shattock; 1994; 2002; Lombardi, et al., 2002). Shattock (2002:243) further asserts that "institutions work best when governance is seen as a partnership between the corporate and the collegial approaches, and where a sense of common purpose informs the balance of the relationship." Stensaker and Vabo (2012) admit this as re-inventing shared governance. Their view is that cultural and symbolic aspects of governance seem to be overlooked in the course of time. However, Broad, Goddard and Alberti (2007) express concern that within higher education, academics outside the core executive groups seem not to have interest in the performance measurements. This may appear to strongly challenge the earlier claims of growing shared governance. Further empirical research will be helpful.

These important insights help leaders in devising governance strategies that would produce the university system where resource management could work in a systematic order. Also, Jones (1986, 1991) and Lapsley & Miller (2004) hint of the need for appropriate structure and control in repositioning a university for competitiveness on the world stage. Lombardi, et al (2002), insist, however, that it is important not to see governance as the only determinant indicator of best university management systems. The following caveat by Lombardi, et al (2002:19) is an important food for thought: "It is difficult to find ideal types of public higher education system. Each is a political artefact designed to respond to the local concerns of its state."

The above discussion directs necessary attention to governance structures that focus on the respective circumstances of each university (Aina, 2002; Owoyemi, 2009; Rui, 2013). In other words, one could ask: is it possible that the governance structure that works well with a private university would fail to deliver expected results for a public university? Accordingly also, could it be assumed that the same governance structure which is a huge success for a private university could be a huge failure when domain of a public university? The findings of Lombardi, et al (2002), Aina (2002); Owoyemi (2009), Rui (2013) suggest affirmative answers to these questions.

Resource allocation processes may be driven by the communication dynamics within the institution (Onuoha, et al., 2013). These are the specific consultative and committee processes by which resources processing activities are defined in arriving at the desired commitments (Lombardi, et al., 2002; Onuoha, et al., 2013). These must be the specific

communicational and relationship engagements that can warrant effective or poor resourcing results.

#### **2.1.6.4 Relationship between governance and resources allocation processes**

From the foregoing discussion, a link between governance and resource allocation processes can be conceptualized (Lombardi, et al., 2002; Owoyemi, 2008; Rui, 2013). While governance ensures that the structures and relationships are established to make for an effective organizational performance, resource allocation processes provide the action relationships leading to the right steps necessary for attaining the desired. These encompass how issues of consultation, comparison and resource agreements are arrived at (Lombardi, et al., 2002; Owoyemi, 2009). The issue of consultations touches on the roots of the matter and includes preparatory efforts that result in transmission of information between different levels of management on one hand, and the intra communication among all the members of the establishment who have different roles to play in insuring that proper steps are taken to grow and map the resources to proposed ends. For the leadership to win constant co-operation of the stakeholders, either in the generation of revenue or in the application of resources to ends, there is need for proper education and communication by the management (Lombardi, et al., 2002; Rui, 2013; Onuoha, et al., 2013).

When governance is underscored by transparency, it creates new levels of faith among the stakeholders and accordingly helps them decide to support the university in tangible ways (Owoyemi, 2009; Onuoha, et al, 2013).

#### **2.1.6.5 Attributes and Impact of the good or bad governance**

A definition of the good or bad attributes of governance would best be reviewed by considering the results of any management strategy (Plender, 2003; Machold, 2004; Amao and Amaeshi, 2008; Oghojafor, et al., 2012). Any organizational system that leads to confusion, tension, high staff turnover, low morale of personnel, or conflicts and low productivity, would certainly not be considered as a good governance system (Plender, 2003; Machold, 2004; Amao and Amaeshi, 2008; Oghojafor, et al., 2012). It could, on the other hand, seem right to state that a management system that gives rise to resource increase, high staff morale, or increase in the organization's positive visibility and best practices index provides a positive account of what quality governance represents (Lombardi, et al., 2002; ; 2012; Oghojafor, et al., 2012; Rui, 2013; Onuoha, 2013) .

An organization that is driven by good governance philosophy and where the resource allocation processes follow after global best practices would, no doubt, have visible evidences of success (Lombardi, et al., 2002; Sinha and Sinha, 2007; Oghojafor, et al., 2012; Onuoha, 2012; 2013; Rui, 2013). The resources will be directed to appropriate strategic ends with constant notes of good performance; the employees would more readily support the programmes of management and, more importantly, transparency would reflect in the critical processes of engagement (Lombardi, et al., 2002; Sinha and Sinha, 2007; Oghojafor, et al., 2012; Onuoha, 2012; 2013; Rui, 2013).

Typical instances where failure of governance spelt the downfall of the corporations are the Enron and WorldCom examples referred to in Section 1.1.6.2 (Eells, 1960; Cadbury, 1992; Plender, 2003; OECD, 2004; Machold, 2004; Sanda, et al, 2005; Amao and

Amaeshi, 2008; Ticker, 2009; Goergen, 2012; Sifuna, 2012; Rezaee, 2012; Oghojafor, et al., 2012). From the above notes, it could be concluded that corporate governance is like a protection wall around the stakeholders of the organization. Its collapse in the two examples of Enron and Worldcom was synonymous with the collapse of the corporations as well.

#### **2.1.6.6 Limitations to Effective Governance**

Sinha and Sinha (2007) have identified important limitations to effectiveness of corporate governance to include: 1) shortage of information for monitoring; 2) inadequate and costly communication processes which affects minorities; and, 3) unavailability of timely accounting information. Effectiveness of governance may be constrained where shareholders are unable to access adequate information on the operations of the corporation to make effective decision on whether to replace the board (Plender, 2003; Machold, 2004; Sanda, et al, 2005; Sinha and Sinha, 2007; Amao and Amaeshi, 2008; Oghojafor, et al., 2012). Also, to vote incumbent board out, the shareholders would need to mobilize a large number of members; this process is not cost wise feasible. And where there are imperfections in the supply of financial information, this may constitute a threat to effective corporate governance. The authors, however, suggest use of external auditors as a way of solving the information problem (Sinha and Sinha, 2007).

It is instructive constantly to treasure the view of Lombardi, et al., (2002) that there is no single governance system that is a best fit for all categories of universities. Location, culture, economics and social considerations, various authors assert, play important roles in defining governance quality (Lombardi, et al, 2002; Plender, 2003; Machold, 2004; Sanda, et al, 2005; Sinha and Sinha, 2007; Amao and Amaeshi, 2008; Oghojafor,

et al., 2012). Every management will have to guard its corporate reputation (Adeosun and Ganiyu, 2013) by ensuring that operations follow transparent processes towards accomplishing the goals of the organization. These reviews suggest that the quality of governance can be the driver and result of the resourcing philosophy of the establishment and constitute an appropriate parameter for assessing success or failure of resources management.

The next section will present literature on private and public universities. The literature will position both presenting their distinguishing characteristics as relevant to the resources allocation process field.

#### **2.1.7 Private and Public Universities**

This section will focus on the comparison between private and public universities. The aim is to bring out in very clear terms the differences and similarities between the two. From the literature review it will be established how experts perceive the performance of both categories of universities and copiously present the similarities and dissimilarities between them.

Private universities are of recent origin in Nigeria. Until 14 years ago, there were only a few federal and state owned universities (Adeniyi, 2008; Okojie, 2009). Between May 1999 when the first three private universities were licensed and now (August, 2014) there has been a huge proliferation of private universities in the country (Okojie, 2009). Conversely, the first public university in Nigeria, University College, Ibadan, was established by Act of Parliament in 1948 (University of Ibadan Calendar, 2008 – 2012). Before the licensing of the first three private universities in 1999, the federal and state

universities were 32. Available notes show that public universities emanate by creation of states and federal laws and are mostly funded by the government (Okojie, 2009; Ijaduola, 2009; Owoyemi, 2009; Sodipo, 2010).

The Nigerian case may appear as a far cry from the history and development of private universities in the UK, Canada and USA. Each of these countries has had accredited private universities for very many years (Smith, 2013; Rui, 2013). The subsequent sections will present clearly the differences and similarities between the two university categories from the perspectives of ownership and funding, governance dynamics, and competition for faculty and students.

#### **2.1.7.1 Ownership and Funding**

Public universities are owned and funded by the federal and state governments (Johnstone, 1998; Okojie, 2009; Smith, 2011; Rui, 2013). Private universities are owned by private estates and non-governmental organizations (NGOs) (Johnstone, 1998; Smith, 2013). In Nigeria, private universities are mostly owned by religious organizations, business men and women and other not-for-profit non-governmental organizations. Whereas funding is a major concern for universities in Nigeria, the common view is that public universities are the more poorly funded (Asecheme, 1999; Udoh, 2001; Emevan, 2005; Fagbemi, 2006; Ijaduola, 2009; Owoyemi, 2009; Sodipo, 2010; Amponsah and Onuoha, 2013). The point still remains, however, that each university would have to decide on the resources they require and the process of allocation of available resources to their internal needs (Liverpool, et al., 1996; Owoyemi, 2009). The UK experience appears remarkably different given that the funds are allocated on the basis of productivity (Elton, 2000; Johnes, 2007). The research

assessment exercise (RAE) seems to provide a highly objective process of providing the universities – public or private – with critical research funding based on assessed performance of the institutions in research output and enrolment growth (Elton, 2000; Chatterji and Seaman, 2006; Psacharopoulos, 2008). The foregoing statement does not go down well with Lapsley and Miller (2004) who argue that teaching and research funding linked to performance metrics has limited the strategic flexibility of the universities.

The US, on the other hand, presents a report of highly autonomous state and private universities with ample record of private funding success (Scott, 2012). Similar account may be observed from Canada and other EU countries (Elton, 2000; Bevc and Ursic, 2008; Smith, 2013). Bevc and Ursic (2008) conclude that the funding mechanism which stimulates economically efficient use of resources should be based on output of the funding institutions.

A line of distinction may be drawn between private and public universities from the point of view of ownership. Whereas public universities may be owned and operated by a state or the federal government, private universities are commonly founded by individuals, religious organizations (Smith, 2013) or non-governmental organizations. This characteristic appears central in many continents of the world and could define the way resource allocation processes are engaged. Research in this area will be of valuable relevance to the field of resources management science.

#### **2.1.7.2 Governance Dynamics**

Most public universities have their governance structure defined by law. Private

universities enjoy a greater flexibility in formulation of a structure that would ensure success and efficiency (Rui, 2013). It may be observed, however, that every university, public or private finds ways to adapt their governance to meet the demands of time for quality services delivery and competition for students and staff (Wahid, et al., 2013) Wahid and others find that there is a positive relationship between corporate governance and intellectual capital resource of a university. Their study evidence supports the view that investment in intellectual capital as a prominent resource could lead to high returns to an organization's competitive advantage and greater share holder value (Tayles, et al., 2007; Wahid, et al., 2013) Some institutions have in their board of trustees (BOT) academics and non academics alike (Smith, 2012; Scott, 2013). The non academics may be selected from among successful business people or experienced politicians who bring in immense support to the university especially with regard to fundraising. Some authors have identified better performance of the private universities on funding and enrolment drives over the public institutions (Okojie, 2009; Rui, 2013).

Some experts have associated lengthy bureaucracy and time-consuming committee engagements with public universities (Smith, 2013). Other available literature insists that underfunding impacts negatively on the quality of governance, staff morale and infrastructural development (Aina, 2002; Wangenge-Ouma, 2008; Scott, 2012). This claim may not be limited to a particular university category. UK universities face this situation equally as state regulation affects all universities which receive a portion of their income from the State (Scott, 2012). But it may be concluded from the various authors' analysis that the quality of governance affects the character of a university, which, in itself, may be defined by the level of operational autonomy enjoyed by the institution.

Private universities appear to be credited by different authors with greater governance flexibility (AAU, 2004; Jones-Esan, 2007; Aghion, et al., 2009; Garba 2009; Rui, 2013). Scott (2012), however, observes that in both the UK and the US, there has been a diminution of bureaucracies of which the public universities were continuously accused. Incidentally in the UK, Scott (2012) claims that both public and private universities have “crossed borders” with public institutions adopting managerialism and thereby turning away the past bureaucracies in a welcome evolution and internal dynamics (Scott, 2012:11).

The formation of the various boards and committees of the private universities appears to reflect their business-like model and tends to produce more responsive solutions to problems of administration more than the public universities (Jarzabkowski, 2002; Lombardi, 2002; Rui, 2013; Smith, 2013). The authors repeatedly appear to imply that business in the public universities’ boards are sometimes, political, and coupled with the traditional bureaucracies to which the public institutions seem often prone, decision-making processes end up in awful delays. A remarkable UK exception is the case of Oxford University (Scott, 2012) which exhibits a fundamentally high degree of autonomy. But managerialism appears to be turning the report on public universities equally around. Managerialism works to bring private sector solutions to solve public sector problems (Woods, 2008). It must, however, be emphasized that universities’ managements adopt different resource allocation models as they deem fit for desired results (Jarzabkowski, 2002; Woods, 2008; Scott, 2012). Whatever the form, Giroux (2001) holds that though public and private universities must make money in order to survive, that does not reduce higher education to an entrepreneurial function. The authors emphasize citizenship and political education as the key role of higher education.

### **2.1.7.3 Competition for Faculty and Students**

This section of the literature brings out important comparison between the federal and state universities, on the one hand, and the private universities, on the other hand, as regards their staff recruitment and students engagement behaviours.

Both private and public universities engage in the competition for faculty and students (Yusof, 2008; Wahid, et al., 2013). The focus is to have the best of both (faculty and students) so as to produce better quality graduates and contribute to intellectual capital (Wahid, et al., 2013). Both categories of institutions, however, experience different constraints predicated on limited funding (Johnstone, 1998; Odebiyi and Aina, 1999; Aina, 2002; AAU, 2004; Sodipo, 2010). In Nigeria, for instance, different authors acknowledge that sometime in the late 1990s, many academics and doctors fled the country in search of greener pastures overseas (Odebiyi and Aina, 1999; Asecheme, 1999; Udoh, 2001; Aina, 2002; Emevan, 2005; Fagbemi, 2006; Ijaduola, 2009; Sodipo, 2010). The authors seemingly blame this situation on frequent salary delays and poor funding of teaching and research. Private universities on their part often fail to muster the huge money required to retain the faculty pool to make for great universities, dotting clear lines of demarcation between the Nigerian case and the UK universities' experience where private universities assume equal standing with the public universities when competing for government funding (Elton, 2000; Chatterji and Seaman, 2006; Psacharopoulos, 2008).

On marketing, researchers appear to concede superiority to private universities (Smith, 2013; Rui, 2013). The argument suggests that private universities present themselves in

a more accessible way for students drive through media commercials and other outreach programmes (Smith, 2013; Rui, 2013). In Nigeria, the private universities advertisements are more likely to be seen in the dailies, weekly magazines, radios and television than is the case with the public universities. More authors hold the view that the public universities tend to rely more on their lower charges to attract students from poor and middle-class families who appear arguably more in number (AAU, 2004; Jones-Esan, 2007). The stronger appeal of regular uninterrupted academic calendars and moral discipline easily associated with the private universities, however, appear to win them higher preference by local and foreign students (AAU, 2004; Jones-Esan, 2007; Aghion, et al., 2009; Garba 2009; Rui, 2013). Public universities, on the other hand, may be considered to have faired poorly on the issue of academic calendars as they are frequently associated with political tensions and strikes involving the academic and non academic staff. In the past (early 1990s) records have it that some public universities in Nigeria lost about two whole academic years to a prolonged closure by the federal government (Odebiyi and Aina, 1999; Asecheme, 1999; Udoh, 2001; Aina, 2002; Emevan, 2005; Fagbemi, 2006; Ijaduola, 2009). This is the period when Odebiyi and Aina (1999) described some campuses as 'ungovernable'.

Beyond Nigeria, there are numerous evidences of continuous competition between private and public universities (Smith, 2013; Rui, 2013). Smith goes on to state of Canadian private faith-based universities that "each university shares similar priorities for teaching, research and service, but seeks to fulfil these functions from their specific niche in the system..." (Smith, 2013:27). Scott (2012) also observes that the UK private sector is in a continuous dominance struggle with the public sector. His finding is that this situation is equally, if not, more prominent with the US which has seen the birth of

many for-profit institutions.

The author further drives his argument from the findings of a recent research in the UK that “suggests a direct casual relationship between the research performance of universities and the scholarly eminence of their vice-chancellors” (Scott, 2012:8). It would seem from Scott’s argument that what projects any modern university foremost is the engagement of its faculty in cutting-edge researches – researches tailored at solving real socio-economic problems of the society (Scott, 2012). In addition to that may be added transparency (Onuoha, 2012b). In this regard, Scott (2012:11) prefers to see the research universities as “key agents of communication and connectivity” which may define the confidence rating of the public for the institutions. Above all, it would seem appropriate finally to conclude with Wooldridge’s (2011) finding that every university, public or private, would need agility, distinctiveness and alignment for its sustainability. In that study Wooldridge (2011:245) defines a university’s agility as its ability “to embrace new business models, new organizational relationships and new technological opportunities whilst holding on to the core purpose of HE {higher education}.” By its distinctiveness, the author opines that the university seeks a shared understanding of its uniqueness in a cluster of universities. And on the basis of alignment, Wooldridge (2011:245) asserts that the institution attempts to find “optimal meeting point between top-down institutional goals and the traditional bottom-up collegial culture.” These leadership concepts may be easily universally applicable for both public and private universities in confronting the challenges facing modern higher education. Which universities would succeed better based on these tenets, public or private, may, however, be a function of the degree of autonomy, creativity, and innovativeness of the leadership rather than a dogma based on mere categorization. There is a strong need to

ascertain the impact of autonomy and other relevant characteristics on resources management processes in the universities.

#### **2.1.8 Summary of literature review:**

Inadequate funding is the prevalent situation in many higher educational institutions across the globe (Wangenge-Ouma, 2008; Aina, 2002; Bevc and Ursic 2008; Dearden, et al., 2008; Onuoha, 2012). A conclusion is that traditional (government) funding has failed and needs urgent replacement that cuts across external and internal resource mobilization and deployment (Wangenge-Ouma, 2008; Aina, 2002; Bevc and Ursic, 2008). Policy reforms have been resorted to by some governments to attempt to address the funding anomalies (Wangenge-Ouma and Cloete, 2008; and Gillie, 1999). While some university managements have sought different ways to achieve critical dependence resources in the face of declining traditional sources (Pfeffer and Salancik, 1974; 1978; Johnstone, 1998; Aina, 2002; Shattock, 2002; 2004; Wangenge-Ouma, 2008; Owoyemi, 2009; Aghion, et al., 2009; Onuoha, et al., 2013; Whitchurch and Harvey, 2013), there appears to be a gap on how efficiently the institutional managers internally engage the resource allocation processes in order to achieve efficient commitment of the available financial resources.

Two questions may then be asked: 1) What resource allocation processes are currently practiced by the universities and to what extent do they reflect equity and good practices? 2) To what extent does shortage of critical financial resources impact on governance, staff morale, teaching and research in the universities? The investigations of this study will answer these questions.

The next section will review relevant theories and models which could provide appropriate framework for understanding resource allocation processes and management in the universities.

## **2.2 Theoretical Framework**

This section looks at the theories and models appropriate for understanding resource management problems in universities. For this study the relevant underpinning theories will address the following key questions:

- a) How does the theory help to explain the allocation or non allocation of critical resources to the competing departments or units of the university?
- b) How is the theory or model adaptable to the economic and political environment of the focal university?
- c) Whether the theory under review fully or partially explains who initiates resource commitment and why, and how the expected outcome is achieved?

The theoretical framework will use Laughlin's (1995) middle range thinking to draw from aspects of some resources allocation theories/models that may substantially help to explain the phenomenon. Laughlin (1995: 80) observes that the middle-range thinking thrives ontologically on "skeletal generalizations", skeletal role of theory based on "some broad understanding of relationships" and "reasonably conclusive tied to 'skeletal' theory and empirical richness". He concludes with high emphasis on the importance of empirical detail as complement to the 'skeletal' theory to make for a rich whole.

In this study, the middle range thinking is considered appropriate because it would help to broaden the understanding of the resources allocation process phenomenon by

drawing important concepts from different theories/models. By looking at the study from more than one conceptual view point, more confident conclusions could emerge. That way the use of the middle range thinking could help to avoid the narrow parochialism that engagement of only one theory/model could present. As each theory/model abstracted to achieve the middle range thinking brings out a different shade of light to the study, the avoidance of this method could mean drawing conclusions based on narrower perspectives which could limit the contribution of the study to knowledge and practice change. (Section 2.3 below provides more justifications of the middle range thinking).

The theories/models reviewed are the Resource Allocation Processes (RAP) Model (Bower, 1970; Bower and Gilbert, 2007); African Political Economy Model (Aina, 2002; Wangenge-Ouma and Cloete, 2008); Resource Dependence Theory (Pfeffer and Salancik, 1978); and the Power and Centrality Theory (Hackman, 1985). These theories have been selected because of the different shades of light each one brings on how resources allocation processes drive strategy in the organizations (see fig. 2.1).

Dating far behind as some of these theories might seem, their contribution to understanding resource allocation processes and deployment have not ceased to interest present day scholars (Peteraf, 2007). Colquitt and Zapata-Phelan (2007:1281) citing Bacharach (1989), DiMaggio (1995) and Eisenhardt (1989) explain that the primary evaluation of a theory lies on “the richness of its account, the degree to which it provides a close fit to empirical data, and the degree to which it results in novel insights.”

The four paradigms discussed in this section provide a broad definition of the worldviews

that help to explain the resource allocation processes in the universities. Taken together, these broad ideas, given that each covers different useful aspects of the problem under study only some of which have been previously explored, cover most of the significant schools of thought of resource allocation processes in accounting research. Figure 2.1 summarizes how the four paradigms tie together to answer the research questions in this study. For each paradigm, the focus, key attributes, drive (goal) and end result are linked with the others to achieve the desired strategic direction. While attempts will be made to include the latest revisions to the theories/models it seems equally expedient that reference is made to the original sources some of which are dated very far behind. The researcher will be guided by this fundamental premise in the documentation of the theoretical framework which follows.

### **2.2.1 Resource Allocation Processes (RAP) Model**

Resources allocation process (RAP) model provides a background for understanding why resources were or were not deployed to specific ends (Bower, 1970). As a feedback and predictive mechanism, RAP provides answers to definition and selection strategies for functional open systems (Bower and Gilbert 2007). Bower's (1970:26) lead work on RAP model provides basis for several subsequent studies and understanding of the resource strategic studies, and outcomes, confirming "that the resource allocation process is a complex, multilevel phenomenon that fundamentally shapes a firm's strategy".

### **2.2.1.1 Characteristics of Resource Allocation Processes and the Impact on Strategy:**

Bower and Gilbert (2007) assert the general characteristics of resource allocation process (RAP) to include 'structure' and 'process' dimensions. From the structure point of view, the authors disclose that resource allocation knowledge and power to make commitments are dispersed across levels and units of an organization, noting that conflicts inevitably arise as a result of narrow definition of roles. Also from the perspective of process, the authors equally submit multilevel involvement, stressing activities of all different types flow simultaneously in iterative processes. The authors' conclusion, from the result of a research on National Products in the late 1960s, was that the pattern of resource allocation was actually the driving strategy from how the businesses were organized and how managers were measured and rewarded. Their postulations support the conclusion that structure and process characteristic of resource allocation determine strategic outcomes; that operating managers can play a significant role in shaping strategic outcomes; that structure influences operations and shapes resource allocation; and that over time, small decisions can trigger chains of increasingly important new decisions.

Bower and Gilbert (2007:20) add that other forces like statement from the top, powerful existing customers and capital markets could shape the resource allocation process. Of further important note is the authors' statement: "If a firm's processes do not resolve the problem of focusing resources so that plans meet the tests of strategic analysis, then resources almost certainly will be wasted and the fortunes of the involved business units placed in jeopardy" (Bower and Gilbert 2007:20).

### **2.2.1.2 RAP Model and Revisions**

Modelling of resources is influenced by three considerations described as the general characteristics of RAP: Definition, impetus and structural context. Following chains of studies by other researchers including Burgelman (2007), the original RAP model has faced series of reviews.

Resource allocation processes permeate levels of operating units, divisions and groups shaping economic and technical aspects of the project (definition); determining which projects went to the finance committee (impetus) and another focusing on how the first two processes worked (structural context) (Bower and Gilbert 2007). But Burgelman (2007:59) argues that “the capacity to activate and successfully complete such processes depends critically on the cognitive, political, and general management abilities of middle level executives.” This and other similar studies which have led to revisions bring the key variables to only definition and selection.

The new model includes customers, capital market and cognitive frames without modelling them as separate from the processes they shaped. However, Bower and Gilbert (2007:444,445) acknowledge that these modifications simplified the model and improved understanding of how the entire RAP worked. In their view: “Although a high-level vision of realized strategy was recognized in Bower’s 1970 research, subsequent studies often focused on resource commitment as the dependent variable. The model was used to predict or explain whether resources would or would not be committed to a venture, existing business or acquisition. The selection process is concerned with resource commitment. But the outcome of the resource allocation process (which

includes definition, selection, and the forces that shape these sub-processes) is realized strategy.”

The revised RAP model lends space for more investigation of the interaction between definition and selection processes of critical resource prediction which is conformable with a study of resource management in higher educational institutions. While this model is capable of providing needed definition and selection parameters for the study, it is obvious that it runs short of explaining the political and economic characteristics of the relevant geo-social location of the study. This reason lends room for the inclusion of other proven models, especially, the African Political Economy Model discussed below.

### **2.2.2 The African Political Economy (APE) Model**

The African Political Economy Model focuses on how political and economic forces shape the contexts within which the universities carry out their primary functions, that is, teaching and research (Aina, 2002). The author declares that the theory helps to explain the realities of the specific political, economic and social matrix of the present policy environment in Nigeria --- debt burden, political instability, produce cuts in government expenditure and impact in a special way on the educational sector.

Universities' under-funding is deeply rooted on the economic, social and political structure and belief system (Wangenge-Ouma, et al., 2008). The educational system is subject to influences within the economic system. At the micro level, university managements, parents and students as stakeholders are identified. While this model may well explain the critical resource dependence relationship with the government, it obviously does not answer the question of resource allocation efficiency within the

institutions. Its relevance in understanding the external funding realities of the universities, however, mandates its inclusion in this study.

The APE model clearly defines the economic and political factors that compel a situation of critical resources dependence – debt burden, political instability, low investment, and poor infrastructural development (Aina, 2002; Wangenge-Ouma, et al., 2008) But it is obvious that the model (APE) is short of definitive explanation of the responses of the institutions to critical shortages as does the Resource Dependence Theory, thereby making the model a partial framework for the study of resource deployment processes within the establishments. The question is, after the model has helped to highlight how the misfortunes (economic and political burdens) of the independent organization affects its ability to support the dependent entities with critical resources, how then do these dependent organizations respond to the situations? It does not also say anything about the impact of cultural, ideological and beliefs system of the focal organization on the strategic relationships it engages for solutions. Logically, the organizations so affected seek other ways of supplanting the negative impact created by the reduced dependence resource either through internal structural adjustments or creative new engagements with the external relationships. Continuously, managers of entities seek ways to reduce dependency and uncertainty in the flow of resources (Johnson, 1995; Pfeffer and Salancik, 2003). The APE model does not seem to explain that, yet it, at least, helps the managers of the focal organization to understand that the economic and political dynamics of the independent organizations have important consequences on the internal dynamics of a focal dependent organization.

### **2.2.3 The Resource Dependence Theory (RDT)**

Pfeffer and Salancik (2003) argue that business depends primarily on customers and investors for its success. Customers and investors will support the company as long as its products and services were acceptable (Bower and Gilbert, 2007). The authors describe resource dependence as a way of looking outside the institution for answers to how resources are allocated to innovative ends, and posit that, for the organization to survive, managers have a role to allocate resources to innovative activities that are required of the firm by external customers and investors (Pfeffer, et al, 1978).

Bower and Gilbert (2007:20) further reaffirm that: "From the perspective of the management of strategic processes, the challenge implied is to manage resources allocation so that the evolving needs of customers are served, and their voice in the process is heard". Wangenge-Ouma and Cloete (2008) agree that resource dependence theory provides an important framework for understanding the responses by public universities in Africa to conditions of resource decline, bringing in the African Political Economy perspective. From available literature, the key argument is that when organizations are deprived of critical resources their survival is threatened, and as a consequence, the organizations, therefore, have to ensure a continuous flow of resources in order to survive (Aina, 2002; Bower and Gilbert, 2007; Wangenge-Ouma, 2008). This search brings in the competitive edge for winning outside resources and effective commitment of the available critical resources to relevant internal units needing same (Pfeffer, et al., 1978; Wangenge-Ouma, et al., 2008; Bower, et al., 2007). Also citing Crozier (1967), Bower, et al., (2007:20) deduce that "the resource dependence perspective may be extended to relationships among managers, where each tries to escape dependence on others in decision making and resource allocation, and to

preserve discretion and autonomy while imposing dependence on others.”

The major assumptions of the resource dependence theory include that the organization is flexible (Wangenge-Ouma 2008); the organization is adaptable to change in environment that threatens critical relationships (Pfeffer, et al., 1978; Cloete and Maassen 2002; Wangenge-Ouma, et al., 2008); organizations survive to the extent that they are effective in acquiring and maintaining resources (Pfeffer, et al., 1978). Managers support products with certain demand as against backing unsuccessful projects.

An adaptation constraint facing this theory is that the beneficiary organizations do not have equal advantages when it comes to resource endowments tied to locations, critical manpower or other internal disadvantages. The theory does not provide answers to the disadvantages of impoverished geographic and economic environments of the dependence organizations. Also, volatility of public funding or owners support is not economically determined as to how it is politically imposed (Wangenge-Ouma, et al., 2008). Of critical note is Johnson's (1995) summation that resource dependence theory has major limitation in its assumption that organizational behavior and structures are shaped primarily by materialistic forces; that it fails to regard the role of cultural, ideological, and institutional forces. Johnson's conclusion, therefore, is that the theory is a partial, middle-range theory of organization.

The resource dependence theory does, however, provide a robust window for the explanation of the critical resource dependence experienced by higher educational institutions in Nigeria. Research application would be appropriate in relationships

involving winning of external resources and by adaptation for understanding the intra-units dependencies within the internal structures of the focal organization. The critical light is on the politics of strategic decisions (Bower, et al. 2007). There will be greater insight on resource allocation efficiency bringing the attributes of these major theories together.

#### **2.2.4 Power and Centrality Theory**

Hackman (1985) introduces power and centrality in allocation of resources in colleges and universities. The theory holds that whether times are good or bad, some departments and offices are allocated more resources while some others get less of what is available. The key element here is how closely the purposes of a unit match the central mission of the institution - how centrality and power affect the allocation of resources between departments of the same organization. Hackman's conclusion is that the dynamics of this theory are especially visible during times of economic stress – when external resources most needed by colleges and universities are critically financial. The study reviews centrality from the point of view of core and peripheral units. Core units are seen as those whose functions are essential to the central mission of an institution and peripheral units are those non-central parts of the institution. These are further taken to measure power focusing on environmental power, institutional power and resource negotiation strategies. The measurement involves both qualitative and quantitative studies conducted using focus study groups.

In a later review of the theory, Ashar and Shapiro (1988:275) linked Hackman's centrality measures to the earlier research of Hills and Mahoney (1978) confirming "the relevance of organizational power and centrality to allocation decisions", especially in times of

scarc resources. Their earlier finding was that in periods of abundance, subunit budgeting is accomplished by the allocation of resources according to accepted standards (workload) and a fair share criterion. On the other hand, in times of scarcity, the powerful subunits claimed their resources at the expense of other subunits. In this study, the positioning of a unit as core or peripheral is critical to resource deployment and has to be settled first before resources are committed in a given budget period (Ashar and Shapiro, 1988).

Ashar and Shapiro (1988), however, attempted to revise the definition of centrality from point of view of a unit's centrality to the organization's mission as earlier advanced by Hackman, to a unit's centrality in an organization's workflow. However, the pivotal claim that a unit's centrality crucially affects the internal resources allocated to it by the institution (Hackman, 1985) remains overriding. The power and centrality theory attempts to explain such gains and losses in times of financial difficulty. According to Hackman (1985:61), three key questions drive the investigations:

- 1) "What factors positively affect how much money and space a unit gets from the internal resources of the organization it is a part of?"
- 2) "How does the allocation of resources differ between units central to the purposes of the institution and those units that are peripheral?"
- 3) "What budget negotiation strategies help departments and offices increase their share of available resources?"

Hackman's (1985) three key questions above will critically provide explanations for the 'how' dimension to the efficiency of financial resources allocation processes in Nigerian

universities in the proposed study.

The following basic assumptions are applicable:

a) Colleges and universities interact as open systems with the external environment.

From the external environment, the institutions bring in essential resources (students, faculty, staff, money and other kinds of support) and contribute services and educative products.

b) Basic concepts: Centrality – how closely the purposes of a unit correspond with the central mission of the entire institution; Resource allocations – dependent variable of the theory, is the amount of resources that a unit acquires from the organization, namely, money, space and campus location; Institutional power – the relative influence of a unit within the institution... the power to influence decision making touching on critical resource allocations to academic departments and non academic offices; Environmental power - and, Resource negotiation strategies – strategies used by unit heads to acquire resource allocations in negotiating budgets.

c) Hackman (1985) compared notes and found agreement with several previous works on resource allocation decisions and organizational power (Perrow, 1970; Hickson, et al., 1971; Hinings, et al, 1974; Pfeffer and Salancik, 1974; Hills and Mahoney, 1978; Katz and Kahn, 1966; and Miller, 1978). This background provides temporary credence to Hackman's submissions.

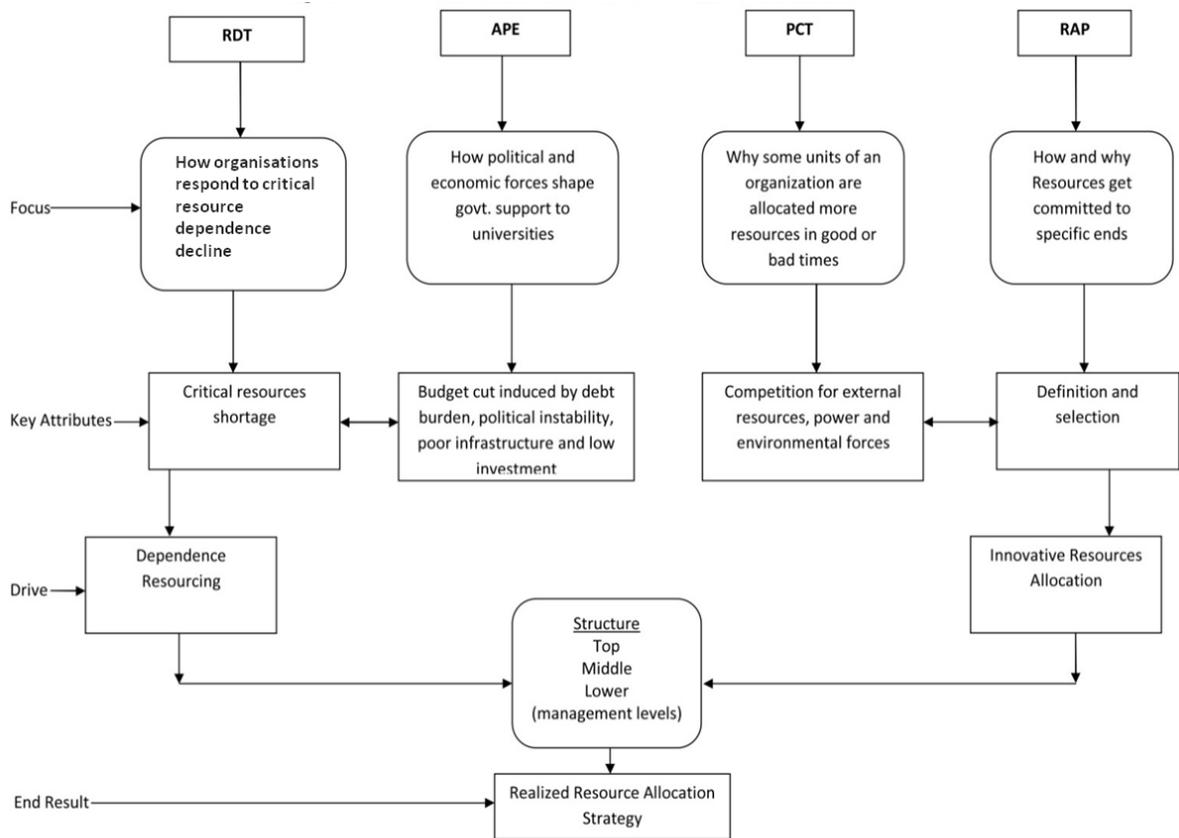
Five propositions of the theory according to Hackman (1985:67) are:

- i. "A unit's centrality crucially affects the internal resources allocated to it by the institution.
- ii. "A unit's environmental power interacts with its centrality to affect the internal resources it is allocated.

- iii. "A unit's institutional power also affects the internal resources it is allocated.
- iv. "The resource negotiation strategies used by the head of a unit interacts with centrality to affect the internal resources it is allocated.
- v. "Because environmental power, institutional power, and resource negotiation strategies are not highly correlated, their combined effect on resource allocations is greater than any of the other concepts considered alone".

Further studies call for a refinement of measurement of what is core and what is peripheral. Core units align centrally with the mission of the organization. Peripheral units provide support services for the realization of the central objectives of the entity. Unit heads derive negotiation strength from here – core programs gain internal resources when they acquire environmental resources to their own purposes. Peripheral programmes benefit internally when they focus on broader institutional needs and bring in external resources that contribute to the whole. In times of economic stress, peripheral units which bring in external resources such as tuition and gifts gain internal resources (Hackman 1985:75). Ashar's and Shapiro's (1988) discussion of measure of the centrality is instructive - directs attention to workflow rather than centrality to organization's mission. This may be a critical area for further research attention.

**Figure 2.1: Triangulation of the four selected theories**



**NOTE:** RDT=Resource Dependence Theory; APE= African Political Economy Model; PCT = Power and Centrality Theory; RAP=Resource Allocation Process Model

Figure 2.1 shows how the four selected theories/models are triangulated to produce a single strategy leading to harmonized resources allocation in the university. The figure shows the focus of each of the concepts, the respective attributes and how they drive to the single goal of realising the allocation strategy. While the RDT and the APE approach the explanation from point of resource scarcity and how the universities respond to such situations, both leverage on dependence resourcing to achieve the expected resources strategy. The PCT and RAP model approach it from point of view of how resources get committed and explaining in the process why some units get commitment in good and

bad times. These two introduce competition and leverage on innovative resource allocation to achieve efficient strategy. It is appropriate to state that the end result of each of the theoretical journeys is to achieve systematic resource allocation processes.

### **2.2.5 Summary of the selected theories/models**

A number of critical questions arise from these reviews. To begin with, how can this theoretical framework help the practical Nigerian situation with regard to internal resources allocation to achieve strategic directions within universities? Is there room for further research on how the definition and selection assumptions of the RAP model can apply to the resource management of higher educational institutions in Nigeria? Can these resource allocation theories be adapted to explaining the internal impacts of the external relationships of the universities with the government? How do the present practices confirm or disconfirm the established theories - RAP Model, APE Model, RDT and P&CT - and in what ways can the adaptation of the propositions of the power and centrality theory, for instance, help to assure efficient resource mobilization and deployment within the relevant institutions of higher education in the country? These questions would be answered through the seven research questions in section 1.6.

The Power and Centrality Theory agrees in key basic assumptions with Bower's RAP Model, the African Political Economic Model and the Resource Dependence assumptions, and hold great potentials for understanding and predicting the Nigerian situation. The Power and Centrality Theory, like the RAP model, will provide dimensions for understanding where the power for resource commitment lies and how this affects strategic policies of the organization.

The African Political Economy Model suggests how the economic misfortunes of the nations affect the budgetary relationship with the universities they finance and the Resource Dependence Theory focuses more on what the firms (universities) do to win critical dependence resources. Both theories recognize that the fortunes of the benefactor organizations are constantly changing for the worse, mandating beneficiary organizations to look inwards for creative dependence resource generation. More importantly, how power and centrality explain the deployment of resources bears somewhat differently from the way politics, economic factors, and resource dependence relationships touch on achieving efficient resource allocation. These dynamics suggest the viability of combination of these theories/models for greater understanding of the resources allocation processes in the universities.

### **2.3 Triangulation of the relevant theories**

Researchers refer to 'triangulation' when data collection involves use of two or more methods in the study of a phenomenon (Cohen, et al., 2010; Campbell and Fiske, 1959). This approach contrasts with the more frequently used single method (quantitative or qualitative) considered more vulnerable. Cohen, et al (2010: 141) assert: "...triangular techniques in the social science attempt to map out, or explain more fully, the richness and complexity of human behaviour by studying it from more than one standpoint and, in so doing, by making use of both quantitative and qualitative data." The authors add that "triangulation is a powerful way of demonstrating concurrent validity, particularly in qualitative research" (Cohen, et al., 2010: 141; Campbell and Fiske, 1959). Denzin (1978: 291) defines triangulation as "the combination of methodologies in the study of same phenomenon". Campbell and Fiske (1959), Smith (1975), Bouchard (1976) and Jick (1979) agree with this view and affirm that triangulation of methods may enhance

belief in the generalizability of the outcomes.

The reasons for preference of two or more methods are suggested by Cohen, et al (2010: 141) as:

- (a) reliance on only one method “may bias or distort the researcher’s picture of the particular slice of reality being investigated.” In that way, triangulation may help to boost the researcher’s confidence on the outcome of the investigation (Cohen, et al, 2010) and,
- (b) it releases researchers from ‘methodological parochialism or ethnocentrism’ (Smith, 1975).

The present researcher thinks the same consideration may be addressed in applying triangulation to choice of theories for the study of resources allocation processes in Nigerian universities. According to Cohen, et al (2010:142), theoretical triangulation defers from methodological triangulation because it “draws from alternative or competing theories in preference to utilizing one view point only,” whereas the methodological triangulation focuses on use of “either the same method on different occasions, or different methods on the same object of study.” In each case of adoption of methodological or theoretical triangulation, the aim is the achievement of richer, reliable and more robust investigation outcomes (Denzin, 1970; Smith, 1975; Cohen, et al., 2010). In this study, the researcher adopts ‘theory’ rather than ‘method’ triangulation. This approach conforms in principle, but differs in context, with Laughlin’s (1995) ‘middle range thinking’ which is a methodological approach. In this study, the middle range thinking approach enables the engagement with the subjective/perceptual views of the interviewees and aids a deeper understanding of the resource allocation

process experience. It also allows the recognition that there are aspects of the seemingly objective and concrete resource allocation structures that regulate the functioning of allocation decisions in each of the universities in the study. In this study both the internal human experience and perceptions, as well as the context of each university, therefore, matter. The use of triangulation here aids to synthesise concepts that will be useful to develop and present the story of the study of systematic resources allocation processes in a focused and structured way.

In this study, the selected four theories/models are, therefore, triangulated (see Fig 2.1) to provide a more substantial conceptual understanding of how the economic experience of the benefactors of the institutions affect the critical resource leverage of the universities (Aina, 2002); how the institutions are responding to the challenge of declining economic fortunes of their benefactors (Pfeffer and Salancik, 1978, 2003); how efficient internal deployment of available resources could so hugely determine the level of quality governance that is capable of raising institutions studied for an all time high rating among the league of higher educational institutions in the world (Bower, 1970) and how departmental and units alignment with the primary goals of the university affect allocation of resources to some departments (Hackman, 1985). The resource dependence theory, the African political economy model, the resources allocation process model and the power and centrality theory, therefore, appear to more critically resolve the key questions of the study touching on how the universities respond to critical resources dependence shortages; what strategies departmental managers adopt to win more shares of internal resources, and how innovative resource allocation is realized. In this study, the triangulation of paradigms has led to the manifestation of three major themes: 'people, process and resources' discussed in more detail in chapter

4 (section 4.2).

The middle range thinking conceptual framework, however, may be confronted by some contextual issues that could limit its workability. Primarily, the middle range approach does not provide a single theory but a combination of abstractions from various selected theories and models. The result is that some specific contexts of the theories may apply only to a limited extent to the problems studied. From the interviewees narratives, for instance, the researcher concludes that the African political economy model could make predictions for the public universities and not for the private universities because, unlike the public universities, the private universities do not depend on the government for funding. To that extent, the government's economic problems bear no direct consequences on the funding of the private universities. The middle range solution drawing from the African political economy model, therefore, can make more relevant predictions for only the government owned institutions; it may not make appropriate predictions for the private universities. The paradigm also may not work for private universities in the assumptions of politics and power since most resource managers strongly perceived that while politics and power may play a major defining role in resolving resource allocation questions in the public universities, the private universities appeared to lean more on a collegiate resolution of resource allocation issues.

Perhaps another weakness of the middle range thinking is the possibility that it could appear foreign to the environment for which it seeks to proffer solutions. In this study, for instance, there is a triangulation of four theories (guided by Laughlin's (1995) middle range thinking) to seek understanding of the Nigerian universities' resource allocation processes phenomenon. These theories were not Nigerian context specific and their

adaptation could have serious implications on the conclusions reached. This suggests that the middle range thinking may not work in all situations. However, in order to achieve relevance, the use of more than one analytical tool (Creswell, 2002; Maykut and Morehouse, 1994; and McAdams, 1993) for the qualitative data analysis may prove useful in this study.

The next section presents the link (figure 2.2) between the relevant research questions which drive the proposed study of systematic resources allocation processes in Nigerian universities and the conceptual theoretical assumptions discussed earlier.

#### **2.4 Link between the Selected Theories and the Research Questions**

Figure 2.2 shows the link between the selected theories and the research questions, showing aspects of the contribution of the different paradigms in answering the research questions.

**Figure 2.2: Link between the research questions and the relevant theoretical framework**

Research Questions	RDT	APE	PCT	RAP
Q1			The degree of a unit's power  Power of HOD	Process and definition roles  Bottom-up approval processes
Q2			Core and peripheral units challenge	
Q3			Bottom-up Negotiation strategies	
Q4			Influence of culture, politics and power	
Q5			The degree of power organizational positioning confers to a department	Highlights role of structure and definition  Initial deployment efficiency
Q6	Medium emphasis on creative alternative funding	Declining budgetary allocations to the educational sector		
Q7	High emphasis on alternative funding and stakeholder support	Critical shortage of Government funding		

Source: Researcher's compilation

As can be observed, questions 1 and 5 may be situated within the framework of the power and centrality theory and resources allocation process model (RAP) and the Power and Centrality Theory (PCT). The key emphasis of these two paradigms centres on how the resource allocation problems can be resolved through organisational positioning and power of the unit's leadership. RAP model may yield light here through 'definition', 'structure' and 'processes'. While the APE model may provide the basis of understanding the economic background of the universities as a consequence of the level of financial support from the government, the RDT may highlight the emphasis on alternative critical funding through creativity and the provision of satisfactory services to the stakeholders. Questions 2, 3 and 4 appear to find their resolution within the framework of the power and centrality theory (PCT). In so doing, attention may be appropriately focused on core and peripheral units' divide, consultative engagement/negotiation and head of department's power to influence top management decisions. Again, research questions 6 and 7 may be resolved within the RDT and APE framework. This way of taking aspects of the different schools of thought on theory, methodology and change to achieve better understanding of phenomena were at the root of Merton's *Social Theory and Social Structure* of 1949, 1957 and 1968 which produced the first 'middle-range' thinking' (Laughlin, 1995). Laughlin (1995) observes that the middle-range thinking thrives ontologically on "skeletal generalizations", skeletal role of theory based on "some broad understanding of relationships" and "reasonably conclusive tied to 'skeletal' theory and empirical richness" (Laughlin, 1995: 80). Laughlin concludes with high emphasis on the importance of empirical detail as complement to the 'skeletal' theory to make for a rich whole.

The researcher thinks that the present study of systematic financial resources allocation processes in Nigerian universities may significantly borrow theoretical impetus from the 'middle-range' thinking by focusing on some aspects of the relevant four theoretical frameworks (RDT, APE Model, PCT and RAP Model) to establish fresh understanding of the subject of investigation.

It is the researcher's suggestion, therefore, that adoption of the 'middle-range' perspective appears to import some degrees of "flexibility and diversity" (Laughlin,1995:84), which allows for aspects of the different theories and models engaged to form a whole and very substantially explain the phenomenon being studied. It is equally suggested that avoidance of the middle range thinking paradigm could lead to some aspects of the phenomena being insufficiently understood.

## **2.5 Chapter Summary**

This chapter reviewed the relevant existing literature considered by the researcher to be useful in explaining the context and background of higher education resourcing management. The subtitles discussed included Traditional Funding Sources; the Inadequate Funding Syndrome; Higher Education Funding Policy and Equity; Costs Measurement, Allocation and Budgetary Efficiency; Policy Reforms; Governance, and Private and Public Universities. The chapter also presented the theoretical framework which, guided by the Laughlin's middle range thinking, provided critical review of four relevant theories/models believed to contribute to the understanding of the universities' resourcing process phenomenon. These theories/models are: the Resource Allocation Process (RAP) Model (Bower and Gilbert, 2007), the African Political Economy (APE) Model (Aina, 2002), the Resource Dependence Theory (RDT) (Pfeffer and Salancik,

2003) and the Power and Centrality Theory (PCT) (Hackman, 1985). The middle range thinking guided the selection of aspects of these theories (see fig. 2.2), which, put together, provided substantial explanation of the financial resources allocation process problems in Nigerian universities. Finally, the chapter presented the research questions (section 2.4) situated within the literature review and the theoretical framework.

In Chapter 3 which follows, the subject of discussion will be the Research Design and Methodology. The chapter will cover detailed description of the research methodology, rationale and the procedures employed in the data collection and analysis, and a brief critical literature in justification of the qualitative research approach adopted.

## **CHAPTER THREE - RESEARCH DESIGN AND METHODOLOGY**

### **3.0 Introduction**

This chapter presents a detailed description of the research design and methodology for the proposed study of systematic resources allocation processes in Nigerian universities. The aim is to provide a clear and detailed explanation of the methodological approach and methods adopted for this research, giving complete account of the steps leading to the data collection and analysis. The essence of this chapter, therefore, is to describe the plan of investigation which will lead to obtaining answers to the research questions (Jaiyeoba and Salami, 2006; Lee and Lings, 2008) for this study (see Chapter 2: section 2.3). The chapter is structured into nine sections: (a) aims and objectives (b) research paradigm; (c) research methodology; (d) research design; (e) the setting; (f) the theoretical framework; (g) the qualitative approach: (1) procedure for data collection, (2) method of data analysis; (h) Ethical consideration; and, (i) chapter summary.

### **3.1 Aims and Objectives**

As presented in Chapter 1 (see section 1.4), the general objective of this research was to ascertain the financial resources allocation processes imperative for an efficient management of the universities in Nigeria. The specific objectives of the study included: 1) To identify and critically assess the existing financial resource allocation strategies employed by the Nigerian universities; 2) To determine the perception of universities' managers on the degree of association between funding and governance quality, staff morale, and teaching and research; 3) To construct a model of resource allocation processes that could instil efficiency in the deployment of critical resources in Nigerian

universities included in this study; and 4) To propose a recommendation for practice change in the affected six universities.

### **3.2 Research paradigm**

The selection of an appropriate research paradigm precedes the selection of a suitable methodology. The reason, according to some researchers (Deshpande, 1983; Easterby-Smith *et al.*, 1991; Denzin and Lincoln, 2000; Mertens, 2005) is because paradigm impacts the whole research stages from determination of the research problems to the data analysis and interpretation. Many definitions of paradigm exist but Creswell's (1998:74) which refers to it as a "basic set of beliefs or assumptions that guide" research is adopted for this study.

The field of social sciences offers many different paradigms which differ in terms of their underlying philosophical assumptions. This suggests that it is necessary to understand the assumptions for each paradigm so as to determine the suitability for an intended research. Some authors identify the basic philosophical assumptions as ontology, epistemology and methodology (Denzin and Lincoln, 1998; Guba and Lincoln, 2000; Neuman, 2003; Creswell and Plano Clark, 2007; Burrell and Morgan, 2008). Guba and Lincoln (2000) and Burrell and Morgan (2008) refer to ontology as the nature of reality and what can be known about it; epistemology as the relationship between the knower and what can be known about phenomena; and methodology as the research methods employed to obtain knowledge. In this study, three relevant paradigms: positivism, **interpretivism** and pragmatism (Creswell, *et al.*, 2007; Burrell and Morgan, 2008) are reviewed (see sections 3.2.1; 3.2.2; and 3.2.3).

### **3.2.1 Positivism**

Some authors refer to positivism as the scientific method. According to Sarantakos (1998), it has original link from the work of Conte and Durkheim. Positivism holds the belief that universal laws and truths are objective, independent and drive one reality. They function by using experimental and quantitative methods to test hypotheses (Guba and Lincoln, 2000; Burrell and Morgan, 2006). This paradigm is not applicable in this study as the investigation is rooted in the complex real life social/corporate experiences which are capable of several subjectivities. In these situations, objective reality may be inexistent.

### **3.2.2 Interpretivism**

The interpretivist paradigm yields to the investigation of a phenomenon where the environment is interpreted by human beings – the researcher and the participants in the study (Onwuegbuzie, 2000). This creates an atmosphere of subjectivity because the understanding depends on the individual and the environment (Cousin, 2005; Elliott & Lukes, 2008). This presupposes that all the participants in a study, that is, both the researcher and the interviewees bring in different interpretations to the understanding based on their separate world views (Mackenzie & Knipe, 2006). Elliott & Lukes (2008) and Torrance in Somekh & Lewin (2005) see case study methodology as suitable for the interpretivist approach. In general, however, the interpretivist research methods use interviews, focus groups, or other methods that accommodate collection of different useful data.

Interpretivism fails to allow for generalisations because the study is often based on a small number of data that do not apply to the whole population (Onwuegbuzie, 2000; Huff, 2009). There have been strong arguments that the interpretive study allows

researchers a great deal of insight into the phenomenon which would not have been so without the indepth enquiry (Macdonald, Kirk, Metzler, Nigles, Schempp & Wright, 2000; McMurray, Pace & Scott, 2004). This paradigm seems more applicable to the present study going by the smallness of the number of universities studied and the fact that a study of the perceptions of individual universities' resource managers could mean that the different participants could suggest different interpretations of the situation.

### **3.2.3 Pragmatism**

Between positivism and constructivism, many social scientists have attempted to create a middle ground. It has been suggested that pragmatism may be used to counter the link between epistemology and method (Howe, 1988). Furthermore, Howe (1988) states that pragmatism assumes compatibility between quantitative and qualitative methods. The view of pragmatism is that the research question is more important than either the methodology approach or the paradigmatic assumptions which underlie the method (Tashakkori and Teddlie, 1998). The authors emphasize that both quantitative and qualitative methods are useful, but that preference, however, depends on the research question. The epistemological position of the pragmatists may be either objective, subjective or both. According to Tashakkori and Teddlie (1998) and Creswell (2003), pragmatists come to agreement with positivists on the point of external reality, but however, disagree on the question of an absolute truth. The present research makes use of only the qualitative method; hence the pragmatist paradigm is not suitable for the study.

From the preceding reviews, the researcher concludes that interpretivism is the suitable and adopted paradigm for this study. The qualitative method is used in context-specific

settings through the inductive understanding of the human experience (Guba and Lincoln, 2000). The study will employ interviews and insights gained from interactions with resource managers to explain the resourcing process problems in Nigerian universities.

### **3.3 Research methodology**

According to Sarantakos (1998:32) research methodology is “a model which entails theoretical principles as well as a framework that provides guidelines about how research is done in the context of a particular paradigm”. Data collection in any research may be informed by three approaches. These are the quantitative, the qualitative, and mixed methods approaches (Tashakkori and Teddlie, 1998; Creswell and Plano Clark, 2007). These approaches are discussed in sections 3.2.1 – 3.2.3 below. The conscious effort is to stay with the Broadbent and Unerman (2011:7) guideline of engaging research methods suited to the research questions that would produce “high quality credible research evidence”. The suitable approach selected for the present study will be indicated with reasons for the choice in the course of the following paragraphs.

#### **3.3.1 Quantitative approach**

A quantitative approach, according to Creswell, (1994:2) is “an inquiry into a social or human problem, based on testing a theory composed of variables, measured with numbers, and analyzed with statistical procedures, in order to determine whether the predictive generalizations of the theory hold true”. The quantitative approach aims at objective measurement of the social world, testing of hypotheses and prediction and control of human behavior (Creswell, 2002). According to the author, the quantitative approach impacts usefully when testing a theory or when explaining or identifying factors

which influence results of a phenomenon. Yin (2003) asserts that quantitative approach is concerned with questions that deal with 'How much'? or 'How many'? or 'How often'? or 'To what extent'? The quantitative approach uses surveys, experiments and quasi-experiments. The measurements are factual, more reliable and generalisable to other settings (Denzin and Lincoln, 2000; Patton, 2002). However, as Gorard (2003) points out, its limitation is the absence of detail on human behaviour, attitudes and motivations.

The present study revolves around the perceptions, behaviours and motivations of resource managers and universities' managements. It touches on political and social responses to the issue of resources management. These are hardly precisely quantifiable. For these reasons the quantitative approach was not selected for this study.

### **3.3.2 Qualitative approach**

According to Creswell (1994:1-2) a qualitative approach can be defined as "an inquiry process of understanding a social or human problem, based on building a complex, holistic picture, formed with words, reporting detailed views of informants, and conducted in a natural setting". The major aim is to understand life's real meaning as people perceive it (Lincoln and Guba, 1985). The approach, Creswell (1994:10) asserts, is appropriate when variables are not known and the theory base is 'inadequate, incomplete, or simply missing', perhaps, due to a lack of previous research. Qualitative research helps to provide the answers to questions seeking: Why? How? In what way? (Yin, 2003; Al-Dossary, 2008). Hancock's (1998) list of examples of qualitative methods includes individual interviews, focus groups, direct observation, action research, and case studies.

A qualitative approach gives richness and deeper insight into phenomena being studied (Hancock, 1998; Al-Dossary, 2008). Other strengths include a tendency towards greater flexibility given that it can allow the researcher to change questions as the data collection progresses (Hancock, 1998). The limitations are that the results may not be generalisable to a larger population because of the small sample size and the fact that selection of participants is not random. Also, Fellows and Liu (1997) reiterate that the qualitative method tends to be time-consuming and difficult for data collection and analysis. Furthermore, Ahrens and Chapman (2006: 819)), citing Silverman (1993) describe the qualitative field studies as “not a question of method, but one of methodology, understood as a general approach to the study of research topics”. Available literature supports the view of qualitative researchers that “social reality is emergent, subjectively created and objectified through human interaction” (Chau, 1986:615; Corbin and Strauss, 2008). They express the methodological and theoretical task as social reality as against merely describing and clarifying the field as an objective reality (Ahrens and Chapman, 2006). The baseline is to emphasize that the qualitative approach is a question of methodology, the general approach taken to the study of a research topic, which is independent from the choice of methods, such as interview, observation or questionnaire (Silverman, 1993; Ahrens, et al, 2006). These reflections differentiate the qualitative methodology from the positivist paradigm which holds that “empirical reality is objective and external to the subject” (Chau, 1986:611).

The understanding of qualitative approach from methodological point of view connects data collection with the theoretical reasoning through interviews linked to the research questions. This produces a whole lot of robust insight to the problems under study which is lost to the positivist approach (Ahrens, et al, 2006, Ogden 1995; Miller and O’Leary,

1994). This way, the qualitative methodology avoids seeing the research as mere 'story telling', but as one that can be affected by both the participants and the researcher himself (Corbin, et al., 2008).

The qualitative investigation approach adopts an interpretive method (Hopper and Powell, 2001; Becker, 1970) which sees "the world as an emergent social process which is created by the individuals concerned" (Burrell and Morgan, 1979:28). The qualitative approach has been chosen for this study because it allows the investigation to bring out the deep feelings and situations around the universities researched which quantitative approach fails to reflect (Ahrens, et al, 2006, Ogden 1995; Corbin, et al., 2008). One of the weaknesses of the interpretive approach is the proneness to subjectivity. This weakness has, however, been critically diminished in this study through data collection that is linked directly to the objectives of the research. Ahrens, et al., (2006: 820) agree that, "In reality, however, the task of connecting data and theory to a compelling research question is a source of great discipline". The authors cite Galbraith's (1973) theory of organizational information processing through the combination of the statistical analyses and interview excerpts that "dialogue played a vital role in management control systems' ability to support performance under conditions of uncertainty" (Ahrens, et al., 2006: 820).

Irrespective of how strong the above literature may support the positive sides of qualitative methodology, it is critical to document the huge biases that much emphasis on reflection of emotions and situations in the observation and interpretation processes could bring on the conclusions reached (Ajayi, 2006). The interview process can produce misleading answers depending on how strongly the interviewer manipulates the

process or how the interviewees focus their mindset on the subject of research. Of course, in view point like this, the quantitative approach is considered more appropriate (Hopper and Powell,1985). But this weakness is mitigated by the humanist argument that reality is actually an emerging social process rather than one rigid phenomenon (Burrell and Morgan, 1979:28). Hopper and Powel (1985:446) agree that “people constantly create their social reality in interaction with others.” The emergent resolution is to lean on the interpretive approach whereby perceptions and explanations of the participants receive prominent emphasis (Hopper, et al., 1985; Tomkins and Groves, 1983; Colville, 1981; Otley, 1978).

The qualitative approach has been selected for this research because of the dynamic nature of the study and for the political and social possibilities the topic evokes. By adopting the qualitative approach the researcher will be able to investigate both the ‘how’ and ‘why’ both the top administration and the resource managers respond to resources allocation issues the ways they do.

### **3.3.3 Mixed methods approach**

A mixed-methods approach may be described in so many terms such as convergent methodology, multi-method, multi-trait, triangulation, synthesis, etc. This is a research where the quantitative and qualitative approaches are combined. Creswell (2003) attributes the origin of the mixed methods to the 1959 Cambell and Fiske validity study of psychological traits using multiple methods. The precise definition of the approach is subject of much debate among researchers (Greene, et al., 1989; Creswell, et al., 2003; Al-Dossary, 2008).

A mixed-methods approach focuses on data collection and analysis mixing with both qualitative and quantitative data sources in one study or in a series of studies (Al-Dossary, 2008). The basis of this is the assumption that this method provides a better understanding of phenomena than one approach alone can produce (Creswell, et al., 2007). The key essence of the mixed methods approach is to reduce the weaknesses associated with qualitative and quantitative approaches (Johnson and Onwueghuzie, 2004). Its major purposes are five, namely: (a) triangulation, (b) complementarity (c) initiation, (d) development, and (e) expansion (Greene, et al., 1989; Al-Dossary (2008). It can enhance more insight into the phenomena that the use of a single approach cannot produce. The mixed methods approach can be used to increase generalisability of the results of the study (Al-Dossary, 2008; Johnson and Chistensen, 2004); and since it makes use of both quantitative and qualitative approaches which have their respective strengths and weaknesses, it follows that the weaknesses of one approach can compensate for the weaknesses of the other approach (Creswell and Plano Clark, 2007). The method, however, takes time and demands resources to carry out (Al-Dossary, 2008). The conclusion of Broadbent and Unerman (2011) that both positivist/quantitative and interpretive/qualitative methods produce a high quality of credible research evidence are vitally instructive.

The mixed-methods approach, however, was not used for this study because the constructivist paradigm which relied on qualitative data collected through semi-structured interviews was considered more appropriate. The data collection for the study did not include a complimentary quantitative approach without which the mixed methods approach could not be used.

### **3.4 Research Design**

The qualitative approach was used in this study. The use of this approach can be justified for a number of reasons. First, the qualitative approach yielded room for richer and more robust insight into the behaviours, attitudes and motivations (Hancock, 1998; Al-Dossary, 2008) of the resource management team of the six universities in this study. Second, the approach allowed for questions to be asked which have direct relevance to the objectives of the study and tied to the research questions. Third, triangulating evidence from the three categories of universities (federal, state and private) increases the trustworthiness of the results and the conclusions.

The limitations of the current approach are noted. By using the qualitative approach the results of the study could face subjectivity of interpretation. Also, because of smallness of sample size, and the absence of random selection of samples, it was difficult to generalize the result of the findings to other universities. The approach suffers from the complementarity which was possible using a mixed-method approach (Johnson and Onwueghuzie, 2004; Creswell, et al., 2007; Al-Dossary, 2008). Also, it was very time consuming both for data collection and analysis (Fellows and Liu (1997). In this study, qualitative data were collected from resource managers in six universities which comprised of two (2) samples from each of the three university categories. It included semi-structured face-to-face and telephone interviews with 13 principal officers, 6 deans, 18 Heads of Department and 8 Senior Management Accountants.

### **3.5 The Settings**

This study was conducted at six Nigerian Universities, code named: RM10 and RM50 representing the two private universities; RM20 and RM60 for the two federal

universities; RM30 and RM70 for the state universities and RM40 for the relevant professional body of universities' CFOs.

RM20 and RM60 were selected as case studies because both are old and large and receive considerable grants from the federal government. RM30 and RM70, both owned and operated by state governments, enjoy states' subsidies and both have over 15 years of financial relationship with states' intervention. Lastly, RM10 and RM50 typify private sector involvement in tertiary education management. Both are associated with religious proprietorship and faith-based.

The two federal universities had a student population average of 15,000 each. The two state universities have average student population of 12,500 each and for the two private universities the enrolment was an average of 7,500.

Permission to carry out the study was sought and obtained at various dates from the Vice Chancellor of each university. For members of the professional body, participation was solicited during the 2012 second quarter meeting of the association at Abuja, Nigeria.

These institutions were selected purposively (Jaiyeoba and Salami, 2006) to ensure equal representation of all the three categories of universities in Nigeria, namely: federal, state and private universities. All the six institutions fall within the sub-categorization of 1<sup>st</sup> and 2<sup>nd</sup> Generation<sup>2</sup> and foremost private universities in the group they represent. For instance, RM20 and RM60 represent the first generation universities; RM30 and RM70

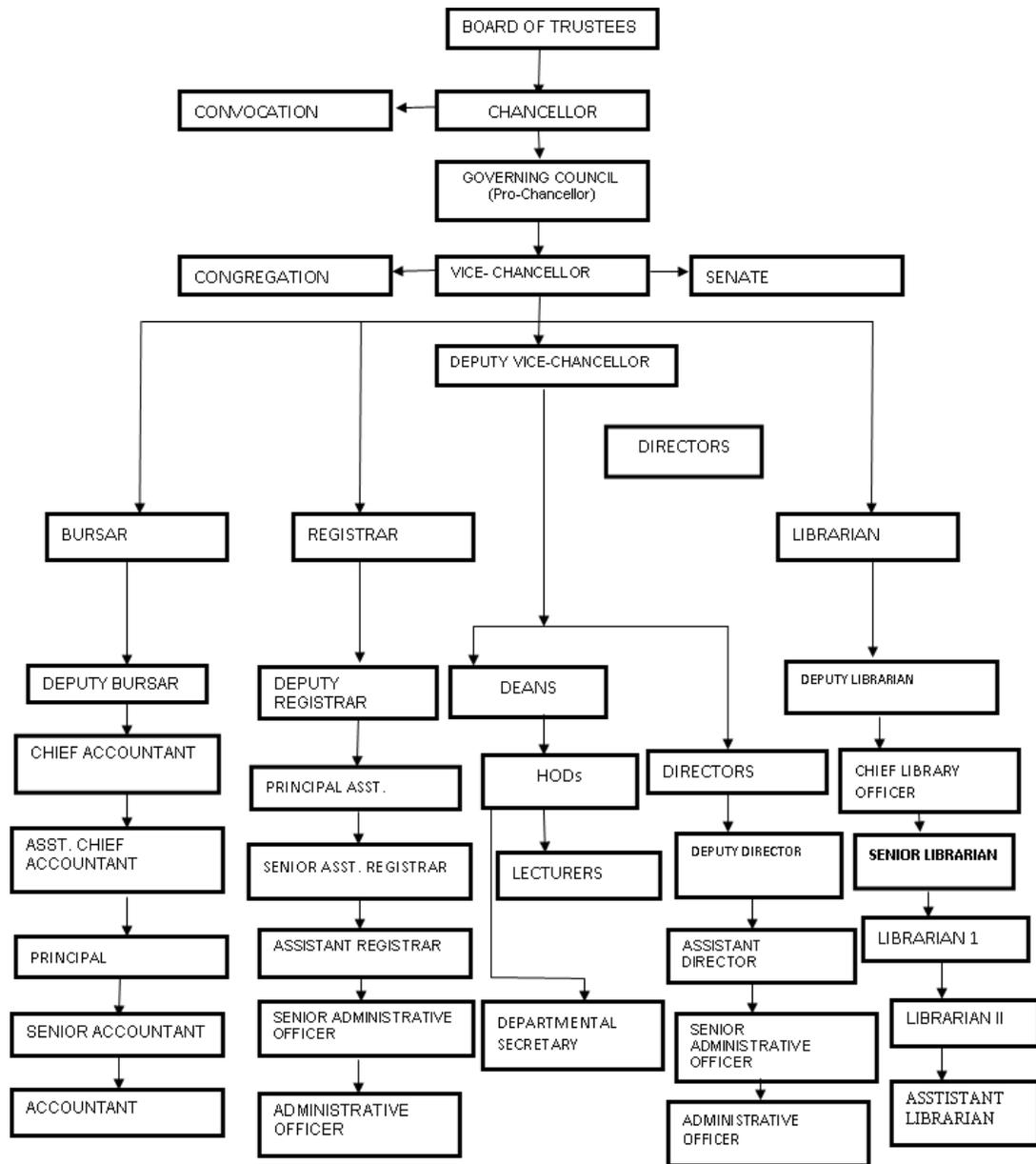
---

<sup>2</sup> 1<sup>st</sup> and 2<sup>nd</sup> Generation universities are those established before and after 1970 respectively.

represent 2<sup>nd</sup> generation; RM10 and RM50 represent foremost private universities; while RM40 represents the foremost occupational group for the set of university employees it represents.

Each of the six universities studied operates the conventional university governance structure as all other universities in the country. The following chart is a typical structure run by all Nigerian universities (see figure 3.1). The governance structure has the Board of Trustees at the apex of the diagram. The council is subject to the Board of Trustees and Vice Chancellor has a Chancellor ahead of him/her. These are typical positions for policy making. But for the day to day management the vice chancellor has the other four principal officers reporting to him/her – CFO, Registrar, and Librarian. The Principal officer cadre may include other executive positions depending on the philosophy of the university management. These officers are division leaders representing a large inclusion of resource managers in the positions of deans, heads of departments, strategic business managers, and so on. During the study, it was shown that some of the universities had an executive person in charge of student matters, fund raising, etc.

**Figure 3.1: Nigerian Universities Conventional Governance Structure**



**Source: Adapted from the structure found in the six universities studied**

**Table 3.1: Characteristics of the participants and others**

<b>Characteristics/Rank of Interviewees:</b>	
Principal Officers	13
Deans	6
Heads of Department	18
Senior Management Accountants	8
Years in Administration	5-35
<b>Universities Categories:</b>	
Federal Universities	2
State Universities	2
Private Universities	2
Enrolment	7,000 - 20,000
Age of University	11yrs - 65yrs

### **3.5.1 Characteristics of the participants**

The characteristics of the participants in this study are shown in Table 3.1. Other existing literature indicates that in a related qualitative research of this kind, a sample size of around 20 is appropriate (Lee and Cadogan, 2009:361).

The key university resource managers interviewed were the principal officers; deans of schools, heads of department and very senior management accounting officers who have been involved in university resources management for five or more years.

### **3.6 The theoretical framework**

This study was guided by the conceptual framework of the Laughlin's (1985) middle-range thinking. The 'middle-range' thinking imports some degrees of "flexibility and

diversity” (Laughlin,1995:84), which allows for aspects of the different theories and models engaged to form a whole and fully explain the phenomena. The study has drawn from aspects of the African political economy model (Aina, 2002), resources dependence theory (Pfeffer and Salancik, 1978, 2003), resources allocation process model (Bower, 1970), and power and centrality theory (Hackman, 1985), to explain the resourcing process phenomena in Nigerian universities. In this study, the interpretation of the findings, in addition to the methods outlined in the data analysis section above, will be ontologically and epistemologically lenient to the theories and qualitative literature engaged in chapter 2. In sum, the findings from the existing literature, the theoretical framework, the interview narratives, and the researcher’s personal insights (gained from his many years experience as a practitioner and the reflections from the interviewees’ narratives) will be engaged in the interpretation of the findings in chapter 4.

### **3.7 Qualitative Data Collection Approach**

In order to identify the factors affecting systematic financial resources allocation process in Nigerian universities, face-to-face and telephone interviews methods were used for data collection. More details are provided below.

#### **3.7.1 Data collection methods and participants**

This section presents the methods of data collection and the participants engaged in the study. Section 3.7.1.1 reports the pilot studies and section 3.7.1.2 discusses the interview methods comprising face-to-face interviews (3.7.1.2.1) and telephone interviews (3.7.1.2.2).

### **3.7.1.1 Pilot studies**

The researcher is encouraged to perform a pilot study before the start of a main study when using qualitative methods (Janesick, 1994; Yin, 2003; Al-Dossary, 2008). This allows the researcher to clarify particular areas of the study before engaging at full scale. The pilot study helps to enrich the subsequent phases of the research. For this research, the pilot studies were carried out in the first and second weeks of July, 2011 with 2 resource managers (an associate principal officer and a HOD) in Pilot 1 University (a private university) and Pilot 2 University (a state university) respectively.

The major aim of the pilot studies were to ascertain that the interviewees understand the questions and those they were comfortable responding. Also, the pilot study was used to “test the procedures, time requirement and equipment” (Al-Dossary, 2008:157). The interview time lasted for approximately 40 minutes; this led to some amendments being made reducing the number of questions from 21 to 17 in order to reduce the time. The second pilot interview was then engaged and lasted for approximately 25 minutes. The pilot interviews took place in the offices of the two resource managers and were audio-taped. From the pilot studies, the questions were found to be satisfactory. The process also provided the researcher opportunity to master the use and confirm adequacy of the audio recording equipment. Furthermore, it also afforded the researcher the opportunity of rehearsing the technique of conducting face-to-face interviews which proved helpful during the later studies. The pilot interview narratives were, however, not included among those analyzed for the purpose of determining the findings of the study.

### **3.7.1.2 Interviews**

Interviews, according to Fontana and Frey (2000), are the most popular methods for obtaining qualitative data. For Cannel and Kahn (1968) the interview is “a two-person conversation initiated by the interviewer for the specific purpose of obtaining research-relevant information, and focused by him on content specified by research objectives of systematic description, prediction, or explanation” (in Cohen and Manion, 1994: 271).

Furthermore, according to Patton (2002), there are three types of interviews, namely: structured, semi-structured, and unstructured. A structured interview lends itself a pattern where the researcher asks all participants the same exact questions predetermined in a specific sequence and words (Fontana and Frey, 2000). In this way, researcher bias is reduced drastically. It is particularly useful to ensure consistency in projects that involve “multiple researchers, multiple sites, or data collection at different times” (Al-Dossary, 2008). The researcher is, however, unable to add on topics or issues that were not anticipated from the onset (Bryman, 2004).

A semi-structured interview, also known among social researchers as guided interview, is popularly used (Flick, 2002). According to Robson (2002), this uses a set of predetermined questions; however, the structure and actual words can be modified as considered appropriate based on the participant’s perception. This type of interview enables the researcher to seek the same type of information from each participant and to bring on new insights considered helpful (Fontana and Frey, 2000; Al-Dossary). Creswell (2002: 205) affirms that “the predetermined close-ended responses can net useful information to support theories and concepts in the literature.” On the

contrary, Creswell (2000) states that the open-ended responses could allow the participants to veer into personal accounts that are outside the scope of the study.

Lastly, an unstructured interview offers room for “maximum flexibility for the researcher to pursue information in whatever direction appears to be appropriate” (Al-Dossary, 2008: 158-159; Patton, 2002). This does not suggest the interview may be unfocused. The fact is the researcher has a general area of interest to pursue while inviting the participants to speak freely in their own terms and on their concerns that would shed valuable insights on the subject area (Robson, 2002; Lofland and Lofland, 1995). Despite its susceptibility to researcher bias (Patton, 2002), and difficulty in analyzing data collected from different interviewees with varying degrees of flexibility in the subject areas (Robson, 2002), this type of interview is deemed useful when carrying out inductive research seeking “to understand complex behaviour without imposing an a priori categorization that may limit the field of inquiry” (Al-Dossary, 2008: 159; Fontana and Frey, 2000).

The semi-structured interviews were used for data collection in this study (see Appendix B). This provided two advantages: 1) they allow respondents to provide full explanation of the topic and, 2) they yield most needed information while retaining a degree of structure. Interviews can be conducted in person (face-to-face) or by telephone. In this study, both methods were used because of the locations of the participants and time constraint. The face-to-face interviews were audio-taped while the telephone interviews were not due to equipment constraint.

The criteria for selecting participants were that they were resource managers in one of the three university categories in Nigeria; they were involved in universities resources management in the last 5 years at least; and are of the rank of principal officer; school/faculty dean; head of department or senior management accountant.

Prior to the commencement of the interviews, the respondents' consent was obtained to audio tape the interviews and they were assured that the information would be used only for the purpose of the study. With permission of each respondent obtained, all the face to face interviews were audio taped. The average time of each interview was between 25 and 30 minutes. All interviews were conducted in English. The interview questions were developed based on the four specific objectives of this research set out at the beginning of this chapter. A sample of the interview questions is included in Appendix B.

#### **3.7.1.2.1 Face-to-face interviews**

In each of the six universities, the researcher carried out interviews with select resource managers. Those interviewed included vice chancellors, Chief Finance Officers, select number of deans, HODs and other senior management accountants. These managers were selected because of their experiences in both resource policy making and in management. The mixture of top, middle and junior resource management staff for interview provided opportunity to obtain the experiences and perceptions of the selected resource managers. To get access to the interviewees in each university, the researcher had first to obtain permission through the office of the vice chancellors. Each resource manager interviewed had not less than 5 years experience on the post.

### **3.7.1.2.2 Telephone interviews**

Telephone interviews provide a viable means of data collection in circumstances where there is distance limitation between the researcher and the participants or where budget is a major consideration. According to Berg (2001) telephone interviews may not only be an effective data collection means, but could, under certain situations be the only method that is viable. Compared to face-to-face interviews, telephone interviews are exceptionally cheaper and relatively faster (Al-Dossary, 2008). On the other hand, however, Shuy (2003) refers to the fact that it could not be appropriate where complex and sensitive questions are to be asked. In this study, telephone interviews were used in a few cases (10) towards the end of data collection process because some of those listed for interview were either not going to be in part for a long period of time or did not want to be reprimanded by the ASSU leadership for granting an interview in the office while the nation-wide strike was still on. (The Association of Senior Staff of Nigerian Universities embarked on a strike in June, 2013 which lasted until December 2013). Although the telephone interviews were not recorded on tape, this method proved a great budgetary advantage in terms of cost and time savings.

### **3.7.2 Data analysis procedures**

Analysis can be defined as “a process of examining something in order to find out what it is and how it works” (Corbin and Strauss, 2008:46). Merriam (1998) adds that “qualitative data analysis is about making sense of collected data” (in Al-Dossary, 2008: 164). The process is a complex one that involves sifting through a huge volume of data obtained through interviews and other sources. According to Corbin and Strauss (2008:46), “The analyst has to brain storm, try out different ideas, eliminate some, and expand upon others before arriving at any conclusions”. Bogdan and Biklen (1992) point

out the complexity of the process of qualitative data analysis stating that it involves “working with data, organizing them, breaking them into manageable units, synthesizing them, searching for patterns, discovering what is important and what is to be learned, and deciding what you will tell others (in Al-Dossary, 2008:164). Creswell (2002) has identified simultaneous and iterative phases in the qualitative data analysis process. The phases can be accomplished by collecting data, preparing data for analysis, reading through data, coding data, and coding the texts for description and theme/categorization (Creswell 2002). Figure 3.2 below is adapted from Creswell (2002:257) to provide more graphic illustration of the qualitative analysis process.

In this study, the constant comparative method (Maykut and Morehouse, 1994) was first used to analyse the data (see figure 3.3) and later reviewed using the McAdams’ (1993) story elements analysis method. The constant comparative method “combines inductive category coding with simultaneous comparison of all units of meaning obtained... As each new unit of meaning is selected for analysis, it is compared to all other units of meaning and subsequently grouped (categorized and coded) with similar units of meaning... In this process there is room for continuous refinement; initial categories are changed, merged, or omitted; new categories are generated; and new relationships can be discovered...” (Maykut and Morehouse, 1994:134)

The researcher is aware of the existence of different specialised qualitative analysis software programs. Some of the software programs are used for “data management, text retrieval, coding and conceptual mapping” (Al-Dossary, 2008: 166). Some of these activities, for instance, data management and text retrieval, can also be carried out using word processing programs or other standard office software. Furthermore, there are concerns about the potential for software to mandate some preconceived structure on

the process of analysis which may distance the researcher from the data (Al-Dossary, 2008; Merriam, 1988). This gave impetus to the decision to analyse the data manually

**Figure 3.2: The Process of Data Analysis (Creswell, 2002: 257)**



**Figure 3.3: Constant Comparative method (Maykut and Morehouse, 1994: 135)**



and not use the specialized qualitative analysis software program. This provided opportunity for the researcher to gain maximum scope working closely with the data (Merriam, 1988). The data were collected through face-to-face and telephone interviews, and were transcribed by the researcher.

The second phase of the analysis process involved data coding by sources which included assignment of pseudonyms of each participant and the line number on the left margin of each page. Take for instance, RM11:29 refers to a transcript of the interview with Resource Manager 1 from University RM10 in line 29. This process was repeated until each interview had been coded.

The next process involved separating the data into unique units of meaning. Maykuk and Morehouse (1994) describe a unit of meaning as a segment of a potentially meaningful data relevant to the study. At this stage, the researcher read through the transcripts several times, and then identified units of meaning by underlining a word or phrase that reveals the main data of the unit of meaning and noting on the two sides of the margin a cross reference to the main data, and linked same with a horizontal arrow. An example of a unit of meaning is the response of Resource Manager RM11 to the question: In what ways, if at all, does the influence of the head of a unit affect the budgetary allocations made to a particular department at given periods? - "Our resource allocation in this university is need based, not power; no HOD exerts an overriding influence to my knowledge. Our attitude to each other when it comes to resource allocation is collegiate. If Mass Communication department proves strongly they need the funds more than my department of economics in a particular year, I should have the grace to allow their needs met before mine, and vice versa. The process is dynamic." The words "no HOD exerts an overriding influence to my knowledge" were underlined and cross-linked to main data on the margin. After doing this with all the data pages, the units of meaning were cut out and pasted on separate index card designated to make them easy to handle.

The researcher then went on an in-depth study of the marked pages to discover the recurring words, phrases and ideas in the data. This process helped by revealing the concepts that the interviewees used to capture the recurring phenomenon in the data and then, accordingly, sensitised the researcher to recognise it when repeated in subsequent data. The key question the researcher sought to answer at this stage is: Are there “any emerging themes expressed as a phrase, proposition or question”? (Al-Dossary, 2008:178; Maykut and Morehouse,1994). By these steps, the researcher identified a list of provisional categories. Then after, using the “look/feel alike” criteria described by Maykut and Morehouse (1994), the researcher came up with the unit of meaning cards associated with the listed provisional categories.

With about six or more data cards “grouped together, the researcher then wrote a rule of inclusion based on the characteristic of cards under a particular category” (Al-Dossary, 2008:178; Merriam, 1988). This rule then became the researcher’s guide for determining include or exclude for all subsequent data (Maykut and Morehouse, 1994). New categories were created to take care of the data cards that did not fit into a particular category. Then finally, “the researcher wrote the rule of inclusion as a propositional statement which is defined as a statement carrying the meaning of the content of cards under a category name” (Al-Dossary, 2008:178; Maykut and Morehouse, 1994).

In this study the secondary analytical framework is McAdams’ (1993). Akin to the Maykut and Morehouse (1994) and Cresswell (2002) approaches discussed earlier, the interview data for this study is further analyzed using McAdam’s (1993) list of story elements, as the researcher believes this may provide insight to the interpretation of the interviewee narratives. This approach involves breaking each interview narrative into

story elements which includes the setting of a scene, the introduction of the main characters, a description of an 'initiating event', an attempt, a consequence, a reaction and denouement (McAdams,1993; Riessman, 1993). The analysis progression by McAdams' method first begins with the interview narratives being assigned line numbers beginning from 1 and running continuously throughout the 45 transcripts until the last line of narrative using Microsoft word. The researcher then rigorously rereads all the interview narratives in depth taking each interview at a time. This rigorous review of the narratives affords the researcher an opportunity of deeper understanding of the interviewees' accounts of their experiences as relates to the phenomena being studied. Following the deeper understanding of the stories, the researcher then constructs a table of the story elements from each interviewee narrative.

The next stage looks at the outcome by identifying the units of meaning which recurred in the respective narratives and code same throughout the entire tables of story elements prepared. The process at this stage finishes out along the Maykut and Morehouse (1994) constant comparative method which combines inductive category coding with simultaneous comparison of all units of meaning obtained. What happens here is that each unit of meaning selected is compared with same category throughout the entire interview narratives; then another, and other until all the categories have been exhausted. One benefit of this approach is the opportunity the researcher has to discover how the interview narratives tied together to explain the phenomena. It also helps the researcher to obtain reliable and verifiable evidence to back the conclusions reached. Above all, this method helps the researcher to gain richer and more robust insight from the interviewees' perceptions, experiences and narratives regarding the resources allocation process phenomenon.

In order to achieve a level of comparability, the researcher further constructed 45 tables of story elements adaptive of the McAdams framework (T1-T45) out of the 45 interview transcripts obtained from the six universities. Each table of story elements took an average of 20 minutes to prepare and there was a minimum of 15 minutes break between the completion of one table and the next. During the self-imposed 15-minute breaks, the researcher engaged in different 'mind-clearing' activities such as watch the television programme, walk outside the room and chat with someone, or do something that allows for a return to the construction of the list of story elements tables with freshness of mind, and that way, ensure that the content of each table was not unduly influenced by the interpretations carried over from the tables before it. Other researchers may perhaps consider using other frameworks for analysis of the interview narratives. This suggests the nature of flexibility adaptive to interpretive research (Riessman, 1993). Excerpts of the interview narratives are provided as appendix C. The final engagement of the interpretive analysis approaches and theories will lead to the construction of resources allocation process model revolving around people process, and resources.

### **3.7.3 How to ensure trustworthiness**

In quantitative research the two tests of reliability and validity are the accepted criteria for assessment of quality (Al-Dossary, 2008). How to apply these to qualitative research is of current debate. Among the researchers who have adapted reliability and validity to qualitative research include LeCompte and Goetz (1982), Kirk and Miller (1986), and Mason (2002). However, other authors suggest the use of different criteria, namely: credibility, transferability, dependability and confirmability' (Lincoln and Guba, 1985: 289-

331) for the evaluation of qualitative research. These terminologies are further explained in the next four subsections:

### **3.7.3.1 Credibility**

Credibility is the measure of degree of consistency of the findings and interpretations, which is comparable to internal validity in a quantitative research. Lincoln and Guba (1985) recommend triangulation and peer debriefing as the two techniques needed to ensure credibility. Triangulation has to do with the use of multiple sources of data and multiple data collection methods (Whitt, 1991).

In this study, credibility has been achieved by the use of interview sources from federal, state and private universities and by involving officers in top, middle and low ranks (with 13 Principal officers, 6 Deans, 18 Heads of Department and 8 Senior Management Accountants).

### **3.7.3.2 Transferability**

The construct, transferability is the measure of the extent to which the study findings in one setting may be applicable or generalisable to other contexts. Transferability in qualitative research is comparable to external validity in quantitative research. Lincoln and Guba (1985) argue that the researcher's major task is to provide 'thick description' of the phenomena and not to decide whether the findings can be generalisable. The authors insist that it is the reader that may decide whether or not the findings can be generalized to other contexts.

In the present study, transferability was achieved by presenting detailed descriptions of the study context characteristics, methodology and research design. Through the detailed descriptions the reader (and not the researcher) may decide if the findings can be generalized to other settings (Lincoln and Guba,1985).

### **3.7.3.3 Dependability**

Dependability refers to the degree that the findings of one study could be the same if the same study was replicated elsewhere in a similar context with similar participants. Dependability is similar to reliability in quantitative research.

In this study, it was achieved by a description of the methods of data collection, data analysis and interpretation, as well as through triangulation of data sources from the different categories of universities involving top level, middle level and low level resource managers.

### **3.7.3.4 Confirmability**

Confirmability describes the extent that the findings of one study can be confirmed by another independent researcher. This is analogous to objectivity in quantitative research. Lincoln and Guba (1985) assert that confirmability can be achieved by providing 'audit trail'. Audit trail has been defined by Polit and Beck (2008:545) as "a systematic collection of materials and documentation that would allow an independent auditor to come to conclusions about the data".

In this study, confirmability was achieved by providing samples of the study data and findings, and by providing an audit trail using McAdams (1993) list of story elements of the interview narratives. Samples of these are set out in appendix C.

### **3.8 Ethical Consideration**

The first step of ensuring that the proposed research meets the approved ethical standards began with an application to Aston University Ethical Review Committee (SRC). This process involved submission of the detailed study plan along with a sample of the questions to be administered to the interviewees. The committee conducted a thorough review of the first set of materials and later called for more information on how the participants would benefit from the result of the research and how to protect them. The researcher explained that the outcome of the research would be made available to the participants as well as the fact that the identity of the interviewees would be kept anonymous. The positive approval of the SRC in three weeks' time marked the commencement of the field work.

The actual field study then began with the researcher seeking and gaining permission from the Vice Chancellor of each sample university. The interview processes, and the information that the data obtained would be held in strict confidentiality, were first explained to each interviewee in writing ahead of the interview dates. At the commencement of the interview sessions, the participants were reminded of their right to abstain from answering any particular question they did not feel comfortable to answer and that they were free to disengage from participation at any stage in the process of interview. The responses from the interviewees were recorded in an audio tape (to ensure necessary accuracy) and the researcher made few notes during the interview

sessions. After transcription, the participants were debriefed, the recorded voices, deleted and the transcripts were stored in a secured cabinet in the researcher's office. Throughout the study, the names of the interviewees are kept anonymous in order to protect their identities.

### **3.9 Limitations of Data Collection and Analysis Methods**

It may be appropriate to admit that the collection of data for this type of study could be problematic for some reasons. First, there is a problem of inadequate information storage in many public departments in Nigeria (Obadare, 2010). Obadare's study concludes that in Nigeria, planning officers still use manual information system for educational planning contrary to the advancements in the use of computers and other ICT systems world over. The consequence of this may affect the quality of evidences obtained during interviews. Respondents would tend to be theoretical in their answers and have less archived evidences to support their claims.

Second, there is hardly a uniform basis for determining the parameters of measurement as different universities tend to approach the resource allocation engagement in different ways (Johnstone, 1999; Shattock, 2002; Scott, 2012; AAU, 2004). Because of the adoption of different measurement criteria by various universities, there could be an inherent difficulty in achieving effective comparable characteristics of the phenomenon under investigation (Hufty, 2011; Angluin and Scapens, 1999). This factor may negatively inhibit a common understanding or appropriation of the findings and the conclusion of the study by all higher education stakeholders.

Third, the adoption of a qualitative approach may reflect subjective or emotional bias of

participants (Corbin and Strauss, 2008; Cohen, et al, 2007). According to Corbin and Strauss (2008: 84), "Our research participants often use metaphors and similes to describe events and convey emotions". Cohen, et al (2007:129), on the other hand, observe that "there are difficulties in reporting sensitive research with the powerful as charges of bias may be difficult to avoid, not least because research reports and publications are placed in the public domain." This study involving interviewing of powerful professors and deans may be likened to the scenario described by Cohen, et al (2007). Since the present topic will be studied using the qualitative methodology, it is likely to evoke sentiments; difficulties may arise in attempting to separate the facts from participants' bias.

These problems will, however, be made less impactful by a number of ways. These include seeking co-operation of the interviewees through assurance of respondents' anonymity throughout the report and framing and reframing the interview questions purposively to link to specific research objectives. That way, it is believed the responses would contribute directly to the resolution of the relevant research questions. Finally, the analysis and discussion of the study findings would be warranted by a triangulation of interview narratives from federal, state and private universities, and qualitative literature to attain appropriate grounding and validation (Corbin and Strauss, 2008, Lee and Cadogan, 2009) and to harmonise any differences in the measurement parameters from the samples.

### **3.10 Chapter Summary**

In this chapter, the study design, methods and data analyses processes have been explained. The relevant research paradigm was resolved in favour of 'constructivism' which allows for inductive and holistic understanding of the experience of the participants (Lincoln and Guba, 2000; Huff, 2009). Accordingly, the chapter recommended the qualitative approach as appropriate for this study because it appeared to generate richer and more robust insight into the behaviours, attitudes and motivations of the participants (Hancock, 1998; Al-Dossary, 2008). The chapter indicated that data collection involved 45 interviews made up of 35 face-to-face and 10 telephone. Also, the data analysis process was explained and resolved around the interpretive approaches recommended by Creswell (2002), Maykut and Morehouse (1994) and McAdams (1993). These approaches were believed to provide enough rigor and trustworthiness in tests of credibility, transferability, dependability and confirmability (Al-Dossary, 2008; Mason, 2002; Whit, 1991; Kirk and Miller, 1986; Lincoln and Guba, 1985). Finally, the chapter reviewed the ethical issues associated with the study and how they were resolved. In Chapter 4 which follows, the study findings and analysis will be presented.

## **CHAPTER FOUR - FINDINGS AND ANALYSIS**

### **4.0 Introduction**

This chapter presents the results of the qualitative data analysis. The chapter is structured into three sections. The first section provides characteristics of the participants and categorization of the findings; the second presents an overview of the universities' resources allocation processes milieu; and the third section identifies the factors influencing the resources allocation processes.

The general objective of this research (see sections 1.4 and 3.1) was to ascertain the financial resources allocation processes imperative for an efficient management of the universities in Nigeria. The specific objectives of the study included: to identify and critically assess the existing financial resources allocation strategies employed by the Nigerian universities; to determine the perception of universities' managers on the degree of association between funding and governance quality, staff morale, and teaching and research; to construct a model of resources allocation processes that could instil efficiency in the deployment of critical resources in the Nigerian universities; and, to propose a recommendation for practice change. The preceding chapter outlined the research design and methodological approach which guided the study.

The next section (section 4.1) will present the characteristics of the participants and categorization of the findings.

## **4.1 Characteristics of the participants and categorization of the findings**

This section presents the characteristics of the participants and the categorization of the findings. It also presents the resources problems resolution portfolio (RPRP) (see figure 4.3). The RPRP shows the resources allocation problems [critical financial shortage (section 4.3.1), resources dependence response (section 4.3.2), resources allocation processes (section 4.3.3), core and peripheral units' challenge (section 4.3.4) and politics and power (section 4.3.5)] as identified by analyzing the interviews data, connecting them to the key drivers (philosophy, funding dynamics and autonomy status) and the resolution directions (governance quality and resource commitment).

### **4.1.1 Characteristics of the participants**

As presented in Chapter 3 (see section 3.5.2), qualitative data for this study were gathered from three sources: federal universities, state universities and private universities, in an attempt to find the factors confronting resources allocation processes in Nigerian universities. Forty-five resource managers were interviewed: 35, face-to-face and 10 by telephone. In all, the interviewees included: 13 principal officers; 6 deans; 18 heads of department and 8 other senior management accountants (see Table 3.1).

The adoption of the qualitative methodology (see Chapter 3) for this study helped to explore and identify the peculiarities of the problem of financial resources allocation processes in Nigerian universities. This is in agreement with the views of Chau (1986) and Corbin and Strauss (2008) that social reality evolves and can be objectified by the interaction of members of the community (the participants and the researcher).

At the preliminary stage of the analysis the extent of pervasiveness of the resource allocation challenges faced by university resource managers (principal officers, deans,

and heads of department and other unit heads) seemed noticeable at every level. From the interviewee narratives analysed using Creswell's (1993) data analysis method, Maykut and Morehouse's (1994) constant comparative analysis, and McAdams'(1993) analytical method, it appears the resources allocation challenges were more severe in some universities than in others. The perception seemed to be that each university's central administration, facing different degrees of resources limitations and funding dynamics (as discussed in the background in Section 1.2), was constantly searching for ways to stretch what was available to meet identified needs, or seemed to call in some creative approaches (Okojie, 2009) into the determination of the right resources allocation directions from year to year. In doing this, however, they were perceived to be confronted by tough internal and external constraints including: declining dependence resources from their benefactors (the federal and state governments or proprietors for private universities); the ever-expanding infrastructural demands by the departments; the increasing competition from other universities for the retention of the few available quality academic personnel; and, the devastation posed by internal politics which seem to keep the central managements of some of the universities constantly on their toes. These findings agree with the conclusions of Aina (2002) and Odebiyi and Aina (1999).

External pressures associated with funding and supervisory controls by the government and government agencies (e.g., NUC) appeared to be perceived to have internal impacts requiring management responses with internal resource allocation implications. This study (see Scope of the Study in Section 1.5) looks at resource allocation processes from the perception of the individual universities' internal managements. This means that the focus of the analysis would be on the internal characteristics of

resources allocation processes and problems based on the perception of the resource managers. By this premise, external resourcing issues may only be considered as they are perceived to impact on the internal governance framework (see section 1.2).

From the onset it appeared that the three categories of universities – federal, state and private – faced different degrees of external and internal pressures. The federal and state universities seemed to be faced with huge funding limitation as their major funding comes from the government who, in turn, was confronted by the worsening economic fortunes. The private universities who depended largely on school fees, on the other hand, appeared to experience similar pressures from increasing competition for quality student enrolment. Although these pressures may be different in nature, the consequences appeared to converge around inadequate funding. This, in turn, seemed perceived to reflect on the internal operations by way of the dearth of infrastructure, personnel, and teaching and research funding.

A significant number (all from state and private universities) of lower level resource managers (heads of departments) seemed to think that they were not adequately involved at the resource mapping stage {especially after submission of budget requisitions} and continuously felt that the central administration avoided their inputs in the final agreement of resource ends (see section 4.2.3), thereby leaving them with less than enough resources to engage. This feeling was repeatedly expressed by several interviewees who believe they are constantly short-changed by the central administration. For instance, an HOD in one university said:

“It is one thing to be involved, but it is another thing having what you prepared included and implemented in the end... implementation is the problem.” (RM34: 3125-3129)

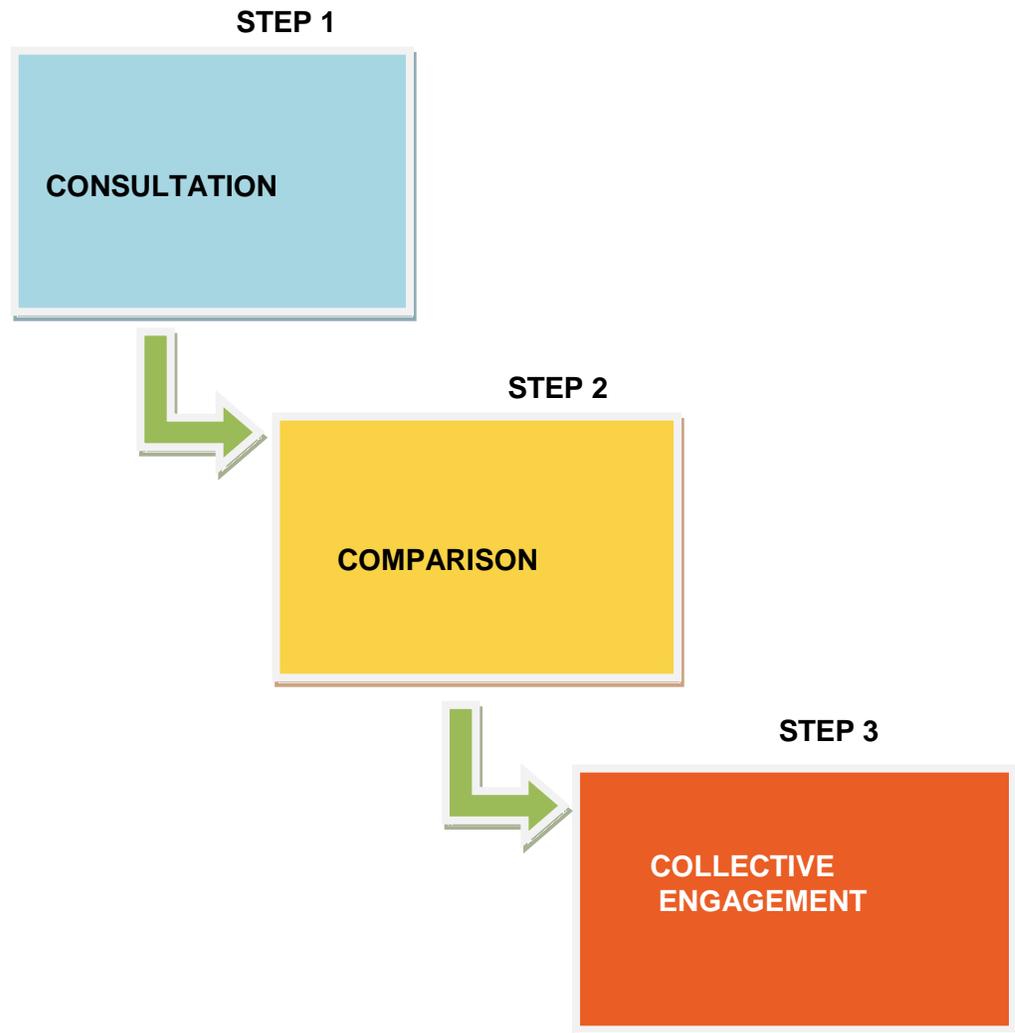
and in a much stronger tone another HOD added:

“all depends on the whims and caprices of the chief executive and the amount of pressure put on him” (RM34: 2954-2959).

And the pressures came in from many quarters. Some {24 out of 45} – (all deans and all HODs from all three universities) other resource managers suggested the need for resolution of the resource allocation problems through collective engagement which could be delivered through the committee system of management.

The study suggests that all the six universities in this study follow a number of standard engagements in the resource allocation processes. The stages identified include (1) Finance Office Invitation for submission of inputs; (2) Budget defense at the departments/schools level; (3) Submission of divisional budgets inputs to the office of the CFO by the schools deans; (4) Collation and preparation of the master budget; (5) Presentation at the budget committee; (6) Council approval. (For private universities, the process goes to implementation from here while public universities go two more stages). (7) Budget defence with the Accountant-General of the state or federation (as the case may be), and (8) the State or Federal Houses of Assembly.

Fig. 4.1: Resource Allocation Communication Steps



**Source: Adapted from GCAS Seminar Material (2013)**

The eight stages above may be categorized into three major communication steps, namely: consultation, comparison and collective engagement (see fig. 4.1). While activities such as the 'Finance Office call for submission of inputs; budget defence at the departments/schools level; and submission of divisional budgets inputs to the office of the CFO by the schools deans may pass for Consultations; Collation and preparation of

the master budget could be associated with Comparison, and meetings of the budget committee, Council approval process, and budget defence with the Accountant-General of the state or federation and the State or Federal Houses of Assembly may represent collective engagement.

The study findings appear to suggest that different universities experienced different internal degrees of resource shortage impact, mostly according to their resource communicational processes and the degree of support among the resource managers, as reflected in the level of trust between the central administration and the resource managers. Where the lower level resource managers saw the process as imposition of the central administration, distrust ensued and collective involvement was disappointing.

The foregoing perception appears more pronounced in the state and federal universities whereas in the private universities, the resource managers appeared to show more consistency towards affirmation of a higher degree of trust in the vision and direction of the central administration. The outcome seemed to be a repeated affirmation of confidence on the process as is deductible from the following statements made by three separate heads of department during an interview session. First, consider this comment by a resource manager from a private university:

“No head of department has overriding powers. We plan jointly... attempt is made to direct funds as all of us deem fit (for) the best interest of the university as a whole.” (RM16:741-744)

A second by a resource manager from a state university was more evaluative:

“Some heads of department get so busy they ignore the call for inputs for weeks or months. There is nearly always a reminder ... and more... before they send in the inputs. There are times we even use best of judgment for some units who are not just forthcoming. Some claim they need a template and we generally provide it... then you notice that is not the real reason. I think some people hate doing figures... but that is changing as some now know they lose allocations because they are not forthcoming with inputs. There are some who believe whether they send inputs or not, it is what the VC and the Bursar like that comes to them...so careless ...” (RM35: 3358 – 3365)

And a resource manager from another state university seemed to echo in the same voice:

“I can say very Satisfactory. We equally pay bonuses to the staff at the year end. Medical allowances are just coming on for the first time and we plan to drive this to a very high level.” (RM32: 5675 -5677).

But contrasting the foregoing collegiate affirmation with another statement by a resource manager in one of the state universities only explains the different realities prevalent from one university category to the other, thus:

“about budget preparation ...it is one thing to be involved, but it is another thing having what you submitted included and implemented in the end...” (RM34:3125-3129)

This re-echoes the importance of an efficient resources allocation system as solution to the different processes in use from university to university. The different resources allocation processes and resource communication approaches observed between one university and the others during the interview study are as presented in this section (see figure 4.1).

The next section identifies the major findings and explains how they were arrived at through the categorization process.

#### **4.1.2 Categorization of the findings**

This section identifies the major findings of the study and explains the data categorization process.

The interview results reflect the nature, depth and seriousness of the resourcing situation in the six sample universities. The findings appeared to be in agreement with the general notion that there were problems connected with resource supply, problematic communication processes and unsystematic commitment to strategic goals.

A detailed review of the interview transcripts using Creswell's (2002) data analysis procedure (2002); Maykut and Morehouse's (1994) constant comparative method and McAdams's (1993) story elements analytical method first discussed in chapter 3 (section 3.7.2), suggested the following concepts which occurred most repeatedly from transcript to transcript:

1. Needs-based allocation philosophy – departments, students, staff, institutional directions; development focus; education per excellence; promote character and learning with a view to reengineering the society;
2. Critical resource engagement and declining government response - inadequate funding; late release of approved budgets; several months' indebtedness of workers' salaries;
3. Collective resourcing involvement – specific approval cycle; importance of bottom up process; whims and caprices of leadership: need for less and less of discretionary powers; more inclusiveness of the community in process of decision making;
4. Internally Generated Revenue (IGR) – impact on general resourcing, specific sources; school fees of post graduate studies, the ventures, and other petty commercial activities; seminars and consulting services;
5. Entrepreneurial orientation – common with private universities; public needs to emulate
6. TETFUND<sup>3</sup> – contributions, spread and future roles; injustice against private universities. Capital and recurrent funding
7. Communication processes – specific steps bottom up. Departmental, schools and unit meetings; calls for more communication;
8. Core and peripheral units - Resourcing in lean and abundance times – constant allocations to medical school, agriculture, religious; departmental accreditation demands; teaching and research.
9. Ownership implications - government, federal and state, religious

---

<sup>3</sup> Tertiary Education Trust Fund (TETFUND): a body established by the federal government to provide capital infrastructure for Higher Education.

10. Culture, Politics and Power – influence of powerful HODs, subtle alliance with seat of power; whims and caprices of the vice chancellor; collective engagement;
11. Staff morale and funding realities; low motivation; less productivity
12. Transparency , more will do better
13. Resource spectrum: government; TETFUND; IGR – tuition fees, consultancy, commercial engagements, etc; Donations.
14. Faculty and staff turnover – adequacy of salaries; sponsorship of conferences. Force of commitment and attachment;
15. Resource Management Autonomy – federal, states, private universities – free hand to operate
16. Resource allocation and Management Review Processes – review less often, rarely; important to effective resource management process;
17. Practice and policy changes – committee engagement; entrepreneurial diversity; TETFUND policy to accommodate private universities. Resource engagement partnerships: private universities and the government, public universities and the government; critical manpower production;
18. Relevance of the African Political Economy Model and Resource Dependence Theory.

After identifying the above 18 relevant concepts, the next crucial step in the analysis was the organization of the general concepts into major categories which enabled focused identification of the findings and subsequent discussion (see Section 3.4.2). This process agrees with the proposition of Corbin and Strauss (2008:46) that “the analyst has to brain storm, try out different ideas, eliminate some, and expand upon others

before arriving at any conclusions”. During the focused review of the general list, the following five categories emerged: (A) shortage of critical financial resources (1,2,9,11,13,14,15,18); (B) critical resources dependence response (2,4,5,6,9,13,18); (C) resources allocation processes (3,7,11,12,15,16,17); (D) core and peripheral units’ challenge (8); and (E) culture, politics and power (10).

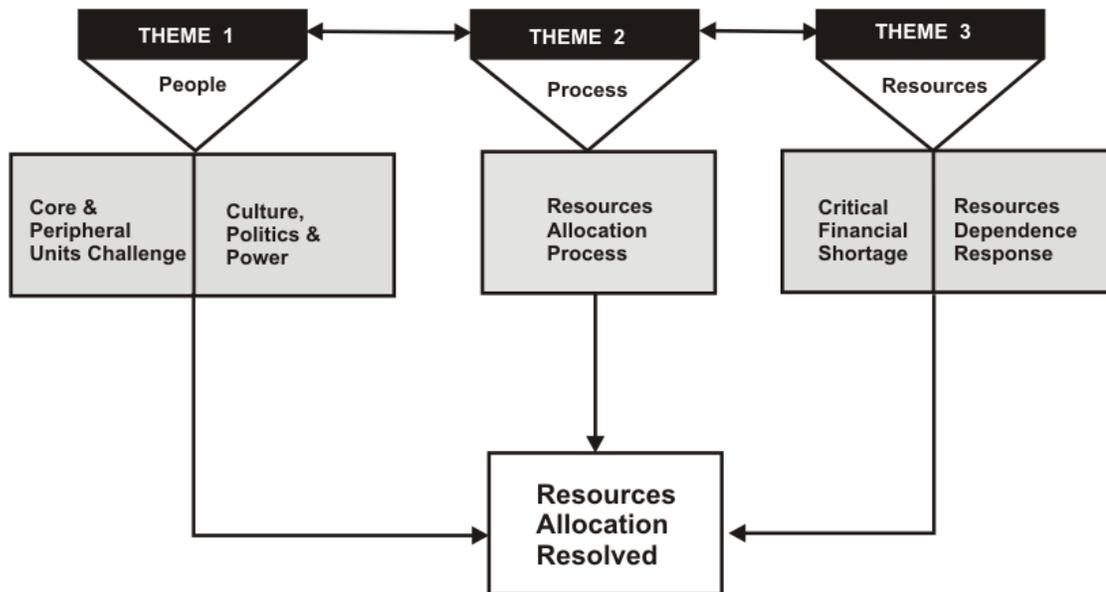
These categories appear purposive to the resolution of the specific research questions in chapter two (see section 2.4) and will be further discussed in congruence with the three major themes identified in section 4.2.

The analysis of the interviewees’ narratives shows the resource managers consistently suggest for a systematic resolution of the resource allocation issues based on a collective engagement {among all participants in the resource allocation process} approach within each focal university. Most resource managers appear to expect that such a systematic engagement would replace the existing order. Figure 4.2 presents the resources problems resolution portfolio (RPRP) as a suggested platform for the harmonized engagement of the universities’ resources allocation processes. The portfolio is in three levels. The first level presents the three major themes (1, 2, and 3) by which the resource allocation problems could be discussed. The second level shows the factors which influence the resources allocation processes. The third and final level is the end result of the resources allocation efforts. This may be in the form of improved governance or actual resource commitment.

The second level provides the relevant management’s responses to the resource problems may influence various outcomes leading to resolution of governance issues or

the commitment of specific resources. This relates to critical funding shortage, alternative dependence funding, resources allocation process, core and peripheral units' dichotomy, and politics and power. The third section depends on the second and shows the actual result of the engagement of the resource problems addressed at the preceding stage. The result at this stage is the governance quality and resource deployment solutions. How the management handles the factors identified in the second level determine the outcome of the elements in the final segment (see figure 4.2).

**FIG 4.2: RESOURCES PROBLEMS RESOLUTION PORTFOLIO**



The next section will present an overview of the resources allocation process milieu. The section will show how the Nigerian universities' resources allocation process

environment situates within the research findings which are later presented in section 4.3.

## **4.2 Overview of the resources allocation process milieu**

This section presents the general overview of the Nigerian universities' resources allocation process milieu. The purpose is to explain the major themes around which the factors affecting resources allocation processes in Nigerian universities can be organised. The section further illustrates the identified major themes with a flow-chain sketch depicting the full resources process journey and other important sub-constructs.

These themes are the subject of detailed analysis in the next three subsections (see sections 4.2.1; 4.2.2; and 4.2.3)

### **4.2.1 People**

From the interview transcripts, the point comes out clear that resource allocation processes in the Nigerian universities revolves around people in headship positions. All through the narratives the main characters from interviewee to interviewee are the Bursar, Deans and Heads of Department (HODs) (T1-T45). Others who engage to ensure process flow are all other top management team members – principal officers and a whole lot of other management staff from university to university. The narratives further showed involvement of all kinds of participants not excluding VCs, Proprietors, Academic Planners, Professors and Management Accountants who play diverse roles to get the resource allocation processes successfully (T1-T45). The role of people begins with the Bursar's call on all revenue and cost centre managers to submit inputs (T1-T45). From here the process assumes momentum with all kinds of data compilations and debate from unit levels to departments and to faculties (T1-T45). How widely

people are involved in input generation may determine the spread for the Finance Office collation and inclusion in the year's resource planning. The following three quotes from separate resource managers may evidence the perceptions of the interviewees.

One manager said:

“Let me state that the entire university community is involved in the preparations of the budget. So much so, that early in the year we send out circulars to all the arms of the university, departments, faculties, the colleges and ... even the unions so that they will be sensitized as to what inputs they want to have in the year's budget...” (RM 31: 257-2540)

Another manager remarked:

“mutual involvement of all budget heads...heads of department, deans and ll. Here every one is involved. The bursar first writes to invite inputs from all deans and HODs two to three months ahead for each person to bring in inputs in forms of requisitions for the next year's departmental or sectional perceived needs. When the bursar has received the inputs, he compiles all in a single document and brings it for discussion during a purposely called resource allocation meeting. Everybody does not necessarily get all they requested, but this forum helps finance department to know exactly what to retain in the final document. The faculties have some vote they share from the general allocation. Each decides what to do with their respective shares.” (RM 42: 4267-4275)

And yet another had this to say:

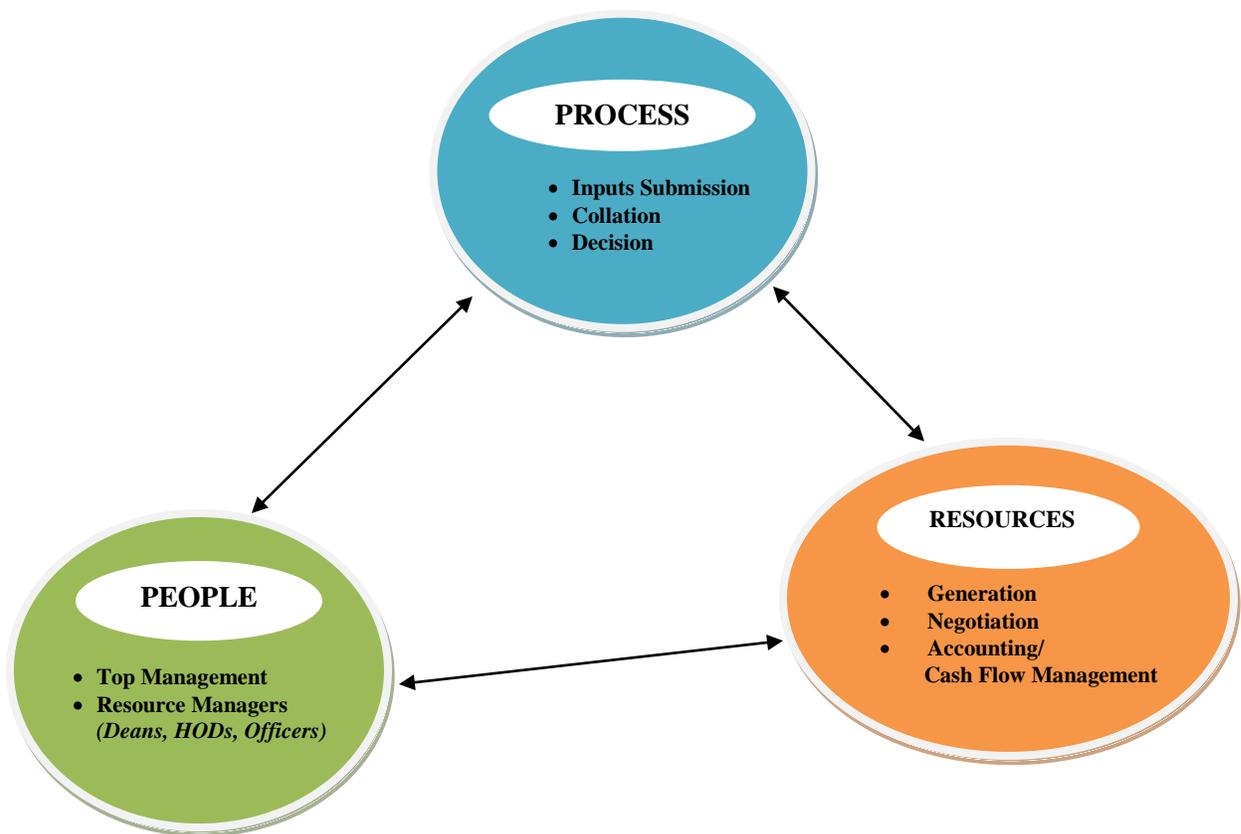
“a kind of democratic approach involving all the people in decision making positions. The deans and the heads of department, I mean. Everybody is given a chance to dream what they think would be good for their sections for a given resource allocation period. But the office of the Bursar puts all those together and advises the vice chancellor on what the expected funds available could fund.” RM 45:4794-4798

From the foregoing analysis and quotes, it may safely be concluded that the whole resource allocation process is about ensuring that people in positions receive the right allocation of resources to solve the universities' problems or meet the universities' corporate goals in congruence with the philosophy and vision of the institution (T1-T45). The process of engagement separates the people into two groups: (1) the top management who make policies, that is, the vice chancellor, the Bursar, and other principal officers, on the one hand, and (2) other resource managers, namely, Deans, HODs, Strategic Unit Managers, etc. who implement the policies (see Fig 3.1). The assessment of the researcher is that the actions and inactions of these two sets of people affect the resources allocation processes outcomes within each institution.

One of the people issues in the allocation process as indicated by the interviewees is the amount of rivalry among the resource managers (T1-T45). While there were repeated claims of absence of politics or powerful influences of certain individuals in the resources allocation process from university to university, there had been in fact huge shuffling around the top leadership corridors by resource managers (deans and heads of departments). The resource managers could actually be said to engage in subtle politicking either by the way they support every decision of the administration or by the

ways they aligned their demands closely with the direction of the administration. As attested to by over 90% of the interviewees, this kind of winning resources by who you know popularly dubbed 'man-know-man' (in Nigeria) (see also section 4.2.3) proved to be a major consideration in allocation of resources in the university resources management process.

**Figure 4.3: Universities' Resources Allocation Process Milieu**



In nearly all the universities in this study, the interviewees claimed they were only involved during the primary stages of the process for the generation of the inputs (T1-

T45), and from there that top management concluded the process and handed down resource votes for each relevant year. This was no wonder over 60% of the interviewees consistently felt the process suffered from transparency and trust deficiency (T1-T45). Broad and Goddard (2010:64) identified a similar “lack of impetus to create an internally focussed performance management system” in UK universities despite the availability of resource hands. The final result, therefore, appears to be a situation where the universities had so many qualified resource management hands to run the organizations well, but they were excluded from effectively impacting in an efficient and effective way. For this reason, the interviewees, in nearly every case, suggested a bottom-up process flow that would in reality involve both the top management and the lower level resource managers in collective planning and decision-making. Such engagement most interviewees believe may result in more efficient resources management. It would appear safe to conclude here that the ‘people’ element is a very strong variable in the resolution of the resources allocation process problems in the Nigerian universities.

#### **4.2.2 Process**

In all the 45 interviews conducted, the interviewees acknowledged the existence of some kind of resources allocation processes. All the interviewees have evident indication that heads of department and the deans of faculty are involved at the beginning with submission of inputs (T1-T45). But the general feeling is that whatever that system is, it is not working as to ensure of efficient and effective resourcing (T1-T45). The interviewees consistently claimed that the top administration had final determination of where the resources go to. The interviewees strongly believe they are systematically excluded from the allocation processes despite that they are called to make input at the

initial stage of the process. They repeatedly claimed that they are not fully involved with the process beyond input submission. This partly explains the repeated calls throughout the transcripts (87%) for a more efficient process that would be transparent and widely inclusive of all the resource managers – heads of department, deans of faculty and directors of units (T1-T45). The feeling throughout was that the process should be an effective bottom-up flow that is driven by committee engagement, walled around by mutual trust and transparency among all the participants (top administration and resources managers alike), and backed up with measurable performance-based allocation parameters. These strong views of the interviewees gave rise to the efficient resources allocation process (ERAP) model later proposed by the researcher.

The interviewees also held consistent perception that the resource allocation process will be better if more funding was available from internal sources (T1-T45). There was emphasis in each transcript of how much internally generated revenue (IGR) could help to fill some important resource gap (T1-T45). Narratives like the following were common from resource managers in all categories of universities studied:

“Yea...actually IGR is the main life wire of this university. Because Government has not been too responsive to the needs...especially financial needs of the university...to the extent that the university relies more on IGR to run...”  
(RM33:2980-2983)

The responses all through seem to convey the absence of politics in the allocation process (T1-T45). There were fewer than 50% interviewees who admitted the existence of politics in their domains, but that is easily contradicted by the equally general

perception that resource managers could win more allocations by being nice to the Vice Chancellor and his top management team. This position may be verified in over 36% of the 45 interviews carried out (T1-T45).

### **4.2.3 Resources**

Throughout the forty-five interviews (T1-T45), the top and low level resource managers referred to the inadequacy of financial resources to meet needs of the universities. The argument that prevailed in all the cases suggested that allocation processes were possible only because there were resources to share in the first instance. The researcher proposes that the opposite side of this discussion is the assumption that the allocation process would suffer inevitable hitches as long as there were not enough funds to allocate (Hills and Mahoney, 1978). The consequence, as observed from one interview transcript to the other was consistent tension and rivalry among the university officers and resources managers. The following comment of one of the resource managers from a state university speaks a lot:

“I will not like to comment on that...But it must be known that the matter of relationship will not be overemphasized. Those who are good in human relations get more resources... you could have your own budget implemented than others...” (RM34:3127-3129)

The federal and state universities, according to the interviewees, claimed a greater portion of their resources for allocation from either the federal government for federal universities (about 90%) (lines 1457-1460) or the state government if the university was owned by the state (this varied from between 55% and 60%). For the private

universities, nearly all their resources are from internally-generated revenue (IGR). These statistics suggest the high focus the topic of IGR was associated with in every resource manager's recommendation of how to resolve funds paucity in the universities.

The resource factor can be reviewed from three perspectives – funds generation, accounting and cash-flow management. In some of the universities, the unit that generates IGR is allowed to receive extra resource allocation beyond those which generated none. Although no standard formula seemed to be in place for determining how much to allocate to the department that generated the money, for those universities, such expectation became for the HODs a basis of hope for greater performance. It seemed obvious from over 40% of the responses to this question that the resource managers viewed IGR as a key consideration in the resolution of the resources allocation processes (T1-T45).

Interviewees claimed they shared from available resources, first, as contributors, and then based on the way they present the needs of their departments. This approach appeared on the surface to remove the overriding influence of any powerful HOD or Dean as claimed in every one of the 45 transcripts. Further insight from the transcripts suggests, however, that while raw politics seemed removed and no single HOD or Dean dictated direction of resources, some nonetheless influenced actions through 'subtle politics' of engaging the Vice Chancellor and other top officers in 'man-know-man'. 'Man-know-man' is a Nigerian public service parlance which means getting benefit or special concessions by who you know at the top and not by merit of performance. According to many interviewees, some departments got more allocations for the singular factor of the favourable relationship between the head of the department and the vice chancellor or

other top officers of the university. The following comment by two resource managers are common narratives from the interviews:

“There could be one or two cases of preferential allocation from time to time. Of course the VC has friends...” (RM26: 2061-2062)

“Politics drives life in most things done here. From the state and within the faculties... there is a lot of ‘who you know’ syndrome. Whether you like it or not, the VC and the Bursar {CFO} have friends.” (RM38: 3951-3953)

Another resource manager from a state university puts it more succinctly thus:

“Oh yes... connection. That is the essence of connection. I can tell you my own personal experience. I am basically doing the same thing my predecessor used to do but I am getting more resources easily. I see it as human affinity. I do not see it as focus, I will rather say politics or in the area of human affinity. To attribute it to question of focus will create problems... because you do not want to come to a level where you see one as focused and the other as not focused.” (RM33: 2969-2974)

It may be deductible from the narratives that the existing processes are, perhaps, anything but efficient (T1-T45). The interviewees themselves agree that a better system that would lead to systematic engagement, severally described in their own terms as ‘bottom-up’ or ‘collective engagement’ would be needed. A further reflection on the interviews, however, suggests that what may be required is a culture change leading to

the full enforcement of the collective engagement processes where both top management and the resource managers come to the negotiation table with transparency and trust, to give and to receive. Here, it would also seem appropriate to suggest that this could be achievable by maintaining appropriate historical and management accounting records of the financial actions of the departments. That way, the assessment of needs would be dependent on proven past performance reports rather than mere 'justification of needs'. This accrual costs approach, as against the cash approach of the needs justification basis, would provide for both top management and the resource managers the evidential data by which internal resources allocations could be more intelligently, objectively and transparently negotiated (T38, lines 6906-6914). It could also serve as a feedback mechanism for necessary improvement of the future resources allocation engagements. The historical costs that may result from the record keeping described above would provide a trail which, if translated into trend analysis, over time, could enhance not only the sustainability, but more importantly also, the systematic and scientific resources allocation processes in the universities.

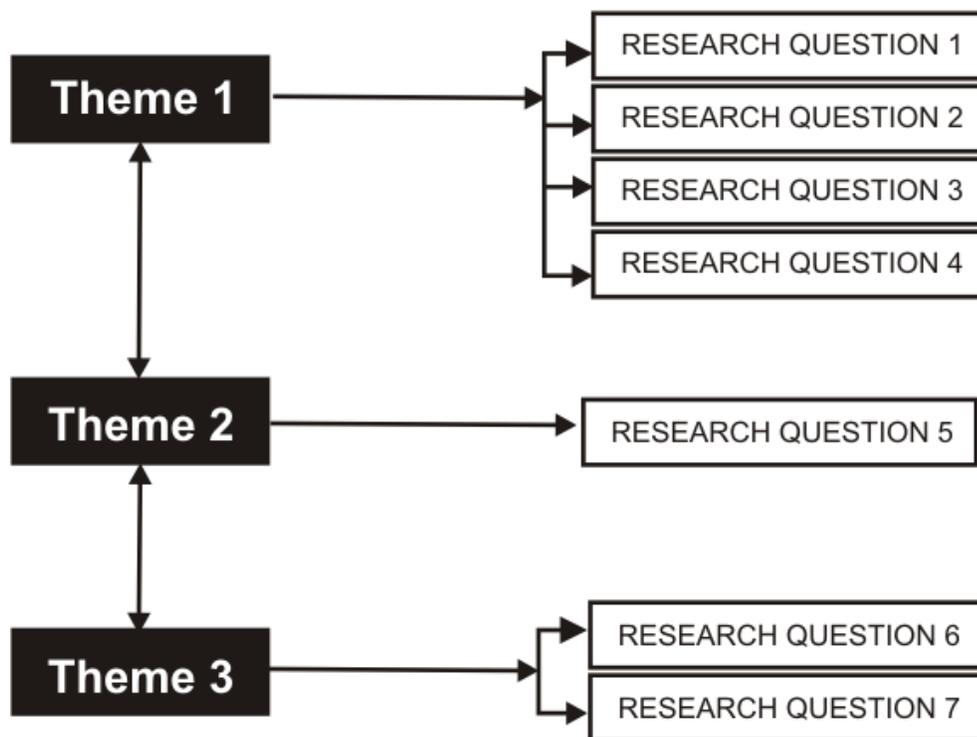
The three broad themes – people, process, and resources – presented in the preceding sections, and as graphically illustrated in figure 4.3, will form the basis for explanation of the findings in the subsequent subsections.

The next section will present the detailed analysis of the result of the qualitative data analysis identifying the factors influencing the resources allocation processes as perceived by the interviewees.

### 4.3 The factors influencing the resources allocation processes as perceived by the interviewees

This section presents in detail all the findings of the study structured around people, process and resources as analysed in section 4.2. The analysis aims at answering the seven research questions as stated in section 1.6. Each theme is developed indicating how it answers specific research questions and to what extent the conceptual framework in chapter 2 works. The link between the themes and the research questions may be graphically shown as in figure 4.4.

FIG 4.4: LINK BETWEEN THE THEMES AND THE RESEARCH QUESTIONS



As shown in figure 4.4, Theme 1 – People provides answers to research questions 1, 2, 3 and 4; Theme 2 – Process provides the analysis to answer research question 5; and

Theme 3 – Resources presents analysis of the research questions 6 and 7 (see section 1.6).

The next section will provide answers to the first and second research questions which centre on the factors which affect the resources allocation to specific units and how the core and peripheral units' dichotomy affects actual allocations to the departments. The discussion is situated within the 'people' theme.

#### **4.3.1 Theme 1: People**

This section analyses the research findings situated in the major theme 'people'. From the presentation in section 4.2.2, two major categories of findings may be identified here.

These are:

- a. Core and peripheral units' challenge, and
- b. Culture, Politics and power

These categories are further analysed in subsections 4.3.1.1 and 4.3.1.2.

##### **4.3.1.1 Core and peripheral units' challenge**

This section presents the detailed analysis of the interviewees' narratives in answer to the first and second research questions: (a) What factors affect the resource allocations granted a unit from the internal resources of the university? (b) How does the allocation of resources differ between core and peripheral units of the focal university?

The findings on core and peripheral units' challenge as a key resource allocation process problem, situated within the 'people' theme (see figure 4.1), has emerged from

the responses to the first and second research questions stated above. The findings are analysed on two sub-headings as follows:

- (i) the attributes of core and peripheral units (4.3.1.1.1); and,
- (ii) core and peripheral divide as a function of philosophy, funding dynamics and autonomy (4.3.1.1.2).

#### **4.3.1.1.1 The attributes of core and peripheral units**

The concept of core and peripheral units' challenge is the category which was initially arrived at through the coding process of the interview narratives (See Section 4.1.2). The constructs that devolved into the core and peripheral units' concept included 'resourcing in lean and abundance times', 'medical school', 'religious departments', 'agriculture', 'departmental accreditation demands', and 'teaching and research'. These basic variables then formed the grounds for the formation of the main concepts. It may be considered reasonable that the listed variables shared certain domain attributes within the 'core' or 'peripheral' location of each institution. These attributes may become the resource allocation impetus for the administration. In that way, the decision to allocate resources to the units could be said to be drawn from the decided importance of the units to the primary purpose of the university. The interviewee narratives appear to suggest that the vision of the institution plays a dominant role in defining the location of a unit within the university structure.

Most respondents seem to be aware of the existence of some units which function as primary cost centres. The interviewees saw such units as 'core' and those whose functions were subsidiary as 'peripheral'. This finding appears to agree with Hackman (1985) who observes that whether times are good or bad, core departments are

allocated more resources while others get less. Other available literature suggests that the core units may receive resource allocation attention in lean or abundance time due to their strategic importance to the institution (Ashar and Shapiro, 1988). For the core category, majority of the respondents suggested 'teaching and research', 'medical school', 'religious department' and 'agriculture'. Take for instance the following comment by a resource manager in a private university:

"The direction of the university as a whole defines how weighty a department's claims can be. Some departments contribute more than others, but we hardly look at that formula in sharing what is available. A department may not earn any positive net income but gets a huge chunk of the resources... all the departments are viewed with equal attention. But those who have good claims that conform with our focus in a given year simply get more..." (RM 54:5975-5980; 5987-5989)

Another resource manager said;

"I will give it to Agriculture and the sciences... Government directs investments in agriculture; but so much funding is needed to keep the sciences operational. You spend in the sciences as a matter of survival of the programmes..." (RM 62:6605-6610)

From the interviewees narratives, it appears that core units enjoy overwhelming resource allocation support while the peripheral units, on the other hand, appear to receive much less emphasis in times of lean resources availability. The argument that there would be no university without the core units appears to receive overwhelming

acknowledgement even as the interviewees suggest that peripheral units must not be neglected. Interestingly, also, it appears that available qualitative literature supports the above claims (Ashar and Shapiro, 1988; Hackman, 1985; Pfeffer and Salancik, 1974, 1978).

On the other hand, according to Hackman (1985) and Bevc, et al. (2008), peripheral departments - those who function as support units to the primary departments - have a way of winning allocations by underscoring in their requisitions how importantly their proposals supported the primary direction of the central administration. Take for instance, the sports department may bring the attention of the administration to the need for keeping the increasing student population fit and healthy as an important basis for getting the department's requisitions approved within the year's resource allocation exercise. Many participants saw the core and peripheral dichotomy as necessary. However, the interview notes also suggest that the peripheral units provided important support without which the core units may not succeed. The following comment of an interviewee from a federal university may be instructive:

"We fund as fairly equally as possible. Departments are viewed to be of equal importance to the university. The resources are allocated to meet justified needs of the different demands." (RM46:5053-5055)

Another resource manager says that the university is looked at as a single body, putting less weight on who earned the revenue:

“There are no fixed rules on this. What works with us is to look at the projected needs and the direction of the administration for each given year. We expect the HOD to support his requests with a strong justification. Given the funds available, we ensure that the allocations will help the university to move forward, above all, achieve the intended goals for the financial year in view.” (RM45: 4857-4861)

However, another resource manager from a state university confirms some departments get funding from internal resources because of their centrality to the mission of the university:

“I should say the medical school... they have so much high needs that are sort of compulsory to provide...equipment, consumables and accreditation needs. We have to allocate to these if they would not lose their license. The religious studies are funded even though they bring in a small income. This is a make-up as it is considered important as a university in a Christian dominated area. So we must allocate to run the discipline... money or no money. (RM38:3947-3957).

It appears the interviewees seem to agree that the university administration has the important task of always striking a balance between allocations to the core units and the peripheral units such as to maintain an environment of orderly and even development, where people employed in both the core and peripheral units of the universities may achieve target results and find fulfilment in their work.

#### **4.3.1.1.2 Core and peripheral divide as a function of philosophy, funding dynamics and autonomy**

One notion that seemed to come across from all the respondents and from some available literature is the fact that most university managements have their directions affected by the government either as the provider of the critical finances (Ijaduola, et al, 2010; Okojie, 2009) or as the supervisor through its National Universities Commission (NUC) agency (Chapter 1, Section 1.1). The interview notes suggest that many resource managers are dissatisfied with the level of government intrusion in the public universities' affairs, including, for instance, the appointment of top university management and directives on how certain specific allocations could be used. Many respondents suggested that every allocation for capital development by TETFUND came along with directives on the utilization of the funds. The opinion of many of the respondents is that the government has no business meddling with the internal management of the institutions. A manager had this to say, therefore:

“The allocations {should} depend on the established needs rather than any fixed idea of the importance of a unit. Management and Social Sciences School brings in the largest amount of money to the funding of the budget. That is not a guarantee that it will attract the largest allocation of available funds.” (RM13: 371-374)

The situation in the private universities suggests a contrast with that of the public institutions. At the private universities, the interview notes suggest that the Board of Trustees (BOT) may have full responsibility for the appointment of the vice chancellor and his/her team, and for formulating relevant policies. The view of the interviewees is

that the importance of the units rather than any governmental directive should motivate the resource allocation and commitments. An interviewee commented as follows:

“Medical school gets allocation above all. Management and social sciences cannot be overlooked for its large size. Then the NUC mandatory requirements make Agriculture a must attend to unit.” (14: 500-502)

Another resource manager believes it is not tied to a unit, rather on the relevance of the proposal to the top management goals and vision for the year in question:

“No unit is set apart to receive more. All the departments {are} view{ed} with equal attention. But those who have good claims that conform to our focus in a given year simply get more. It is not because they are so designated as most favoured. This is the rule here both in lean and abundant times”. (RM16: 760-763)

And yet still another resource manager insists allocation is determined by how much the need is justified by the one requesting giving exception to accreditation expenses which carry higher weight:

“When the needs of a department come along the lines of direction of the management in a year that will make it appear as though the head in question receives more than others. There have also been cases of allocation made to meet specific outstanding accreditation of programmes. .... The allocations do not look at what any department brings. The needs of the university are seen as

one and we can take funds from one place to help another area in dire need. Take some departments with very low enrolment as Education, they cannot generate enough for their own proper development, we have to get funds from the more earner business administration department, etc.... We fund as fairly equally as possible. Departments are viewed to be of equal importance to the university. The resources are allocated to meet justified needs of the different demands. There is exception for accreditation needs. We sometimes go out of our way to make sure that we do not allow any unit to suffer unduly as to cause a denial of accreditation for instance.” (RM46: 4980-4985; 4999-5003; 5008-5012).

It appears from the preceding quotes that the core and peripheral units challenge is a function of the philosophy of the university. Above all, it further appears that allocation of resources to core and peripheral departments is an index of thoughtful governance and process definitions.

Furthermore, figure 4.2 helps to place core and peripheral units in the context of resolution of governance and resource commitment problems within the university. The researcher thinks that it may be appropriate to suggest that by making room for proper study, and by effectively addressing the core and peripheral units’ problems, a way could be created to reach a level of co-operative engagement with the employees at the various institutional locations. That, as it stands may be a definition of effective governance and commitment of resources in such ways that may put the institution in a remarkable progressive leverage.

Over all, it seems that the interview data may so highly support the importance of clear separation on one hand, and cross link, on the other hand, between core and peripheral units. The thinking of the interviewees then seems to be that it may give the management room to make the right emphasis on resources prioritization for the units in a way that could lead to the prosperity of the university as a whole. Definition of importance for core units, according to available literature, may be associated with the matter of income earning, organizational direction or strategic existence (Bower and Gilbert, 2007). Peripheral units may also bring important support to the core units for accomplishment of the university's central vision and mission (Hackman, 1985). These seem to suggest how crucially important both are in the organization. Central resources allocation task then may be to discover, separate, and match resources to the various strategic ends as would bring about the desired governance environment and resource commitment expectation.

From the preceding analysis, it appears that the core and peripheral units challenge greatly affects the universities' governance quality and resource deployment decisions. This finding appears to be in agreement with Hackman's (1985) power and centrality theory framework which places the force of resource allocation on the closeness of a unit to the primary goal of the organization. It would be appropriate to argue, however, that perfect dichotomization into core and peripheral units may be shrouded with problems. What is core in one place may not be so considered in another place. Above all, it could result in some organizational members within the core units appearing intimidating to those from the peripheral units as their presence in the organization may be viewed as merely complimentary to those of the core unit members.

Overall, it would seem that core and peripheral dichotomy is a function of philosophy, funding dynamics and autonomy and a strong determinant of governance success and resource commitment direction. Furthermore, it appears that the importance of a unit or department in relation to the purpose of the university is an acceptable best practice for the allocation of critical resources (Hackman, 1985). This view was supported by 16 out of the 45 interviewed (Appendix E).

From the preceding analysis, the answer to the research questions 1 and 2: (a) 'What factors affect the resource allocations granted a unit from the internal resources of the university?' and, (b) 'How does the allocation of resources differ between core and peripheral units of the focal university?' may be summarised thus:

- a. Some units were allotted resources from internal resources based on justifications of their heads of department. The current practices predicated allocations to 'needs' and HODs presented requests which came along with the right justifications. Many resource managers seemed to fault this process as they believed it led to subtle politics.
- b. Qualitative data suggested that some units were allocated resources because of their closeness to the primary purpose of the universities or by identification of the HOD with the chosen direction of the central administration. This process appeared to agree with Hackman, 1985.
- c. Some units were granted allocations because of their strategic importance to the institution. Again, this appears to agree with the earlier findings of Hackman (1985), and Ashar and Shapiro (1988). This finding also agrees with Bower and Gilbert (2007) that units' importance could be determined by the matter of income earning, organizational direction or strategic existence.

- d. The qualitative data appears to affirm that core units receive more allocations in abundance and lean times than the peripheral units. Once again, this agrees with Hackman (1985).
- e. Some resource managers appear to suggest that core units enjoy overwhelming resource allocation support while the peripheral units appear to receive much less emphasis in lean times. The argument that there would be no university without the core units appears to receive overwhelming acknowledgement. Available literature seems to corroborate this view (Ashar and Shapiro, 1988; Hackman, 1985; Pfeffer and Salancik, 1974, 1978).

In the next section, the responses to the research questions 3 and 4 will be analysed. The focus will be on the strategies employed by the department leaders to win more resources for their units and how much politics and power influence the allocation of the available resources.

#### **4.3.1.2 Culture, Politics and power**

In further development of the 'people' theme, this section provides analysis of the interviewees' narratives in answer to the research questions three and four: (a) what negotiation strategies do department heads leverage on in order to win more (if any) share of the available resources? and, (b) to what extent do culture, politics and power affect how much a department gets from the available resources? The analysis here will identify the strategies employed by the departmental leaders to win more resources (if any) for their units and how much culture, politics and power affect the allocation of the available resources.

As mentioned above, culture, politics and power situate within the 'people' theme of the resources allocation process milieu (see figure 4.3). This category has emerged in the course of investigation into how some departments won more allocations over others and in trying to obtain answers regarding the question of the powerful influence of some HODs. Precisely, the findings about culture, politics and power were generated by obtaining responses to the 3<sup>rd</sup> and 4<sup>th</sup> research questions, namely: (a) What negotiation strategies do department heads leverage on in order to win more (if any) shares of the available resources? and, (b) to what extent do culture, politics and power affect how much a department gets from the available resources?

The findings here are analysed under the following sub-headings:

- (a) Culture as relative determinant of resource allocation direction
- (b) Internal politics as a pervasive phenomenon (4.3.1.2.1); and,
- (c) Politics and power as controversial resources allocation determinant (4.3.1.2.2)

#### 4.3.1.2.1 Culture as relative determinant of resource allocation direction

The interviewee narratives suggest that certain resources allocation processes are product of the religious and regional cultures of the places where the universities are located. The interviewees' perceptions align with the views of the following resource managers. One manager from a federal university said:

"There is a philosophy that differs somewhat by the area of the country the university is situated: North or South. North emphasizes Islamic knowledge, Arabic studies/moral instruction. South: all disciplines are promoted equally. The

resources are allocated to reflect the cultural importance of these philosophies.”

RM 41:4064-4069

Another resource manager from a state university said:

“Our drive is focused on efficiency, effectiveness and prudence in achieving a priority order. Our general location has a lot to do with this. We look at the general development need our university and direct resources to meet those needs year by year.” RM12: 216-218

And yet another said:

“...each university is required to submit and defend budgets which informs whatever the government at the centre releases, and this university expects all units – departments and faculties – to make budgets that capture what they intend doing in terms of capacity building, in terms of infrastructural renewal, in terms of exigencies for day to day electricity consumption (because many of us in rural places spend a greater part of our incomes now generating electricity).” RM 20:1197-1202

From these quotes, it appears that culture associated with the religious and regional location of the different universities is a strong factor that influences the allocation of available resources from time to time. This perception seems to agree with the earlier findings of Lee and Bowen (1971), Adigun (1999) and Akanbi (2012). Also, O’Neil (2006) states that internal forces, favourable and resistant to change, stemming from social

structures and natural events perpetuate cultural ideas and practices. The above view, however, contrasts with that of Ghosh (2001) who suggests that despite the regional leniencies, a common national culture exists which affects the managerial preferences of the institutions. But going by the present study, the researcher thinks that regional culture is a strong factor in defining the resource allocation direction of each university.

#### **4.3.1.2.2 Internal politics as a pervasive phenomenon**

The interview data from this part of the study could be described as being in two levels. In the first part, most interviewees stated that there were no politics in their institutions and that no head of department had overriding influence over the allocation processes. All the interviewees then claimed that everything worked well and that the vice chancellor received the support of every resource manager in the university. Many of the respondents then claimed that their vice chancellors were very great managers who chose directions that suited the needs of the times. There were, however, a few respondents who claimed that their Vice Chancellors were selfish and undemocratic.

But in the course of the study still, the researcher consulted with the supervisors who suggested slight variation of the questions to focus on how appointments were made to the council and who was retained in office as dean, for instance, from time to time. Furthermore, the researcher was also advised to get background of those who won the appointments and try and find out the cultural or other affinities among the leadership. The aim was to see from these what forces actually drove the resource commitments. In the subsequent interviews, the strategy summarized above yielded some helpful insights. But most interviewees {HODs and senior management staff of the federal and state universities} began to talk more freely when, in a chance proposal during one of

the interview sessions, the interviewer offered to put off the tape recorder when it got to the question of politics and power in the different universities. Repeated at the different interview sessions thereafter, more useful data were obtained. The following two narratives highlight the huge role of politics in resolving resources allocation in the relevant universities:

“we cannot rule out the influence of politics ... but as a university, what governs our allocation of resources is the need driven by the philosophy and the focus of the administration... yea, there is politics and power too. Despite the direction to which administration is committed, some resources follow political motives...the VC would try to please some interests whether you like it or not.” {RM35:3406-3410}

Another interviewee also admits politics is of a deep consideration:

“Political influence? It is very overbearing...it's deep. And it is not good for the academia. It distorts sincerity and breeds mistrust.. It has become a sort of game.” (RM13: 3007-3009)

But the next three resource managers tried to play down on the extent of politics and power situation in their universities, and, however, admitted there are relationship games:

“If politics is about power play... who gets what... then yes...We do not really have very preferred departments, we emphasize equality in allocating resources. It is true some may get more finances in some budget years, but we always have to balance this in subsequent periods. For every year we expect the HOD to put forward a strong justification of his requests. Given the funds available, we ensure that the allocations will help the university to move forward, above all achieve the intended goals of the year in question.” (RM34:3157-3162)

“Life is about relationship. Some may appear to be more powerful by how much support they bring to the centre. But there is no open politics about who gets what. They do it by alignment with the centre and support of what the administration is doing.” (RM23: 1602-1604)

“Yes I agree that politics is everywhere. All that I would do as a dean is to align with the vision of the vice chancellor and when I have a particular need I could approach and seek his support. And knowing that I am a great supporter of the VC’s vision, I am inclined to have it approved. That cannot be true for those who oppose and antagonize. But I have not seen where politics has negatively affected what we do. I will say there is minimal emphasis here. Most of the schools have support of the administration equally. And with the kind of policies this VC is associated with, you see all of us come rallying around to support his efforts and all of us are happy for it.” (RM21: 1260-1267)

As for the next interviewee, politics is an important engagement for any HOD who hopes to succeed in the job:

“Politics is everywhere, no doubt. If you want to succeed as a dean or HOD, you must be part of the ruling team. Those who go in opposition by experience have always lost out in the sharing of the available resources. If you are a wise person, you have to seek the friendship of the vice chancellor. That is how you can get approval for your requests. I can tell you that those who antagonize the VC cannot equally achieve their expectations. That is not to say we see raw politics here. It is done in so subtle a way that you would not realize this is politics except you watch very carefully.” (RM36: 6392 -6401)

In another case, a resource manager in a state university said it differently:

“Politics drives life in most things done here. From the state and within the faculties...there is a lot of ‘who you know’ syndrome. Whether you like it or not, the VC and the Bursar have friends” (3951 – 3953)

From the preceding quotes, it appears that politics is a constant feature in the public universities. Accordingly, it appears also that resource allocation processes in the federal and state universities are significantly influenced by the power syndrome as defined by how closely the dean or head of department relates with the central administration. This is admitted by 16 (36%) of the 45 interviewed (see Appendix E). By contrast, the interview notes appear to suggest that in the private universities, the allocation process is more open and less affected by political sentiments. This may be explained by the original business sentiment on which the private universities are

founded, focusing more on how much the units bring in to, as against taking from, the centre.

#### **4.3.1.2.3 Politics and power as controversial resource allocation determinant**

The interviews seem to suggest that the goal of politics and power is to win more resources and attract greater attention from the central administration to self or own department. Respondents seemed to suggest that the heads of department who were in the favourable books of those in authority had more resources allocated to them. Many of the interviewees argued that internal politics may be a controversial engagement and claimed they did not directly engage in it. But majority also suggested that some of their other colleagues who they referred to as the 'powerful ones' were doing it.

The interviewees further talked of the power of an HOD as being in the measure of his relevance in the determination of the allocation of available resources. So, during the interviews, all the respondents saw power as an ally of politics. Therefore, they claimed that the powerful ones were the same people who engaged in office politics even though many respondents said there were no HODs who exuded overbearing powers in their respective universities.

The researcher thinks that there seems to be suppressed resentment among majority of the interviewees towards the idea of resolving resource allocation problems through politics. This appears probably as a suggestion that it was not an incontrovertible way of resolving the resource commitment problems. The growing message in all the cases, however, seemed to be that for any management to be seen as transparent and capable

of winning consistent trust of its stakeholders, the politics and power factors needed to be properly addressed.

From the preceding analysis, it appears that politics and power are of high consideration to the university management in the resolution of resources commitment problems. Also, it further appears that most resource managers engage in some form of politicking as a way of attracting the attention of the universities' managements towards themselves when making resource allocation decisions. In this sense, politics and power play appear to be a constant in the universities' resource commitment processes. These findings are in agreement with the conclusions of Hackman (1985), Pfeffer and Salancik (1978) and Wildavsky (1979). However, the interview notes from the private universities' respondents (with much religious background) appear to reflect the least degree of political consideration in resolving resource allocation issues. The following comment of a resource manager from a private university buttresses this point:

“The mixture of religiosity in our founding principles makes us stay away from politics when allocating the available resources. Resource managers play more of brothers' keepers than competitors. Personal influence of an HOD is never a factor in allocating to his unit.” (RM55: 6203 – 6207).

The researcher thinks that the critical line with much politics and power appears to be the negative impact both may have on worker's attitude towards discipline and morale. As noted by Aina (2002) much politics in the university administration may breed tension and, perhaps, give rise to greater indiscipline.

The preceding analysis suggests agreement with the views of Hackman (1985) whose power and centrality theory (see section 2.2.6) holds that whether times were good or bad, there were some departments and offices who got more resources allocated to them while some others got less. A majority of the respondents consistently suggested that some heads of departments who are closer to the universities' leaderships are more frequently given everything they asked for. Also, in line with available literature, some departments may appear to have more resource claims because of the closeness of the purposes of their units to the central mission of the institution (Hackman, 1985; Ashar and Shapiro, 1988). On the whole, the claims of the qualitative literature seems to agree with the interview narratives that when consideration of power and politics take superior focus, as opposed to workload or fair share criterion, the powerful units claimed their resources at the expense of the others (Aina,2002; Hackman, 1985; Ashar and Shapiro, 1988).

It appears from the preceding analysis that there is an inverse association between politics and power on one hand and the universities' (a) governance quality, and (b) the resources commitment problem resolution on the other hand. In addition, it appears that with politics at the centre of resources allocation process, the management may end up with governance turmoil. Along this line, many respondents postulate that several resource managers may be in consistent silent protest for what may like injustice brought about by the engagement of political solution to the resource commitment resolution question. To this end, it appears that the universities' managements may have to adopt lots of manoeuvring not to lose some important members of the management team due to unreported disgruntlement. Worse still, the latter resort may appear, in itself, to increase the tension within the community.

Some interviewees seem to be in agreement with Odebiyi and Aina (1999) that sometime in the early 90s a few older universities' campuses in the country became ungovernable as a result of workers' differences with their central administration over perceived injustices in the resource allocation. During the period under reference some universities were said to be shut down by the federal government for more than one academic year at least (Odebiyi and Aina, 1999; Aina, 2002). In such instances, politics and power, therefore, may prove a controversial key for the resolution of financial resources commitment question in the universities.

In conclusion, it appears that politics and power exert more significant influence on the resource allocation processes in the four public universities studied. Also, while it appears that the resource managers chose to dissociate themselves from involvement in internal politics, the preceding analysis appears to suggest that most resource managers engage in some form of internal politicking to curry favours from the universities' managements. The practice appears to be either in consonance with how their peers are perceived to carry on or as a projection of personal power arising from centrality of the department in which the relevant HOD is the leader. This consideration appears to be in agreement with the power and centrality theory postulations and shows that Hackman's (1985) power and centrality conceptual framework discussed in chapter 2 (section 2.2.6) was **to a large extent** useful for this study.

From the preceding analysis, the answers to the research questions 3 and 4: (a) 'What negotiation strategies do department heads leverage on in order to win more (if any) share of the available resources?' and, (b) 'To what extent do politics and power affect

how much a department gets from the available resources?' may be summarised as follows:

- a. The qualitative data analysis suggests the existence of huge subtle politics throughout the universities. These findings are in agreement with the findings of Hackman (1985), Pfeffer and Salancik (1978) and Wildavsky (1979). From the claims of the resource managers from the private universities, their case seemed to be mild. But in the case of the public universities, every resource allocation process appeared to be enshrouded by serious subtle politicking. The seeming less presence of politics in the allocation process of the private universities in this study may be partly due to their faith-based philosophy. The private universities employed as sample in this study had religious organizations as their proprietors.
- b. Most heads of department appear to push through their resource requests by presenting strong justification of their requests to the management. Some resource managers, however, seem to suggest that the allocations are made to help the university move forward, and to achieve definite goals in a particular resource year.
- c. As stated before and in line with available literature, some departments appear to have more resource claims because of the closeness of the purposes of their units to the central mission of the institution (Hackman, 1985; Ashar and Shapiro, 1988). This finding appears to present agreement between the interview narratives analysis and other existing literature (Aina (2002); Hackman (1985); and Ashar and Shapiro (1988).

The next section will present the second major theme and the findings to the fifth research question regarding what resource allocation processes are currently practiced

by the universities and the extent to which such practices reflect equity and good practices.

#### **4.3.2 Theme 2: Process**

This section analyses the research findings situated in the major theme 'process'. From the earlier presentation in section 4.2.2, a major category of findings may be identified here, namely: Resources allocation processes (RAP). This category is further analysed in subsection 4.3.2.1 and provides answers to the research question 5.

##### **4.3.2.1 Resource allocation processes (RAP)**

This section presents the analysis of the findings in response to the research question number five: 'What resources allocation processes are currently practised by the universities and to what extent do they reflect equity and good practices?'

The category 'resource allocation processes (RAP)', which situates within the 'process' theme of the resources allocation milieu (see figure 4.3), emerged from continuous probing into the current practices at the universities in the matter of communication and the involvement of various resource managers in decision-making processes leading to the resources commitment resolution. This concept suggests answers to the third research question: 'What resources allocation processes are currently practiced by the universities and to what extent do they reflect equity and good practices?' A review of the pattern of responses shows that about 39 (87%) of the 45 respondents perceived resource allocation processes as an important consideration in the resource problems resolution (TT1). The findings have been analysed on the following sub-headings:

- (a) Internal resources allocation processes (4.3.2.1.1);

- (b) Autonomy as an important driver of RAP (4.3.2.1.2);
- (c) Funding dynamics as an important consideration for success of RAP (4.3.2.1.3);
- (d) Consultation, comparison and collective engagement as important keys to RAP success (4.3.2.1.4); and,
- (e) Entrenchment of IGR sharing formula as important to RAP success (4.3.2.1.5).

#### **4.3.2.1.1 Internal resources allocation processes**

The major aim of the investigation at this stage was to ascertain how the institutions actually processed the allocation of commitments; the degree of involvement of the various constituencies within the university, and how the commitment decisions were arrived at by the different divisions. This brought important focus of the study on 'processes, people and structures' (Hackman, 1985; Ashar and Shapiro, 1988; Bower, et al. 2007).

The detailed analysis involved verifying which activity processes were engaged, in which office location and by who? Here the 'who' represents the resource managers at the different decision-making locations within each university. This includes all resource management meetings at the departments' level, the joint session of the administration and resource managers, the meetings of the development committees, council and the ways and means (or finance) committees.

Many (6 Deans, 18 HODs, and all senior managers) people interviewed suggest that resource allocation processes (RAP) were a major portfolio which when unpacked

would lead to the resolution of an institution's governance and resource commitment problems. The interviewees consistently expressed the opinion that the resources allocation processes may be determined by the institution's philosophy, funding dynamics and degree of autonomy.

The comments of some interviewees provide insight into the practice of resource allocation processes in some sample universities. For instance, a resource manager said:

“ {the philosophy} I will reason it is a need persuaded thing...everybody comes with a list of the things they will do to meet the general direction of the university.”  
(RM11: 46-47)

A second resource manager adds:

“distribution here assumes that the university is one harmonized entity and allocations are made in such a way to bring out the greatest good for the whole entity. Here every one is involved” (RM11: 55-57)

Still a third further claims:

“Our drive is focused on efficiency, effectiveness and prudence in achieving in a priority order. We look at the general development need of our university and direct available resources to meet those needs year by year. There is a strategic

plan and the way we map resources has to take this into consideration” (RM12: 216-219)

And more:

“We engage all the levels in varying degrees... The Heads conduct series of meetings at their own level and come up with expected requisitions for the next budget year.” (RM12: 226)

Another resource manager from a private university comments:

“The management meets to consider the overall document and give approvals before going to the higher board – the council. It is the approval of the council that makes the overall budget a working instrument” (RM 13: 349-351)

But the comment of a resource manager in a federal university added a huge insight to the philosophy and direction of resources management in the universities:

“Nigeria as a country has a philosophy that guides its resources allocation to the tertiary level of education, there is no doubt about that; but whether the resources are released on time or whether they are adequate is another issue. This country has adopted education per excellence in its finest form as instrument for promoting national development. And with that kind of philosophical statement – seeing education as being pivotal to any development effort - the govt. is poised to make education serve that purpose by releasing sufficient allocation. And that

is why every year each university is required to submit and defend budgets which informs whatever the government at the centre releases, and this university expects all units – departments and faculties - to make budgets for that captures what they intend doing in terms of capacity building, in terms of infrastructural renewal, in terms of exigencies for day to day electricity consumption (because many of us spend a greater part of our incomes now generating electricity). We have budgets that reflect this philosophy. We are in need of development and you cannot succeed without the requisite personnel that have the experience to drive your development. To me that is what is happening.” (Rm20:1192-1206)

Another resource manager from the same university said:

“{Our philosophy}... is traditional, based on the vision of being a place of excellence. We seek balance between capital development and excellent programming.” (RM22: 1391-13)

And the observation of another resource manager from the university also threw more light as regards the importance of vision and mission in university resource management:

“The vision and mission of the university is the key direction. The needs of the university covered in the budget are figured along the lines of the mission statement and the resources available for use... We run in a participatory way. The arrangement is bottom up approach. The lower levels generate inputs and the top gives approval as the requests meet the vision of the administration for

the period of budget. The lower levels defend the budgets in their sections before bringing them to the centre. The finance committee provides the top level approval before the document finally goes to the council.” (RM23: 1553-1555; 1561-1565)

While a resource manager from a state university simply declares:

“philosophy of the university has a place in our allocation of funds.” (Rm31: 2519)

Another respondent from the group of CFOs suggests that philosophy may vary based on the location of the university within the country:

“There is a philosophy that differs somewhat by the area of the country the university is situated: South or North. North emphasizes Islamic knowledge, Arabic studies/moral instruction. South: all disciplines are promoted equally. The philosophy is one that often reflects the vision/understanding of the vice chancellor. Some Vice Chancellors are development infrastructure minded. There are some who are just bench warmers, they make no impact.” (RM41: 4065-4070)

And quite a number, like this manager from a state university, say:

“it all starts from the departments...in fact from the programmes early in the year. The departments and units hold their own budget meetings... pass the outcome to the bursar. The bursar collates, calls defences and goes to the council and

the ministry of education to defend and return the approved figures for implementation. To these extents I can say it is not a one man job.” (RM38: 3914-3918).

From the preceding analysis, it appears that resource allocation processes provide the bedrock upon which equitable resource allocation engagement is based. In addition, it appears that the vision and mission of the institution, in turn, help the stakeholders to assume an informed strategic knowledge of the future commitments direction and a sense of equity. Accordingly, this also appears to give resource managers an impetus to forecast and support important strategic goals and resource commitment direction of the central administration.

Also, it appears from the preceding analysis that internal resources allocation processes depend strongly on the communicational steps established by the management. In addition, it appears to further suggest that the resources allocation processes work better when all levels of management are involved in the communication engagements of consulting, comparing and collective meetings (see figure 4.1).

#### **4.3.2.1.2 Autonomy as an important driver for RAP success**

According to several interviewees, autonomy would help the managers to respond in ways they considered fit in resolving the resource commitment problems without worrying about who is looking over their shoulders. There was a strong argument by a majority of the interviewees that autonomy could only allow the vice chancellor and his team of resource managers to act in very professional ways, knowing that they are truly

in charge, to bring about needed solutions, given the specific circumstances in which they find themselves. An overwhelming number of respondents (from the federal and state universities) felt they were only currently put in charge, but were denied of the power to decide or engage resources in the ways they deemed fit. Also, the thinking of many respondents is that the government directed on who were appointed at the top and on how certain appropriations would be utilized. Accordingly, many interviewees suggest that the current practice was like leading them by the nose. The researcher, however, thinks that the respondents may be hiding behind this claim as an avoidance argument to cover poor performance.

From the preceding analysis, again, it appears that there may be agreement among the resource managers that the resource allocation processes (RAP) provide important framework for resolving the resources commitment problems within the universities. In addition, it further appears that the mission and vision of the institution practically reflect on the philosophy, funding dynamics and autonomy. Accordingly, it appears that important stakeholders accept the practice of efficient resource allocation processes as a mirror of equity and best practices in the universities' system. Finally, this appears to suggest that resources allocation processes require the universities' managements' quality attention and careful engagement if the resources commitment question could be significantly resolved.

#### **4.3.2.1.3 Funding dynamics as an important consideration for success of RAP**

Many interviewees suggest that funding dynamics could be related to the proverbial saying that he who pays the piper dictates the tune. The respondents' arguments here seemed to support the view that the government would affect the resource commitment

resolution process as long as it remained the dominant stakeholder (as in federal and state universities). Some interviewees suggest that this was the probable reason why the private universities seem to respond quicker to resourcing problems than the federal and state universities. In line with this perception, the researcher thinks that the greater flexibility enjoyed by the private universities in selecting their funding matrix (given their more commercial orientation), may be reflecting in the positive ways they addressed resources allocation processes problems in a more timely fashion.

The interviewees {10/18 principal officers, 6/8 senior managers} suggest that in some instances, the federal and state governments attempt to dictate how and where the funds they provided would go to. For such funds, the interviewees suggest that the universities' managements may have no option but to take orders. For instance, a few interviewees observed that sometimes, some of those directives only helped the government to score political points {far less stable; not fairly predictable} even as many of the projects may never be completed due to non-release of the funds allocated by the government. The following interviewees' narratives give deeper insights here. One resource manager, for instance, said:

“90 percent or thereabout of the funds come from the federal government. IGR comes to add but the huge chunk is from the government.”

Another insists that even that is not enough:

“...inadequate... Government pays salaries, capital project funding comes from government too but that is not regular. Government may intervene in projects

but these are often not released timely” (RM21:1288-1289; 1293-1295). Federal Government provides funding for capital developments, personnel costs and research. This ranges for up to 90% of our annual budget. The other 10% comes from IGR and donations. We also receive some income from commercial and petty business units – typing and printing, bookshop, etc.... Government funds capital, salaries and research... Hardly enough. What we get for electricity for instance for one year is not up to 10% of our diesel consumption in a month. It is that bad. That is where the IGR helps a great deal. It would be said these have improved in the last few years...now at least we have record of ‘brain gain’ rather than the ‘brain drain’ of the past years” (RM22: 1464-1467; 1471-1475).

The message is no different from the state university where an interviewee said:

“ IGR right now contributes 55% to 60%. Essentially the remaining 40% comes from the state... well, it has some underpinning effect or limitations. So much so that in a way, often times the capital aspect is often times neglected. You just have enough to meet the recurrent...which is what keeps the system running. Capital {funding} is {the} about development...expansion. So, often time, we are not able to expend in the area of capital except where we have opportunity of the TETFUND...which is like our capital vote, and the source of it; whatever we have from them we take...apart from capital, we also have some other like research and human capital development. This is a sort of relief for these revenue heads” (RM30: 2585-2593)

It appears from the previous quotes that the bottom-line focuses on the understanding that the philosophy, funding dynamics and autonomy characteristics of the university would provide an acceptable background for the direction of financial resources to optimal ends. It appears, however, that the government (federal or state) leaves the resource managers very limited discretion on how to engage. This appears to suggest that the resources allocation processes portfolio (fig. 4.2) may be at jeopardy in providing unhindered resolution of the resource commitment and governance quality.

Notwithstanding the above supposition, the qualitative literature on resource allocation processes (RAP) appears to suggest a contrast, contending that this engagement is a major determinant in the resolution of the resource commitment direction and governance situation in every institution (Bower, 1970, 2008; Lombardi, et al 2002, Rui, 2013, Owoyemi 2009; and Aina ,2002). The interview narratives suggest an agreement with the literature that universities, as open systems (Lawrence and Lorsch, 1967; Burrell and Morgan, 2008), draw important help from RAP for answers to the resource commitments definition and strategies selection. However, available literature suggests that RAP is a complex process which shapes the strategy of an organization in a fundamental and multilevel fashion (Bower, 1970).

The study further suggests agreement with notable literature that the RAP problems focus on structure and processes (Bower and Gilbert, 2007) in shaping direction. Also, the study suggests that resource commitments are dispersed across all the levels and units of the institution. Important notes, however, are made of the inevitable conflicts that resource resolution may confront due to possible narrow definitions by some managers. It may be appropriate to note the conclusion of Bower and Gilbert (2007) that

resource (operating) managers could shape strategic outcomes of actual resources commitment and structure in a significant way.

From the above analysis, it appears that resources allocation processes are of important consideration to the university management in the resolution of resources commitment issues. This was attested to by 39 (87%) of those interviewed. In addition, it appears that resources allocation processes are influenced by the university's (a) philosophy, (b) funding dynamics, and (c) degree of autonomy. Accordingly, it would seem that the resource allocation question may remain partially resolved until the management brings in orderly and systematic focus to the engagement.

Furthermore, figure 4.2 appears to suggest the resources allocation processes problem as a brief within the resources problems resolution portfolio with funding dynamics, philosophy and autonomy characteristics as drivers. Also, the interview study notes appear to very substantially support this position.

#### **4.3.2.1.4 Consultation, comparison and collective engagement as key to RAP success**

Many of the respondents stated that at the commencement of the commitment process the finance office {same pattern in each university} (office of the Bursar/CFO) sent out invitations to all resource managers calling for inputs. The CFO's inputs call helps the units to begin a series of departmental meetings to determine what to ask for. At this stage, the respondents suggest that the HOD assumed the chair and each member of the unit brought their inputs to the table for discussion. The outcome of the departmental budget debates were then agreed at the school level between the deans and the HODs.

Many interviewees agreed that the CFO's invitation for inputs, which came two to three months before the budget defence meetings, was not one any university resource manager would like to ignore given the consequences of so doing. The respondents stated that not responding to the CFO's input call would mean sometimes, "having to wait another one long year to have your department's needs funded." There were a few interviewees who suggest quarterly or monthly reviews. They suggest, however, that the reviews did not mean new additions; it could only allow for structural adjustments from one existing budget heading to another. Comments like the following were recorded during the interview sessions with one resource manager and another:

"One thing is that anyone who has any request must submit it to the finance committee. If it is something that will add value, the finance committee makes available funds." (RM21: 1273-1275)

Another manager says:

"We do not do any midcourse reviews. There are 'virements' sometimes when the need is critical to our very existence. 'Virement' is taking money from one previously budgeted heading to another. That is done sparingly and justification must be adduced to push such through." RM23:1608-1611)

Still a third resource manager adds yet evaluative comment on the allocation process that:

{On frequency of budget reviews} “None that I am aware. Once the budget is approved by the council, that {is what} we run for the next one year. If you want more because what you have cannot do, as previously planned, you wait for the next allocation season” (RM46: 4302-4304).

From the above analysis, it appears that consultation and collective meetings could help to resolve the communication problems around resource allocation processes. Again, according to several respondents, the call from the office of the CFO was normally accompanied with the budget template which helps the resource managers to enter their proposed inputs. They then returned this to the office of the Bursar with the accompanying notes, stating why they had chosen to embark on some activities as contained in the financial estimates on the template. The other major activity in the process is the collation of the submitted estimates from all the resource units of the university. At that stage, the interviewees disclosed that the CFO assembled all the separate departmental inputs into a major single document called the master budget - a single comprehensive document that shows the aggregate result of the separate inputs of the various divisions.

The interview study suggests further that the CFO and team often spend several hours in closed doors consulting, comparing notes and collating figures to produce a representative master budget.

The figures, however, soon become the focus of very vociferous debates at the budget defence sessions. The interviewees claimed that the debates were inevitable as there were never enough resources to fund every department’s expectations in any single

year. The respondents seemed convinced that universities' managements did not always carry out this engagement in a systematic manner to the satisfaction of the lower management levels. The result was that many resource managers felt left out notwithstanding the fact that they subscribed the basic inputs. A manager, for instance, said as follows:

“...I know this university does annual budgets which are taken to the council, from council to the government. Then you go to government and defend the budget. What I cannot clearly say, is how it is synchronized to the global budget. At the first level, there is everybody's involvement, but whether that is synchronized with the global budget is not known to me.” (RM33: 2966 – 2971)

The next three resource managers' comments show how distanced from the process the managers perceive of themselves:

“{You}...cannot deny involvement as a head (an HOD), at the same time, you know that you are not true and true a major contributor to the final decision making.”

“... the needs determine what is ...if you are serious about budget preparation... it is one thing to be involved, but it is another thing having what you prepared included and implemented in the end...implementation is the problem.” (RM34: 3126 - 3129)

“Everybody here includes the heads of department, the deans and the principal officers. But I will tell you the truth; the bursar and the vice chancellor have a lot to do with the actual direction and allocation. The departments bring up their requests, the administration will have to decide how much goes to which place.”

(RM46: 5013 -5015)

In addition to the preceding quotes, some available literature (Onuoha, Onuoha and Amponsah, 2013; Rui, 2013; Bower and Gilbert, 2007) suggests that behind the successful resources allocation processes is the factor of effective communication between management and the various resource managers. In particular, Onuoha, et al., (2013:2) observe that “with a good system of information dissemination, the university management would be able to win the support and patronage of important stakeholders who could attract {internal and external} economic advantages to the institution”. Along this line, many interviewees suggested that resource managers needed information on the future direction of the university; the size of budget available for each department; and the resource expectations of the entire university within the period of planning.

Accordingly, majority of the interviewees repeatedly suggested that the resource managers’ agitations often arose from inadequate information on the plans and direction of the administration. People, they suggested, may make near to impossible demands when they did not know what the university had ability to provide.

Furthermore, many of the interviewees (from all six universities) suggested that there is need for more internal communication between the central administration of each

university and the rest of the resource managers. This response came from both the academics and the managers. Many respondents repeatedly stressed the point that central administration should consistently educate everyone about their future plans and so that the resource managers can see how the goals of the central administration could satisfy the divisional aspirations.

The deans and heads of departments interviewed repeatedly suggest that the central administration should consult widely within the system before launching out with the implementation. Other suggestions by respondents include need for higher degree of transparency through more financial disclosures and committee engagements involving the resource managers. It was further noted during the interviews that the resource managers would more willingly co-operate with the central administration where they are properly and continuously informed of the plans and direction of the administration. It appears from the preceding notes that persistent communication with all levels of the management is a crucial factor for effective resource allocation engagement.

#### **4.3.2.1.5 IGR sharing formula as indicator of the success of RAP**

The majority of the interviewees suggest that some of the universities {particularly federal and state} addressed the allocation of the internally generated revenues in ways that seem to generate controversy. In some places, the interviewees claimed there was in place a kind of sharing formula. In some other places there seemed to be nothing like a systematic sharing process. In the first category, the respondents talked of a 60:40 sharing arrangement, where 60% went to the central administration and 40% stayed with the department that generated the IGR. In the second category, the interview study seemed to confirm that the department that generated the IGR first took care of its needs before sending what is left to the central administration.

It appears that the problem with the absence of a specified sharing formula has to do with the departments so often returning nothing or not a reasonable thing to the centre. In the latter case, the IGR share remitted to the central administration may not appear to be based on a fairly pre-determined proportion of the whole. It appeared to be such a loose arrangement that benefited the units to the disadvantage of the centre. One resource manager says the failure of the government in providing adequate funding is the reason for the much emphasis on IGR:

“Yea... actually IGR is the main life wire of this university. Because Government has not been too responsive to the needs ...especially financial needs of the university... to the extent that the university relies more on IGR to run. Our IGR sources are self-sustaining...part time and post graduate programmes” RM33: 2987-2990.

The next two quotes are by resource managers attesting to the absence of well-defined IGR sharing formula:

“Yes, there is something very close to what other universities will call a sharing formula ... But here what we do is that most of our IGR sources are self sustaining... post graduate, part time programs ...remuneration is dependent on the patronage of the students ... because we do not charge the same fees” RM33: 2988-2991.

“The resources are shared according to the strength of each department’s needs. Some departments may contribute more than others, but we hardly look at that formula in sharing what is available. A department may not earn any positive net income but gets a huge chunk of the resources. It all depends on the needs properly analyzed and defended by the head of department in charge of that unit”  
RM 55:6182 - 6188.

Yet another manager insists top management decides for them:

“The result of the general meeting with the Bursar is what then goes to the council. The Bursar would later return to us often through circulars after the council has approved the budget. This happens at the beginning of each financial year.” RM26:2014-2016.

Furthermore the interviewees suggest that the central administration could exercise control over the IGR strategic units by appointing a board of directors or management committee to oversee their activities. In some other places, the interviewees suggest that the head of department may report to the CFO in matters of strategic interest, for example, revenues earned and profits generated over a given period of time. This practice seems to invoke the principles of agency theory (Bower and Gilbert 2007) which focuses on the conflicts between owners and the managers, and how the agents help their principals to succeed. The interviewees seem to further suggest that, sometimes, the resolution could involve series of meetings between the central administration or

nominees and the units' resource managers where, metaphorically speaking, 'the cakes are baked'.

Finally, it appears that there may be a direct association between resources allocation processes and a university's (a) governance quality, and (b) the resources commitment problem resolution.

In addition to the preceding analyses, figure 4.2, engaging the resources problem resolution portfolio, may help to clarify the relevant governance contexts and actual resource deployment issues. From the resources problems resolution portfolio, it may be suggested that governance and resource commitment could be positively affected by the universities' managements taking intentional positive steps to resolve the allocation problems. The respondents suggest that such steps could involve engaging more resource managers in the early resources allocation debates, as well as, in the later decision-making process on issues such as the IGR sharing formula, or formulation of strategies for unhindered communication between the central administration and the lower level resource managers. Conversely, too, it appears that resources commitment problems and governance quality may worsen if the universities' managements neglect to effectively communicate with the resource managers in definite strategic ways.

From the preceding analysis in this section, specific answers to the research question 5: 'What resources allocation processes are currently practised by the universities and to what extent do they reflect equity and good practices?' may be stated thus:

- a. Most of the universities appear to be engaged in a haphazard resources allocation process. Some held long resource allocation meetings from time to

time. Although it appeared they knew the concept of the bottom-up approach and appreciate it, none of the six universities studied carried through with all the levels. The resource managers, over and over, narrated of their involvement at the consultation stages and their not being involved at the decision-making stages.

- b. The findings appear to suggest that resources are allocated on the basis of need as justified by HOD or other responsible resource manager. This seemed to produce tension and rivalry as the resource managers tried to outdo each other in their bid to win allocations.
- c. The current RAP practices in the universities in Nigeria appear to be driven by the universities' philosophy, the funding dynamics and autonomy (see Fig. 4.2). The seeming lack of a clear knowledge of the philosophy of the universities by the resource managers, however, as was evident in many interview narratives, appears to limit the extent of their participation in the definition of the resources allocation direction.
- d. The government, in the case of public universities, appears to frequently affect the resources direction in some universities by dictating where some allocated funds would be used. This was reported in connection with the TETFUND. For some resource managers, the government turned such resources to kind of 'political expression'.
- e. The universities {particularly federal and state} appeared to handle the allocation of the internally generated revenues in ways that seem to generate controversy. Some interviewees claimed there was in place a kind of sharing formula even as many of them did not know what the formula was. In some other places there

seemed to be nothing like a systematic sharing process. The HODs who made stronger cases had more.

- f. In sum, these findings suggest that while most resource managers were involved in the initial process of allocation, they were excluded when the final allocation decisions were made. This suggests that the resources allocation processes currently practised by all the six universities in the study seemed to be out of shape with equity and good practices.

The next section will provide answers to the research questions 6 and 7 which centre on the factors of critical resources shortage and resources dependence response. The discussion is situated within the 'resources' theme.

### **4.3.3 Theme 3: Resources**

This section analyses the research findings situated in the major theme 'resources'. From the presentation in section 4.2.3, two major categories of findings may be identified here. These are:

- a. Critical Resources Shortage, and
- b. Resources Dependence Response

These categories are further analysed in subsections 4.3.3.1 and 4.3.3.2, and provide answers to the research questions six and seven.

#### **4.3.3.1 Shortage of critical financial resources**

This section presents the analysis of the interviewee narratives in answer to the research question six: "To what extent does shortage of critical financial resources impact on governance, staff morale, teaching and research in the universities?"

The shortage of critical financial resources concept situates within the 'resources' theme of the resources allocation process milieu (see figure 4.3). This emerged from the analysis of the interview data and other qualitative literature in Chapter 2 (see section 2.1.2) in answer to the research question relating to funding adequacy for staff related payments such as salaries, bonuses, and medicals and the impact on governance, staff morale, teaching and research. Other associated critical funding issues included capital development and laboratory consumables. In sum, each university seems to have five major lines of expenditures for which adequate budgetary provision was critical, namely: instructional (direct teaching) costs, research costs; personnel costs, general administrative overheads and capital development costs.

Shortage of critical financial resources, which situates within the resources theme (see figure 4.3), has been attributed to lack of adequate planning, proliferation of universities, ad hoc expansion of enrolment, and academic versus non-academic employments ratios (Aina, 2002). Wangenege-Ouma and Cloete (2008) agree that the quantum of funding available is important for the attainment of the university's teaching, research, community (public) service, and other associated goals. This point was attested to by 100% of all the interviewees (Appendix E). The interviewees strongly perceive state of funding to impact on the process of allocation as the universities were noted to take care of certain basic needs and departments before consideration of some others.

The detailed analysis of the impact of critical financial shortage in this chapter will focus on the findings as relates to the three major areas in the research question, namely:

- (a) the extent of the impact of critical financial shortage on governance (4.3.3.1.1);
- (b) the extent of the impact of critical financial shortage on staff morale (4.3.3.1.2); and,
- (c) the extent of the impact of critical financial shortage on teaching and research (4.3.3.1.3).

#### **4.3.3.1.1 Extent of Impact of critical financial shortage on governance**

Governance has been defined in (Section 2.1.6.1 in chapter 2) as a combination of attributes which specify the way an entity operates with attention to structures, processes and relationships within the establishment (World Bank, 1991; Lombardi, et al., 2002; Hufty, 2011; Agama, 2013). The authors assert that governance quality could be deciphered from a number of variables, namely: management consistency, policies harmonization, clarity of processes and decision rights for specific authorities and responsibilities. The notes suggest the essence of governance as good performance or discouragement of bad performance. From these, it appears governance quality could be affected by how the management defines funds and maintains social norms and interaction within the organization. The following responses from some interviewees reflect the perception of majority of the respondents on how governance is affected by critical financial shortage. For instance, one resource manager appeared to blame the system which breeds uncertainty:

“in this university budget preparation starts from the departments...in fact from the programmes...early in the year. It depend{s} on the level of needs of the units... the needs determine what is ...if you are serious about budget

preparation. It is one thing to be involved, but it is another thing having what you prepared included and implemented in the end...implementation is the problem” (RM34:3125-3129)

Another sees it as a matter of relationship with the administration:

“I will not like to comment on that.. But it must be known that the matter of relationship will not be overemphasized. Those who are good in human relations get more resources... you could have your own budget implemented than others...” (RM34: 3134-3136).

Yet another HOD from a state university argued the problem was with the government:

“The university is just emerging from a serious staff/employer's conflict. Several of the staff have been laid off. So many allowances are not paid.. the problem between staff, the council, and the visitor. These had a lot to do with funding.. the government undertook free education and the government suddenly realized it cannot handle that... the opposing objectives ... ” (RM34:3218-3222)

But the response of one of the CFOs seemed to express greater faith in the process even as he admits some imperfections:

“Our resource allocation processes involve every level of the university management. The departments do their resource debates and pass on to the dean’s office. The dean conveys a schools debate before turning the document

to the Bursar's office where the submissions from all the schools are further reviewed...The correct description is involvement of every level of management. It normally begins about March or April. The Bursar sends out circulars inviting inputs from all departments. Sometimes a template is sent along showing how the departments would detail their inputs – revenues and expenditures for the period in view. The communication procedure is in the order: Bursar calls for inputs; departments hold their departmental meetings and submit to the deans. The deans confirm reports, and forward to the finance office. The finance office convenes budget defence meetings and collates for board and council. The approved budget later returns to the departments as information. This process helps to ensure that the resources are not hijacked by any single department to the detriment of the others. However, we must not rule out the influence of the proprietor in deciding certain allocations.” (RM51:5412-5433).

Throughout the interviews the respondents seemed to associate critical financial shortage to frequent tensions in the university system. The following quote by a resource manager from a state university speaks loud:

“Some years ago, there was high staff turnover, in fact, too pathetic..., in the past we had issue with funding which made it difficult to meet staff payments...”  
RM32:2852-2855)

Many of the respondents' perceptions suggested that inadequate funding constrained the effective functionality of the established university management structures and processes, as well as the congeniality of the work place. This finding is in agreement

with the earlier findings of Odebiyi and Aina (1999) and Wangenge-Ouma and Cloete (2008) that under-funding constrains the attainment of goals of teaching and research, and other community services. The finding also agrees with Aina's (2002) that inadequate funding brought along 'brain drain', infrastructural decay, tension and lots of other governance issues. From the preceding analysis, therefore, it could be suggested that critical financial shortage may negatively impact on universities' governance quality.

#### **4.3.3.1.2 The extent of impact of critical financial shortage on staff morale**

Staff morale may define the level of motivation and output deliverable by the staff. Robbins and Coulter (2007) define motivation as the process by which a person's efforts are energized, directed and sustained toward attaining a goal. Universities may need to retain high quality calibre academic staff (Negas, 2008) to advance quality teaching and research. This agrees with Dieleman and Toonen (2006) who assert that motivated workers are needed to improve productivity. Many authors suggest that money among others is a strong motivator for workers (Cole, 2002), and Ijaduola, et al. (2010:15) affirm that "workers may work less or even refuse to work when salaries and fringe benefits are not regularly forthcoming". This brings important focus on the impact of critical financial shortage in the universities on staff morale. It may be suggested that where the universities' managements are not able to meet staff payments or provide infrastructure for congenial work place, workers may suffer low morale and consequently low motivation. One resource manager had this to say:

"The university is just emerging from a serious staff/employer's conflict. Several of the staff have been laid off. So many allowances are not paid.. the problem between staff, the council, and the visitor. These had a lot to do with funding..

the government undertook free education and the government suddenly realized it cannot handle that... the opposing objectives ... ” (RM34:3218-3222)

The personnel costs include wages and salaries, staff medical expenses, housing and transport costs and staff development expenses. The general administrative overheads include all management expenses such as office travels, electricity, conference costs, insurance expenses, etc. Appropriations from the government are expected to rank in priority for personnel costs (salaries emoluments), research and specified capital development projects.

The respondents from the public universities claim that grants from the government are assigned with particular allocation drivers such as teaching, research, personnel costs, and capital development. Most respondents claim, however, that funding from government is never adequate for any of the named four categories of expenditures. In connection with the underfunding of salaries {reflection of external changing environment, which affects internal prioritization} the interviewees stressed the loss of quality manpower by way of brain drain; pervasive indiscipline arising from lecturers who sought other alternative ways of making extra money, which meant in some cases that staff undertook part time engagements elsewhere to the disadvantage of their primary assignments {no documented references are made to some teachers whose names appeared in more than one accreditation reports of the National Universities Commission}. There were frequent references (16 out of 24 – both federal and state institutions) to laboratories without adequate equipment and consumables. The respondents appeared to hold the view that the above situation could incapacitate the universities from producing graduates who were labour market ready.

Subsequently, during the interviews, some respondents from the four public universities suggested that shortage of critical finance (that is, funding needed to meet the four categories of expenses listed in section 4.1.1) was primarily responsible for the intense negative environment that affected academic programmes of many public universities in the last decade. They recalled that the government had agreed with academic and non-academic staff on payment of arrears of bonuses {part of staff costs} which was not funded. Protesting, the senior lecturers had abandoned classes and later the junior staff joined and the atmosphere was totally ungovernable {two unions were involved – academic staff union of universities (ASUU) and non academic staff union (NASU)}. A large number of respondents {both managers and academics} pointed out also that the money the government gave as provision for electricity for one year could not even fully pay for two months' of diesel supply {every organization supplements electricity by use of own generators}. Some respondents pointed out the consequences of lack of power supply as uncomfortable working environment, inability to make use of the available office equipment such as computers and projectors in the delivery of quality services and the absence of creativity {unintended consequence of adverse external funding} which comes with congenial atmosphere.

The qualitative responses (26 from federal and state institutions) suggest that the shortage of critical finances seemed more acute in the government-funded universities. Whereas the federal universities depended on the government for about 90% (Ijaduola, et al, 2010; Okojie, 2009) of their general funding, state universities depended on the government for between 50% and 70%. For these institutions, the import of the African Political Economy Model (Wangenge-Ouma and Cloete 2008; Aina, 2002) appeared to

present a more critical reality {this attempt was to explain the experience of the universities from the background of the theory framework; we are using aspects of a number of different models. The Resources Problem Resolution Portfolio (Figure 4.2) is used to reinforce the explanation in a later paragraph}. The finding here agrees with the African Political Economy model which holds that as the economic and political situation of African governments worsens, their supply of financial resources to the universities suffered considerable reduction (Aina, 2002). According to several respondents, the reality was that the public universities had big financial budgets on paper which were never sufficiently funded. Some respondents expressed this point in different ways. One resource manager said:

“teaching and research are two areas we cannot let to suffer....we cannot be right with resource allocation without paying adequate attention to these...a lot is done, but more can still be done...to take the university to the height of eminence” (RM11:135-140)

Another corroborates:

“impact of limitation of fund on research and teaching is very disastrous”.  
(RM31:2656-2659)

Yet another agrees:

“we lost a lot of our staff in the past...it was very difficult to meet salaries payment...sometime we owed up to three months...a lot of people left...” (RM31: 2665-2670)

Still corroborating, one HOD from a state university puts the blame on the government:

“the government is trying but that is not adequate” (RM32: 2849)

Another resource manager explains how bad the funding shortage can get:

“there was very high staff turnover....we had issue with funding which made it difficult to I meet staff payments...” (RM32: 2859-2862)

And yet from another resource manager, the comment is:

“If more funding is available, there are a lot of things that affect staff welfare... and morale will go up...where these are attended to, take offices, too, for instance, it is not only your pay, staff are always in the office, Monday to Friday, we are in the office; the office tells of staff welfare...where you spend most of your useful life time should be comfortable ... these tell of staff welfare...” (RM32: 2868-2873)

From the preceding analysis, it appears that critical financial shortage is perceived to critically affect staff morale. Furthermore, it appears that high dependence on the government increases the critical funding situation each year.

#### **4.3.3.1.3 The impact of critical financial shortage on teaching and research**

The majority of the respondents suggest that critical financial shortage drives the university managements into seeking funding dependences which could not encourage a systematic direction. From the comments of all the respondents {same response from every university sampled} the public universities were not properly empowered for generating adequate alternative resources and found themselves in dire stress once the government could not deliver as promised. This statement from a resource manager in one of the state universities tells part of the story:

“Shortage of funds deals blows on teaching and research...dangerously low. This is where most of the trouble is. We try to keep up with the minimum standard set by NUC. It could have been better if the bankers, donors and lots of others can come together and support the university.” (RM35:3451 – 3454)

Most respondents (30/45) referred to the statutory position that the federal universities were not allowed by law to collect school fees. This fact seems to corroborate the earlier observations of Ijaduola, et al (2010) and Okojie (2009) who saw it as one negative factor confronting the federal universities. It did not matter that some of the institutions have had to contrive different kinds of charges as long as they were not called by the name ‘school fees ‘(Odebiyi and Aina, 1999). There was a long list of charges, as many as twenty or more. These included items like registration fees, library fees, laboratory charges, identity card fees, medical insurance charges, departmental charges and so on. Respondents suggested that the public universities imposed these additional

charges as a way of avoiding the use of the term school fees which the federal law forbids them from collecting.

All the respondents from private and state universities (about 32 in all) seemingly agree with the above views. But they equally seem to affirm in contrast that they collected fees and other charges and had wider leverage of alternative funding sources than the federal universities. In fact, the interview narratives showed that private universities may raise as much as 98% of their annual resource needs from internal sources while it seems like between 40% and 50% for state universities. The following statement of a resource manager in one of the private universities is just one out of many:

“100%....it is all IGR. The proprietors bring in a little...very little every year. This is not more than 5% of all the overall budget. We fund basically with internally generated resources...tuition fees and other basic commercial inflows from our supermarket.” (RM55: 6173 – 6176)

Johnstone (1998) and Rui (2013) corroborate this finding. Most respondents from the private universities seem to use more positive terms to describe their experience with critical financing shortage. One resource manager expressed this in the following way:

“...salaries and bonuses, I will say very satisfactorily...as for medicals, that is just being reviewed...more can be done there” (RM11: 129-130)

Another interviewee said:

“very satisfactorily will best describe salaries {paid} here... We equally pay bonuses at year end...we map out adequate funds to take care of teaching and research each year” (Rm12: 272-274)

And yet another:

“very sound. Adequate pension scheme and medical allowances are available.”  
(RM15:649)

It appears from the preceding findings that the private universities enjoy greater autonomy in the management and choice of sources of finance. Respondents suggest that they are free to appoint their own boards, mobilize resources from tuition and other legitimate sources. The management boards of the public universities, on the contrast, are appointed by the Federal or State Government as the case may be. It appears that the private universities chose their own level of funding commitment and direction and could afford to operate at their own determined level of optimality.

A respondent (a Senior Resource Manager at a private university) had this to say:

“every year’s budget has a purpose to tackle. Those who have proposals that key into that general goal have their requests granted. The major goal of the university is key...we are a central budget driven institution.”{RM14: 481-484}.

On this, there is an opposing contrast from the government universities where respondents seem to claim that theirs was not a very participatory process as they were

never consulted adequately in planning the commitment of the resources. More so, many of the respondents from the government institutions further claimed that the resource allocation process did not work well in their institutions just as an HOD in the state university stated:

“it is one thing to be involved, but it is another thing having what you have prepared included and implemented in the end...implementation is the problem.”{RM34: 3120-3124}.

From the preceding analyses, it appears that shortage of critical financial resources is perceived to impact very negatively on governance, staff morale, and teaching and research. The situation appears to affect the federal and state universities more. It appears therefore, that critical financial resources shortage is an important consideration for each university management in resolving the resources allocation problem. However, it appears that the private universities involved their resource managers (heads of departments, in particular) more in resolving the critical shortages than the public universities.

The interviewees repeatedly associated poor critical resources handling with negative goal definition. They further suggest that this has resulted to an environment of low morale, dismal productivity, and low infrastructure in many universities. In the light of this, some interviewees were noted to have spoken in reflective terms as regards this. For instance, one said:

“yea...actually IGR is the main life wire of this university... our IGR sources are self-sustaining...part time and post graduate programmes..” RM33:2980-2983

Yet another was more averse:

“but those funds are not available. The fund may be there but is not available to be assessed....the way they are can be done better.... The budgets are never implemented. Every year budgets are prepared. That should address resource allocation...you expect accreditation and you ask us to go and prepare a budget...but the implementation is not there...you do not know if there is a shortfall...budget is prepared towards the expected income and you match your expenses towards that... if your income cannot match your expenses, you are not viable.” (RM34:3197-3205)

And from an HOD in a state university the narrative was worse:

“shortage of funds deals blows on teaching and research...dangerously low. This is where most of the trouble is. We try to keep up with the minimum standard set by NUC...we strive to meet the minimum standards. It could have been better if the bankers, donors and lots of others can come together and support the university” (RM35: 3451-3454)

From the preceding analysis, it appears that critical financial shortage is pervasive with all the categories of universities in Nigeria. The respondents from the state and federal universities appear, however, to make louder claim of this problem than the respondents from the private universities (see Table 1.3). It also appears that some universities

perform more creatively in seeking alternative funding to resolve their critical shortages. Furthermore, it appears that adopting a market orientation which includes charging of tuition fees, linkage with industry for the sale and 'massification' of research output and other commercial engagements had significant resource resolution implications for the universities. It appears the universities would be in a better situation to remunerate and motivate their staff and faculty considerably when they are not confronted with significant critical financial resources shortage. This finding also agrees with the finding of a similar research by Aina (2002) which concluded that at a time in the past, due to unresolved issues of staff payments, the Nigerian universities then became ungovernable and tension laden. Furthermore, this finding agrees with two other researches by Adeniyi, et al (2010), and Ijaduola and Agbaejola (2010) who identified other negative consequences of underfunding as scaling down of laboratory and practical classes, curtailment of attendance at academic conferences, reduction in acquisition of library books, basic chemical and laboratory apparatus and outright freeze on study fellowships and research grants.

From the preceding analysis, therefore, the research question number 6: "To what extent does shortage of critical financial resources impact on governance, staff morale, teaching and research in the universities?" may be answered thus:

- a. Shortage of critical financial resources appears to exact a huge influence on governance in the universities. This could be measurable by the amount of tension and rivalry among the resource managers.
- b. Shortage of critical financial resources appears to affect staff payments and consequently staff morale. This was seen from the frequency of references to

salary delays and staff welfare payments that were either not available or owed in arrears.

- c. Shortage of critical financial resources appears to affect teaching and research very negatively. This was evidenced in the extent of reports of inadequate funding of research proposals; overseas conferences embargoed; or laboratory consumables not provided.

The next section will present the critical resources dependence response. The critical resources dependence response emerged from the interviewees' answers to the research question 7: 'To what extent and how do the institutions respond to declining critical resource dependence support?'

#### **4.3.3.2 Critical resources dependence response**

This section presents the analysis of interview responses to the number seven research question: 'To what extent and how do the institutions respond to declining critical resource dependence support?'

The concept 'critical resources dependence response' (Pfeffer and Salancik, 1978, 2003; Akinsanya, 2007; Wangenge-Ouma, et al, 2008; Johnstone, 1998), situated also within the 'resources' theme (see figure 4.3), stemmed from the interviewees' responses to the research question 7: 'To what extent and how do the institutions respond to declining critical resource dependence support?' The analysis of the responses shows that 18 (40%) of the 45 interviewed attested to resources dependence response as a

critical factor in the resolution of the allocation process problems. In analysing the findings here, five sub-headings emerged, namely:

- (a) Critical reality of resources dependence (section 4.3.3.2.1);
- (b) Impact of dependence resources decline (section 4.3.3.2.2);
- (c) Determinants of critical resources dependence response ability (section 4.3.3.2.3);
- (d) Strategic responses to resources dependence gap (4.3.3.2.4); and,
- (e) Perceived benefits of successful resources dependence response (4.3.3.2.5).

#### **4.3.3.2.1 Critical reality of resources dependence**

Respondents from government institutions (federal and state) {32 out of 45} seem to consistently refer to the inability of the government to fund the federal and state universities adequately. In principle, the government had statutory responsibility to finance the federal universities one hundred per cent (Ijaduola, et al, 2010), but the interview study findings and other available literature (Aina, 2002; Akinsanya, 2007; Babalola, 1998; Wangenge-Ouma, 2008; Ijaduola, et al, 2010) suggest that there was a consistent failure on the part of the government in meeting up the expectations of the institutions. Table 1.3 provides objective data to further explain the point. The trend was such that each university had to seek alternative funding dependences to meet the serious funding gaps caused by the repeated government's default. Exploring the reaction of the universities in times of consistent decline in critical financial resources, the theme 'critical resources dependence response' was identified (see section 3.2.1.2). This represents the behaviour of the dependent institutions while seeking critical financial resources to carry out the originally planned commitments in the face of

declining support from the benefactors (Wangenge-Ouma, et al., 2008) and the impact on the resources allocation process.

It appears from the interviews that resources dependence response is what separates the university giants from the rest. This is to say that the universities who have developed a strong dependence response base appear to have more supply of critical financial resources and perform better than the others. It appears, also, that every university management is aware of the important place of resources dependence to the system and that it affects resourcing processes.

#### **4.3.3.2.2 Impact of dependence resources on basic operations**

Critical resources dependence response may be explained through the framework of the African Political Economy Model (Aina, 2002) as the intentional engagement of the universities when faced with consistent decline in critical financial sources (see sections 2.2.2 and 2.2.3). The qualitative literature shows that the Nigerian and, indeed, African governments, for several years, had been faced with heavy debt burden, political instability, poor infrastructural development, and as a result, have consistently reduced budgetary allocation to the higher education sector (Wangenge-Ouma, et al. 2008; Aina, 2002). According to the interviewees, and as earlier observed in available literature (Odebiyi and Aina, 1999; Aina, 2002; Akisanya, 2007; Ijaduola, et al, 2010), the continuous reduction in the supply of critical financial support by the government consequently results in deterioration of important infrastructure needed for teaching and research. The respondents suggest that the situation has worsened to the extent that many of the universities lack basic teaching equipment and laboratory consumables, or

even lose several of their eminent professors to foreign universities in the unpopular 'brain-drain' phenomenon.

The interviewees repeatedly claimed that science laboratories were without sufficient equipment and consumables; professors were not funded to attend international conferences; buildings were dilapidated; and motivation for excellent performance was clearly absent. Interviewees report that the emergence of the Tertiary Education Trust Fund (TETFUND), a body created by the government to focus at providing basic infrastructure for higher education, had failed to stand up squarely with shortages in the system. The researcher thinks that this is the pervasive nature of funding deficiency. It creates an environment of dryness that kind of paralyses the ability of the management to address all the issues of governance within. It comes from the external and deeply affects the internal situation.

A majority of the interviewees seem to have little praise for TETFUND, but repeatedly accuse the government of political manipulation of the activities of the body, thereby making it difficult for the full realization of the original intention of its creation. On this one interviewee said:

“the government is trying but that is not adequate...government has hands in so many social and political expenditures, but they have to do more on the aspect of education.” (RM32: 2849-2853)

as another squarely blames inadequate funding for poor infrastructure and low staff morale in the universities, saying:

“If more funding is available, there are a lot of things that affect staff welfare... and morale will go up...where these are attended to, take offices, too, for instance, it is not only your pay, staff are always in the office, Monday to Friday, we are in the office; the office tells of staff welfare...where you spend most of your useful life time should be comfortable ... these tell of staff welfare...” (RM32: 2868-2873)

A third was of the view that TETFUND existed but could not be easily accessed by the universities:

“there is what is called TETFUND.. tertiary education trust fund... as a result of 2009 ASUU struggle, there is annual budgetary allocation for research. That is large enough that sometimes the university does not even bother their heads to add to it...there is money but the problem is the process of accessing” (RM33:3033-3038)

It appears from the preceding analysis that the government was failing in the provision of required funding for the federal and state universities. Also, it appears that the use of dependence resources helped the universities in meeting critical resources needs for daily operation and for basic infrastructure. This finding seems to agree with Wangenge-Ouma and Cloete’s (2008) who relied on the resource dependence theory (Pfeffer, et al., 1978) to conclude that diversification of sources of revenue will guarantee universities continued financial stability. In addition, it appears that the absence of the needed dependence resources causes serious governance challenges. Lastly, therefore, it

appears that the physical work environment may become so negatively affected that staff morale declines (see section 4.3.3.1.2) with significant disadvantageous consequences on productivity.

#### **4.3.3.2.3 Determinants of critical resources dependence response ability**

From the study the insight appeared to be that the specific response of each university to dependence resources decline may be determined by the university's philosophy, funding and autonomy characteristics. This seems to agree with available literature (Wangenge-Ouma, 2008; Cloete and Maassen, 2002; Odebiyi and Aina, 1999; Pfeffer, et al., 1978) and supports the view that a university's resourcing philosophy may influence its response to the assumptions of the resource dependence theory. Very important among these may include flexibility to adapt in changing economic environment which could adversely impacts on critical funding relationships.

Also, available literature suggests that the funding dynamics of the federal, state and private universities varied to a reasonable degree, and that this may underpin the response disposition of each institution to critical resources demands (Onuoha, 2013; Ijaduola, et al, 2010). For example, the private universities appeared to engage more aggressively in sourcing critical finance through tuition and fees, quasi businesses, consulting and research. Respondents suggested that this was not unconnected with the founding principles of the private universities {They are organized on the private business principles which seek value added in more aggressive ways than the public institutions} which were, as divorced from the 'cake-sharing mentality' of the public institutions, based on entrepreneurial tenets (see sections 2.1.7 and 2.1.7.3). The interview study suggests that the private universities were not statutorily constrained like

the federal universities in charging school fees and that they designed better marketing strategies to attract the right clientele. In contrast to the private universities, the interviewees also consistently claimed that the government institutions (federal and state) were not as aggressive in seeking other sources of alternative funding just because they had the government as their benefactor and last resort. This finding also agrees with Aina's (2002) which highlighted the irony where the public institutions were statutorily disallowed from charging tuition fees despite the fact that they are woefully underfunded by the government. The following comments by some interviewees are of relevance. For example, one resource manager said:

“The extent to which funding supports teaching and research?...What comes is not enough and not regular. Government spends money on semester basis to improve on the laboratories... Last year there was massive infrastructural renewal intervention. This went into laboratories improvement...It is not enough...” (RM21:1294-1301)

Another says the government funds to the extent the universities only have to generate 10% on their own:

“Federal Government provides funding for capital developments, personnel costs and research. This ranges for up to 90% of our annual budget. The other 10% comes from IGR and donations. We also receive some income from commercial and petty business units – typing and printing, bookshop, etc...Government funds capital, salaries and research...hardly enough. What we get for electricity

for instance for one year is not up to 10% of our diesel consumption in a month. It is that bad. That is where the IGR helps a great deal..." (RM22: 1464-1475)

Even the resource manager who gave the universities a higher IGR ratio did not exceed 30%:

"...is said soon Government would be taking it 100% but for now, 70% government, 30% university....the 30% comes from IGR" (RM32: 3027-3028)

Of course, the above may not compare with the experience of the private universities as narrated by two resource managers from there:

"Through mainly internally generated revenue: tuition and a few commercial activities...I think tuition is leading now, there are some from the proprietors too" (RM11: 123-124)

"We are a wholly IGR funded university. Student fees give us about 85%. Then there are the proprietors and gifts making the rest" (RM12: 239-240)

It appears from the preceding qualitative analyses that the different universities possess different degrees of ability to generate dependence resources. Furthermore, the insight seems to be that the ability of the universities to generate dependence resources is greatly influenced by their philosophy, funding dynamics and autonomy. Accordingly, it was suggested by the interviewees that the federal and state universities which receive grants from the government are less aggressive than the private universities in driving

for internally generated revenues. This finding corroborates similar finding by Johnstone, 1998; AAU, 2004; Rui (2013).

#### **4.3.3.2.4 Strategic response to resource gaps**

The interview notes suggest that the three categories of universities pursue a mixed economy system (Aina, 2002; Smith, 2013; Rui, 2013) as a strategic response to external pressures (see section 2.1.7.2). The interview notes suggest that this was characterized by engagements in economic activities in such areas as quasi businesses (supermarkets, bookshops, bakery and table water), consulting (including conducting part-time certificate and diploma courses, seminars and executive manpower training programmes), aimed at generating more resources to meet personnel, overheads and capital funding gaps. In every case referred, managers of the quasi businesses were staff of the universities, some called up from the classroom to head one of the business ventures. The interviewees, however, seem to doubt how far the expectations of the institutions have been achieved considering that many of the so-called internally-generated revenue (IGR) units were run by those who lacked business management training and experience. The interview notes report that, in some cases, the units are headed by academic professors who had no business training or experience of running for-profit organizations.

Respondents (from state and federal universities) consistently maintained that some of the strategic business units (SBUs) have not been as profitable as envisaged. The interviewees suggest that appointments to the directorship of the IGR centres were characterized by internal politics and, often times, the whims and caprices of the vice-chancellors. Furthermore, the interviewees maintain that there were evidences that the

wrong people got appointed to head some of the units {which rob the establishment of quality management of the IGR centre with consequences to funding shortage}. The consequence for the universities, according to the interviewees, was that, rather than providing the needed support to fill the funding shortfall from the government/proprietors, some of the IGR centres had continued to gulp further capital injection with the excuse that they were still at the infancy stage.

The qualitative study seems to confirm the theoretical assumption that the location of the universities may constrain their ability to respond to situations of dependence support decline (Wangenge-Ouma, et al.,2008). The interviewees seem consistently to maintain that the universities in the big cities {more students, easier access for distribution of products of the quasi businesses on campus} like Lagos and Ibadan located in the highly populated western zone of the country stood better chances of raising more internally generated income than the other universities in the rural areas (Wangenge-Ouma, et al. 2008; Aina, 2002). All the federal and state (32 of 45) respondents, however, argued in favour of autonomy as a central factor for resolving the resource dependence equilibrium. For instance, an HOD from a state university says: "Government should fund but allow the universities enough discretion to map the resources to the various ends.... Allow us autonomy. That will help bring competition and improvement in the quality of our services to the nation" (RM27: 2314-2322). This may be illustrated in Fig. 4.2 which suggests the resolution of the resources problems by engaging dependence response in a positive way. In turn, it may be inferred that how the dependence resource decline is tackled could impact the resource commitment resolution and the governance environment.

From the preceding analysis, it appears that resources dependence response is of important consideration to the universities' managements in the resolution of resources commitment problems. The acknowledgement of 18 (40%) of the 45 interviewed fairly supports this claim (TT1). In addition, it appears that resources dependence response may be greatly influenced by the universities' (a) philosophy, (b) funding dynamics, and c) autonomy. Lastly, it appears that the universities undertake various levels of mixed economy as strategic measures to mitigate their financing gaps through the internally generated revenue (IGR). This finding corroborates Odebiyi and Aina (1999) who identified, consulting, quasi trading, supermarket, etcetera, as alternative means by which the universities in western Nigeria generated needed additional working capital.

#### **4.3.3.2.5 Perceived benefits of successful resources dependence response**

The majority of the interviewees suggest that the universities which engage positively with resources dependence response enjoy the benefit of healthier budget performance as well as more congenial governance atmosphere. The respondents further suggest that such universities may have enough money to transact and that the result was the provision of services that create satisfaction for the workers; and the workers' trust in the management. The interview notes suggest that the described environment seem more so for the private universities. The interview study findings suggest that the universities who are not able to fix their dependence resources problems encounter difficulties in meeting their requisite overheads and experience dilapidation of infrastructural facilities, falling academic standards and emigration of qualified teachers. This finding seems to agree with the earlier findings of Wangenge-Ouma, et al., 2008; Atuahene (2008); and Aina (2002). In addition, these notes seem to suggest that the universities which fail to engage in proper response to dependence resources decline may lose the important

financial support that the extra IGR cash can provide in times of declining critical support.

Again, the interviews seem to support the position of Owoyemi (2009); Aina (2002); and Johnstone (1998), among others, which suggest that resource managers could get better results by introducing optimal and honest commercialization to the management of the available resources. From university to university, the respondents suggest that professional hands should be engaged to run the internally generated revenue centres, also known as strategic business units (SBUs). The interviewees {both academics and managers} seem to prefer that the IGR centres should be always run on appropriate business principles by those who are very suitably trained. In this regard, echoing the voices of many, an interviewee said:

“Improvement in funding... Build up more strength in IGR generation through investments, more commercial activities like table water production, transport within the university, poultry for eggs production, agric projects, commercialization of research findings by way of co-operation with industry and commerce... There is urgent need to partner more with the private sector in commercialization of research findings. This is a gold mine waiting to be tapped. The royalties in the commercialization of our research findings should be huge enough to fund a large chunk of our annual operating and capital budgets. We need to do differently from what is the practice today” RM25: 1952-1968)

Many interviewees also recommend that the IGR units should be co-ordinated from a central department with specific responsibility to ensure that the strategic business units

operated consistently at a profit. The respondents {all the deans, HODs and Senior Managers, 33/45} repeatedly stressed the need for removing politics from this important activity area which could supply the institution a critical lifeline in times of severe financial shortage, if well managed. As some people say, 'anything worth doing is worth doing well'. It was not surprising that all the interviewees would want to see viable mixed economies for each university. Many interviewees suggested that when the alternative sources are strong, they provide important financial benefits to all in the system – staff and management alike. Such excess resources, they said, filled critical gaps that keep the institution moving strong in the face of declining dependence supplies.

The researcher thinks that it may be imperative, therefore, that the central administration and the senior management of each institution should define the direction, create the right structural frameworks, and above all, support the set up sub-systems with appropriate funding and personnel before expecting them to deliver.

The interview study here seems to support the postulations of Aina (2002), Wangenge-Ouma (2008) and Obasi and Eboh (2002) that every university management could change the institution's financial fortunes by a wide degree if proper effort is directed at ensuring that the IGR centres maintained profitable operations.

From the preceding analysis, it appears that effective resources dependence response has favourable implications for governance quality and resources allocation problems resolution. In addition, it appears that the universities could increase the revenue generation strength of their IGR units by engaging qualified personnel in the management of the centres.

Finally, from all the preceding analyses in this section, the research question number 7: 'To what extent and how do the institutions respond to declining critical resource dependence support?' may be answered thus:

- a. All the universities involved in this study appeared to consider critical resource dependence a major means of resolving their resource gaps. However, universities are engaged in it at varying degrees. About 40% of the resource managers interviewed appear to see this as a major key to the resolution of their resource problems.
- b. The analysis further appears to show that universities engage in such activities as consulting, executive training, quasi commercial activities such as photo copying, supermarkets, etcetera, for internally generated revenue to close the gap in critical dependence support.
- c. The managers of some IGR units in the universities appeared to be appointees of the central administration, mostly professors who were given an oversight responsibility in one area or another. Appointment did not always follow training and experience.
- d. Available literature seems to support the perception that private universities did better than the public universities in the drive for alternative funding (Johnstone, 1998; AAU, 2004; Rui, 2013).

The next section will present other points of interest mentioned by a few interviewees but which were not investigated further because of their limited frequency of occurrence.

#### **4.4 Other interesting qualitative data**

This section presents other interesting but not very frequently mentioned points the interviewees shared with the researcher. The purpose of this section is to inform the reader that the context of the study was far from clear-cut, but rather political, dynamic and embedded, and that the Efficient Resources Allocation Process (ERAP) model proposed by the researcher will not be applicable in a one-size fit all fashion (see figure 5.1).

A few interviewees mentioned some other interesting resource allocation issues which were not explored in detail because of the limited frequency. Considering the dynamic nature of the study topic where social and political factors appear to affect the findings, however, the researcher considers it appropriate to mention these interesting but less frequently mentioned points. In this category were concepts such as: rationing, hope for improvement (T1), prioritization, spirit of sacrifice (T4, T5), mutual co-operation among the resource managers ( T7), point system (T15, T39). This study will not explore these concepts further. It would, however, seem appropriate to point out that these concepts could be capable of affecting resources allocation process resolution discussed in section 4.3 above. Perhaps, future research to determine the impact of these on resources allocation management may be a rewarding exercise.

The next two sections will present the insight gained by the researcher and a summary of the chapter pointing out the conclusions arising from all the findings discussed in the preceding sections.

#### **4.5 Insight Gained**

The researcher, with over 15 years' managerial hindsight in similar university environments as a chief financial officer (CFO), concurs with most claims of the interviewees and the insights expressed in the preceding sections. The researcher, however, reflects differently that while resource shortage may be an important factor limiting successful resources allocation processes as claimed by most resource managers, the tension and internal rivalry among the resource managers and top management loom so large and easily defeat the genuine intentions of the resources allocation processes.

#### **4.6 Chapter Summary**

This chapter presented the results of the qualitative data analysis, utilizing data gathered from the six sample universities, comprising 45 interview narratives (see section 3.7.1) and other available qualitative literature. The data analysis, using Creswell's (2002) data analysis procedure, Maykut and Morehouse's (1994) constant comparative method, and McAdam's (1993) story elements analytical method yielded to three major themes: people, process, and resources (see figure 4.2). Further analysis of the themes revealed the most important factors influencing resources allocation processes as: (a) critical financial resources shortage; (b) resources dependence response; (c) resources allocation processes; (d) core and peripheral units' challenge; and (e) politics and power. These main categories were presented as the resources problems resolution portfolio (fig. 4.2) linking the direction drivers (philosophy, funding dynamics and autonomy) and the resource allocation process influencers (the five main categories) with strategic direction (governance quality and resource commitment).

Over all, the findings appear to suggest that resources commitment problems and governance quality are positively influenced by the resources dependence response, resources allocation processes, and core and peripheral units' challenge. It would seem from the interviewees narratives that the universities did better with governance and resource mapping where dependence response is high, the allocation processes are well defined and respected, and the importance of the departments to the primary purpose of the university form the basis for allocation of available critical resources. Conversely, the resources commitment problems and governance quality appear to be inversely associated with critical resources shortage and culture, politics & power. When resources shortage and politics and power issues rise, commitment resolution and governance quality diminish. These, therefore, suggest that an efficient resources allocation process (ERAP) model revolving around people, process and resources may be possible and could result from the intentional management of resources, involving collective engagement of the best available resource hands (*people*), ensuring that financial resources (*resources*) are equitably deployed (*process*) to achieve the definite universities' strategic goals.

In addition, the analyses of the findings appear to suggest that the five identified resources allocation process influencers within the resources problems resolution portfolio (fig. 4.2) may substantially resolve the resources allocation process question in the six Nigerian universities studied. There were, however, other interesting factors mentioned by a few interviewees, which for insufficient frequency, this study could not fully investigate and which could form subject of further investigation in the future.

Also, the figure 4.2 appears to further suggest that the resources allocation processes and governance quality may be considerably impacted by the characteristics of the universities' philosophy, funding dynamics and autonomy. This research did not go into deeper investigation of these for reason of scope and time constraint. Perhaps, further research in this area could be a rewarding exercise also.

Lastly, the results of the study further suggest that the conceptual theoretical framework (presented in chapter 2) using Laughlin's (1985) middle range thinking [focusing at some aspects of the African political economy model (Aina, 2002), resources dependence theory (Pfeffer and Salancik, 1978, 2003), resources allocation process model (Bower and Gilbert, 2007), and the power and centrality theory (Hackman, 1985)], as well as the Creswell's (1993) data analysis procedure, Maykut and Morehouse's (1994) constant comparative method, and McAdams' (1993) analytical framework were very useful for the study. This researcher believes the interpretive approach adopted here has provided sufficient insight into the resources allocation process problems and resolution in the six universities studied. Different analysts may approach the exercise in other different ways. This may not be unexpected as there are several different interpretive approaches in which interview narratives could be analyzed (Riessman, 1993; Landrum, 2008; Mckenna, 2010).

The next chapter will present discussion of the findings and relate them to existing research.

## **CHAPTER FIVE - DISCUSSION**

### **5.0 Introduction**

This chapter presents discussion of the findings and their implications to practice. The previous chapter presented the findings obtained utilizing qualitative data.

The purpose of this study was to identify factors affecting systematic financial resources allocation processes in six Nigerian universities. The specific objectives were: to identify and critically assess the existing financial resources allocation strategies employed by the Nigerian universities; to determine the perception of universities' managers on the degree of association between funding and governance quality, staff morale, and teaching and research; to construct a model of resources allocation processes that may instil efficiency in the deployment of critical resources in the Nigerian universities; and, to propose a recommendation for practice change.

This chapter is structured into five sections: (a) Summary of the findings, (b) Discussion of the findings, (c) Implications of the findings to practice, (d) The efficient resources allocation process (ERAP) model, and (e) Impact of Data Collection Methods on the Findings

### **5.1 Summary of the findings**

This section presents a summary of the findings. As mentioned in chapter three, this study used the qualitative approach. This means that 'qualitative data' are collected and analyzed. This approach was selected because it gives richness and deeper insight into phenomena being studied than the quantitative approach (Corbin and Strauss, 2008;

Hancock, 1998; Al-Dossary, 2008). For example, as stated in chapter three, the use of semi-structured interviews allowed participants to provide their detailed perceptions of the phenomena.

Qualitative data were obtained from federal, state and private universities. 45 interviews were conducted: 30 were face-to-face and 15 by telephone. The telephone interview was used because the concluding interviews took place at a time the universities in Nigeria were on strike and all senior academic staff were not allowed by the workers' union to show up in the office during working hours. The composition of those interviewed featured 13 principal officers, 6 deans, 18 heads of department and 8 senior management accountants.

As stated in chapter two, the middle-range thinking (Laughlin, 1995) framework was adopted. This allowed for focus on aspects of the four paradigms (the African Political Economy Model (Aina, 2002); Resources Dependence Theory (Pfeffer and Salancik, 1978), the Power and Centrality Theory (Hackman, 1985); and RAP Model (Bower, 1970; Bower and Gilbert 2007) for the study of the resource allocation processes in the three categories of universities.

By employing Creswell's (2003) data analysis procedure, Maykut and Morehouse's (1994) constant comparative method, and McAdams' (1993) data analytical method, the data analysis produced 'people, process and resources' as the major themes.

In relation to funding, it was perceived from the findings that all the three categories of universities faced critical funding shortage. On the resourcefulness of management in

seeking alternative funding through IGR, the analysis of the findings appeared to suggest the private universities were more creative than their counterparts in the public universities. This suggests agreement with the findings of Rui (2013) and Magalhaes (2013). In part, this may be due to the philosophy of business orientation by which the private universities are founded. For example, the private universities are not supported with government funding; they generate most needed funding from internally generated sources. Also, the reason may in part be as result of the degree of autonomy the private universities enjoy over their public universities counterparts who depend largely on the government for critical funding. This assessment also finds agreement with the conclusions of Shattock (2002), Aghion (2009), and Magalhaes (2013).

The resource managers at all the levels (both public and private) strongly perceived shortage of funding as very negatively affecting teaching and research, capital development, discipline and the workers' morale. Repeated interview narratives such as the two below seemed to support this perception. First, from a CFO and a resource manager of a federal university:

“...government disburses directly for research and teaching. These have implications on the ability of the local administration to decide on the appropriate mix to do the job effectively. The universities would fare better if they have to handle the planning and execution of the research and teaching funding on their own.” (RM44:4693-4696)

“{On adequacy of staff related payments} Very inadequate. See the on going strike, is because the staff payments are not adequate...government pays

salaries, capital project funding comes from government too but that is not regular. In fact, sometimes, it is better described as frustrating.” RM60: 6443-6446)

Second, from a private university dean:

“{We are funded} through mainly internally generated revenue: tuition and a few commercial activities. A little comes from the proprietor, that is really small.” (RM54: 6016-6018)

The researcher’s insight, however, points to the fact that it was rather in the many rivalries among the resource managers and absence of trust on the top management that the resource allocation processes were affected the most.

In relation to resource allocation processes, participants from the three categories of universities appeared to agree that communication between central administration and resource managers is a very important resource in efficient resources management. The participants across all the university categories perceived open and regular communication as a major key to the resolution of the resources allocation issues. The following three quotations from each of the categories of universities sampled explain this point better. First, from a private university a resource manager had this to say:

“We have to work together more in deciding the resources and what they are to go for. The administration should more specifically define its direction and use the grass root more in initiating ideas. That way our plans and deployment of

resources will far more relate to current needs of the departments and relevance to societal problems of the day.” (RM54: 6071-6076)

Second, from a state university a resource manager makes reservations about this:

“The communication process, to me is adequate. We inform all segments of the community. Everyone is normally aware. There is just one thing that holds them back from being a part of everything. I wish I knew what that problem is.” (RM70:7556-7559)

Third, from a federal university, yet another resource manager remarked how deep the communication and involvement of the stakeholders can go to achieve desired results:

“We plan using the annual budgeting system. It is a collective effort... involves people in all sections of the university – central administration, faculties and departments, units and desks all contribute inputs to arrive at the final document. The units provide the raw inputs which the departments put together and send to the schools in the dean’s office. We build our budgets from bottom up. The finance office circular goes out mid year for inputs from all al sundry. Around September the inputs are ready for the finance department collate, fine tune and present to the larger house. Thereafter meetings are scheduled for heads to defences.. The finance office job includes pruning to remove requests that are far and away from the year’s limits. The final stage is the approval of the document by the council. This comes after the Bursar has obtained the approval of the management. The council is the final approving authority before it goes to the

federal government, precisely the office of the accountant general of the federation. Afterwards, the result of the council session on the budget is communicated down to all the faculties and departments via a circular from the CFO.” (RM 62: 6552-6570)

Similarly, there appeared to be a substantial agreement among the interviewees that core and peripheral dichotomy helped in focusing resources where they yielded optimal benefits to the universities. Respondents (10 out of 45 (22%)) from all the three university categories appeared to perceive this as an important consideration in successful resources process management. The low percentage may be due to the absence of a clear policy on such rather than the absence of practice. From each university, interviewees had one department or the other they believed resources were allocated to whether funds were abundant or lean. This point is in agreement with Hackman, 1985 and Ashar and Shapiro, 1988.

As regards politics and power, it appeared that resource managers did not approve of politics and power as a good solution to the resource allocation question. The participants from all the three categories of universities seemed to perceive power to depend on the centrality of a department with the central purpose of the university. The following two quotes from interviewees narratives represent the position of many others in this matter. First a resource manager from a public university says:

“Well, as a public university, you can expect politics. But the players are clever at it. Rather than outright raw politics, you see the deans and heads of department aligning willingly with the vice chancellor’s vision. That way, we have

steady progress because majority of the leaders are pulling together in one direction. The Vice Chancellor knows that to unduly favour one department at the expense of the others will lead to crises. This leads to some form of balance at the end of the day.” (RM62: 6616-6623)

Then from a public university, a resource manager says:

“We plan jointly and attempt is made to direct funds as all of us deem to the best interest of the university as a whole. Some HODs that have accreditation visit in view may receive greater attention but that is not measured by power or politics....we are not a politics driven university.” (RM17: 888-900; 929)

From the narratives it would appear that there was a general perception that heads of departments derived their powers from the importance of their units to the primary purpose of the institutions. This is in agreement with the theoretical assumptions of the Hackman’s (1985) power and centrality theory.

The next section will discuss these findings in more detail looking through the three major themes presented in chapter 4 and relate to the existing literature.

## **5.2 Discussion of the Specific findings**

This section discusses the findings in detail and shows how the findings relate to some major literature. The discussion follows through along the three major themes of people, process and resources.

This study was guided by Laughlin's (1995) middle-range thinking focusing on aspects of the African Political Economy (APE) Model (Aina, 2002), the Resource Dependence Theory (Pfeffer and Salancik, 1978), Power and centrality theory (Hackman, 1985) and RAP model (Bower, 1970; Bower and Gilbert, 2007). The results from the qualitative data showed that aspects of the four frameworks were useful in understanding resources commitment in the universities studied. The APE model explained how the universities are affected budget wise by the economic decline of the federal government. The proposition of the model is that as the economic situation, debt burden and political instability of the African governments got worse, the appropriation to the universities reduced more and more. The present study confirmed this as the reality of the Nigerian situation for the government owned universities. This agreed with the findings of Aina (2002) and Wangenge-Ouma and Cloete (2008). Wangenge-Ouma, et al (2008) further stated that many of the universities were situated in economically disadvantaged communities and that they failed to link with industry for partnerships that could lead to the commercialization of their research outputs. It would appear, however, that the African political economy model was not helpful in explaining the economic realities of the private universities. The findings show that private universities are funded mainly from internally generated revenues (IGR). Government's debt burdens or political woes may not be directly associated with the fortunes of the private universities.

The resources dependence theory (Pfeffer and Salancik, 1978, 2003) was adaptively useful in understanding the responses of the universities to shortage of critical funding. The assumption of the theory is that as long as the organizations can produce acceptable goods and services, the financiers would be willing to support more. This was equally true for the universities. Also, the theory helped to understand how the

universities reacted by seeking alternative funding when faced with critical funding shortage. For instance, the universities studied engaged in internally generated revenue (IGR) drive to a large degree to reduce the impact of funding shortage from the government. The private universities studied did not receive grants from the government but relied heavily on IGR for their necessary funding. These findings agree with the earlier findings by Odebiyi and Aina (1999) and Wangenge-Ouma and Cloete, (2008). Rui's (2010), AAU's (2004), and Johnstone's (1998) earlier findings agree also with the finding in this study suggesting that the private universities were doing better than the public universities because of their commercial orientation and philosophy in attracting fee paying students.

The power and centrality theory (Hackman, 1985) was useful in explaining the influence of the resourcing process by the political and power values of departments within the universities. The theory suggests that the dichotomization of the units between core and peripheral helped the universities channel resources optimally. For example, departments such as agriculture, religion and medicine, received different degrees of emphasis according to whether they were identified as core or peripheral units. It did not matter that some participants claimed all the departments received equal resource allocation attention. In some places, these key departments got allocations in lean and abundant times. By this finding, the power and centrality theory (Hackman, 1985) could be deemed highly useful for this study. However, it may be appropriate to note that dichotomization of departments into core and peripheral units is not a clear cut process in the different universities.

RAP model (Bower, 1970; Bower and Gilbert, 2007) emphasized need for multi-level decision process. The universities studied typified this in their resource allocation processes. For instance, the processes began first at the department's level, next debates are held at the school or faculty level and then joint schools debates are held at the central level. This process assured harmonization of the universities goals and direction. For example, figure 4.1 illustrates the three major steps (consultations, comparison, and collective engagement) fundamental to achieving successful resource allocation processes. For the universities included in this study, these steps were practiced at different degrees.

The interview narratives analysis in the preceding chapter led to the three major resources allocation process themes: people, process and resources. The three themes were further analyzed to situate the five major findings from the study. These are subjects of sections 5.2.1 – 5.2.3.

### **5.2.1 Theme 1: People**

This provides the background for the discussion of two of the five major study findings: (a) core and peripheral units' challenge (section 5.2.3.1); and (b) Politics and power ((section 5.2.3.2). These provide answers to research questions 4, 5,6, and 7.

#### **5.2.1.1 Core and peripheral units challenge**

Core and peripheral units refer to the university's organization structure that separates the departments by their relative importance to the primary purpose of the institution. The ability of the management to separate and then relate to the different departments with resources commitment according to their closeness to the primary purpose of the

institution may define efficiency or otherwise. Core units are those whose functions are not separable from the very purpose of the university such as academic departments, the library, laboratories and classrooms. Peripheral units lend support to the core units. They can be seen as service units which enhance the ability of the core departments to perform better. Examples are admissions and records department, finance office, sports and socials unit, etc. identification and separation of core and peripheral units helps the management when planning for human and material resources needs.

The interview narratives suggest that every university management knows by heart which units are flagships and which ones are mere support units. Although many interviewees' perception was that no units were given greater attention in resource allocation than others, the researcher's insight is that for the conventional universities, the medical school and departments facing imminent accreditation visit from the National Universities Commission, received priority allocations each year than the others. Most universities have gone into medical schools without adequate provisions for infrastructure, so the resources here are nearly always woeful. This partially explains why those medical schools are often put first when sharing available resources. The case of departments preparing for accreditation is that the NUC has certain minimum resources expected to be available for a programme. The failure of the university administration to provide those could lead to non-accreditation or de-accreditation in case of a programme in interim position. Wisdom for most universities is to allocate resources to these programmes. In summary, these notes suggest that core or peripheral status may not be a static feature. It may vary by the philosophy or vision of management for the university at a given period of time. The importance of core and

peripheral challenge reflects on how steadily the resource managers project their departments for sharing what is available in any given year.

#### **5.2.1.2 Power and politics**

Finally, politics and power refer to the relationships and alliances within the institution that allow one department or head to win funding support from the central administration more than others. The findings identify politics and power as subtle approaches by which the heads of departments try to curry favours from the leadership at the expense of their colleagues. The findings show that this exists in all universities in different degrees.

Studies show that different authors have reported in some aspects of these in different resources management literature (Odebiyi and Aina, 1999; Wangenge-Ouma, et al., 2008). However, the presentation in this study is unique as it looks comprehensively at the situation affecting all categories of universities in Nigeria. The analysis of interview narratives produced the resources allocation process milieu with major themes as people, process and resources.

The qualitative approach adopted here allows for the very managers engaged in the system to tell the story from their own first hand experiences of how the processes work in practice. This yielded to the insight that, contrary to the general perception before the study, 'tension' and 'rivalry' among the resource managers impacted more negatively on the resources allocation processes than critical funding shortage.

In addition, the triangulation of qualitative literature and expert knowledge simply provide room for documenting a piece of novel work in financial resources management. Consequently, this work makes an original contribution to the existing financial resources allocation process and commitment literature. Also, as shown in fig. 4.2, the resources problem resolution portfolio helps in the development of arguments showing how different degrees of commitment in the five resources problems may influence both quality of governance and resources commitment resolution. Such commitments are highly likely to engender, even if indirectly, greater productivity among the workforce within the universities. All the interviewees repeatedly suggested that resourcing issues needed to be resolved in a more efficient way with less politics involved. They consistently sought for a system that would emphasize collective negotiation, equity and historical performance.

### **5.2.2 Theme 2: Process**

This provides the background for the discussion of one of the five major study findings: resources allocation processes (section 5.2.2.1). This section discusses answers to the research question 3.

#### **5.2.2.1 Resources Allocation Processes**

Resource allocation processes are the communication processes that take place between the central administration and the resource managers from the inception to the commitment of resources to specific directions. Included here are the call for inputs, inputs submission and collation processes. These may be summed up as the preparation and consultation stages between the administration, through the office of the CFO, and the resource managers at the departmental and schools levels. The call for

inputs stems from the CFO to the resource managers; inputs submission comes from the various resource managers to the CFO's office; and collation is done by the CFO. The collation effort produces the single global working document, also known as, the master budget. At the draft level, the master budget helps the CFO and his colleagues to appreciate the global implications of the separate requests measured against the anticipated resources for the plan period in view.

### **5.2.3 Theme 3: Resources**

This provides the background for the discussion of two of the five major study findings. These are: (a) Critical financial shortage (section 5,2,1,1); and, (b) Resources dependence response (section 5.2.1.2). These major findings are in answer to research questions 1 and 2.

#### **5.2.3.1 Critical Financial Shortage**

Critical financial shortage refers to the situation of inadequate resources for keeping up with the operating and capital financing required for effective delivery of teaching and research in the universities. The situation of shortage reflects in difficulty in meeting payment of salaries; keeping up with promises of salary increase or payment of bonuses; acquisition of laboratory equipments; supply of consumables for experiments and instructions; repairs of buildings or construction of new ones, and a long list of others.

#### **5.2.3.2 Resources Dependence Response**

Resources dependence response relates to how the universities are able to find alternative funding sources to replace the critically disappearing support from the

government or the proprietors (in the case of private universities). The responses of the institutions vary somewhat depending on whether the institutions are private or public. In their search for alternative funding, the private institutions resort to charging of school fees and other long list of levies. The government owned universities are restrained statutorily from charging fees, so they contain themselves with imposing a long list of levies including development levies, library charges, identity card charges, health insurance levies, departmental levies, programme levies, laboratory charges, library charges, and so on. The findings also show that all categories of universities engage in quasi businesses such as supermarkets, bookshops, bakery, and consulting in their drive for dependence resources.

### **5.3 Implications of the findings to practice**

This section is devoted to explaining the relevance of the findings of the study to the research questions. Important references are made to applications of the findings within the university environment. In the process, there is a constant attempt to triangulate the findings, the literature review and the theoretical framework earlier presented (chapter two) aimed at optimizing the dependability of the conclusions reached. Sections 5.3.1 – 5.3.5 provide the suggested implications of the five major findings.

#### **5.3.1 Implication of the Core and peripheral units' challenge**

The findings strongly connect resolution of resources commitment problems to solving the problem of core and peripheral units' dichotomy (Hackman, 2005). This finding is of practical importance to the central administration in deciding where budgetary emphasis will centre. Understanding the commitment needs of the core units will help the management map resources, foremost, to those departments that contribute more

directly to the accomplishment of the primary goals of the institution. The point is that the core units are so important to achieving the major direction of the university, either as cash-cow, flagship or signature programmes. As the name implies, cash-cow programmes are those which guarantee the major resource inflows, such as the business faculty in some universities. Investing in the cash-cow departments may be a way of expanding enrolment capacity or enhancing quality of offerings, both of which, directly or indirectly, allow for more enrolments, and accordingly, more inflows, especially for the fee paying institutions. Appropriate investments in the cash-cow programmes put the management in a proper stead for solving the critical financial shortage problem discussed before. Flagship or signature programmes are those which provide a basis of uniqueness for the institution. These programmes define the public image of the university and management may commit more resources into them, not because of how profitable they are, but as a way of currying high public estimation of the institution. In many universities, areas like medicine, information technology (IT) and religion have been set out as signature programmes. Investments in flagship or signature programmes, often as promotional, may be as equally compelling as for cash-cow units. In that case, the centrality of the unit confers some power on it as a major consideration when allocating available resources (Hackman, 1985). Again, experts agree that, in times of economic stress, peripheral units can also gain internal resources allocations by themselves becoming external resource earners (Hackman, 1985; Ashar and Shapiro, 1988). They can do this by earning fees income from non-regular university programmes such as certificate courses or workshops, or by securing major gifts from donors.

Also, from the study certain services were identified which the management would not ignore when allocating resources. From interview narratives mention was repeatedly made of NUC accreditation, medical school, agriculture department, religious department, etc. These units are there to make sure that the front line units succeeded or were carried as signature items. There were also very critical cost centres like the Finance Office of the university (Aina, 2002). The Finance Office handles all financial operations of the university, including collection of all types of inflows and makes sure that funds are available to implement the approved budgets. The study showed that the finance office ignites the process by sending out series of circulars. The management's investment in the finance office would include employment of qualified personnel, acquisition of right equipment for proper handling of the revenue collection and disbursement functions of the department. All other sections of the university need the services of this department to remain functionally effective. That is the way it gains relevance and appropriate resource allocations.

Understanding the core and peripheral divide will help resource managers to address their requests in such a way that it would be clearly understood how they contribute to the accomplishment of the central goals of the institution. Any request that is lacking in this attribute may fail to compel the urgent attention of the central administration. This is very important, as was observed in section 5.2.1 above, that the critical resource shortage is pervasive throughout the universities and that management is so compelled to carefully apply what is available to only important commitments. Appropriate commitments along the lines of core and peripheral units will ultimately improve the quality of governance and resources commitment resolution. The opposite may be true of failing to address the subject appropriately in which case contentions may heighten

and perhaps lead to adverse consequences such as disloyalty, indiscipline and lowered productivity. This consideration makes core and peripheral units' dichotomy a major resource allocation decision every resource management will have to confront.

### **5.3.2 Implications of culture, politics and power**

The findings in relation to politics and power indicate that management will need to give serious consideration here when attempting to solve the resource commitment problem. Understanding the internal politics and power structure of the university will help central administration and the resource managers tackle the subtleties and manoeuvrings the resource beneficiaries bring on the stage when seeking for preferential allocations. Available literature indicates that whether times are good or bad, some departments and offices get more resources allocated to them from what is available (Hackman, 1985). What the management will do includes determining how the units position their centrality with the mission of the institution and work to ensure that resources are not allocated to the loudest seekers, but based on the merit of strategic relevance and historical performance.

The finding here is in agreement with the power and centrality theory (Hackman, 1985) assumption that a unit may gain environmental power because of its location or alignment in the scheme of things within an organization. It has been said by resource management experts that demarcating between core and peripheral units is critical to resource deployment and that should be settled first before resources are committed (Ashar and Shapiro, 1988). In this sense, this dichotomy becomes an impetus for defining the direction of available resources. Also, the influence of the head of department is a critical element that needs to be carefully identified. Some heads of

department gain more influence by associating closely with the institution's leadership and programmes. This intentional relationship with the motive of currying favours may be considered as nothing short of politics. Evidences are available from the study of where some heads got allocations for their units because of the personal support of the vice chancellors. A resource manager from one of the universities puts it thus:

“It depends on how you look at it. My straight answer would be yes, there is no politics, but we need to look at that very closely. Every human community has politics in it. This place cannot be an exception. What is crucial is how it is carried out. I find a lot of subtle politics by those who claim to be friends of the vice chancellor and his men. All those have one ambition, to get what they want from the administration.” (RM64:7020-7026)

This type of influence may never be totally absent from the resources allocation table, but the use of committee system can help to check the excesses of some powerful heads of Departments.

As shown in fig. 4.2, the resolution of politics and power problem has important influence on governance quality and resource commitment. This suggests that where politics and power forces within the institution are ignored, they are capable of creating environmental disharmony that could mar staff morale and productivity. In extreme situations, as expressed by a few interviewees, management could discover itself suddenly surrounded by too many politically charged individuals at the expense of quality governance. This is in agreement with Aina, 2002. Also, the possibility of subtle influence of resource managers on allocations of units was in agreement with Hackman,

1985. This understanding may inform the reason every university management ought to give good attention to the issues of politics and power within the institution when sharing available resources.

### **5.3.3 Implications of resources allocation processes**

Focusing on resources allocation processes will help the central administration to address itself to important communication efforts that would promote the resourcing commitment resolution. The first step (see fig. 4.1) in resource allocation processes involves a series of consultations between central administration (often represented by the office of the CFO) and the resource managers. Activities involved here are related to calls for inputs, submission of inputs and collation of requests. For most part at this stage, the consulting happens at two levels, namely: between the office of the CFO and the Resource Managers on one hand, and the Resource Managers and their team members on the other hand.

At the first level, consulting here includes efforts to understand the expectations of management in terms of available funding in a given period; seeking clarification regarding the vision and direction of central administration and getting to review the needs of the various sub-units. The effort here enables resource managers to come up with requisitions that fall in line with the strategic direction of the institution. This begins from the moment the CFO sends out invitations for inputs to the stakeholders. The second level happens between the resource managers and members of their sub-units. It is usually expected that the resource managers will require inputs from every member of their sub-units in order to arrive at the departmental budgetary package that would go to the CFO's office. This may be met by holding important meetings within the sub-units,

among the directors and any other who had important ideas that could improve the requisite inputs. At the end of the inter-unit consultations, the RMs then submit their separate requisitions to the central administration through the CFO's office.

The second step (see figure 4.1 in Chapter 4) in the communications processes involves comparisons. The CFO's office tries to verify and ascertain accuracy of the inputs and their conformity with the proposed direction for the year. Requisitions which meet the specifications are retained and those which have no relevance to the expected goals or exceed the limit allowed to a single unit for the year are discarded. Following this, the CFO collates the different requisitions into a single document in order to ascertain how they match the total projected resources for the period. At this point, when the master budget is ready, the CFO consults with the top leadership with his observations on the master budget and presents his opinion and counsels to the management in session before committee debates can begin. These comments of three resource managers help to position this discussion.

One said:

“early in the year we send out circulars to all the arms of the university, departments, faculties, the colleges and ... even the unions so that they will be sensitized as to what inputs they want to have in the year's budget...” (RM 31: 258-2540)

The second said:

“ Here every one is involved. The bursar first writes to invite inputs from all deans and HODs two to three months ahead for each person to bring in inputs in forms

of requisitions for the next year's departmental or sectional perceived needs. When the bursar has received the inputs, he compiles all in a single document and brings it for discussion during a purposely called resource allocation meeting. Everybody does not necessarily get all they requested, but this forum helps finance department to know exactly what to retain in the final document..." (RM 42: 4268-4273)

And another says:

"Everybody is given a chance to dream what they think would be good for their sections for a given resource allocation period." RM 45:4796-4796

The third step (see figure 4.1 in chapter 4) is characterized by committee meetings. At these meetings, the resource managers take turns to justify their requisitions. Other colleagues present counter arguments, and, if possible, studied with sound warrants, try to shoot down the presentations of others. From these debates both central administration and the resource managers obtain more useful information that guides them on resource commitment decisions. At the committee meetings, through the frank debates, central administration and all other managers gain great new insights that help improve the quality of resource direction and management. Every good or bad resource commitment decision taken has direct or indirect influence on governance quality and resource commitment resolution, and this further explains why every university management would have to encourage effective committee meetings, making the conduct as transparent as possible. The CFO and his/her team (from the finance office) make available to the committee members as much financial data as necessary, sometimes ahead of meeting dates, so as to encourage quality discussions during

sessions (Onuoha, 2012). Central administration uses the committee forum to further drive the institution's philosophy deep into the hearts of the stakeholders and try to gain positive support to the year's plans. In turn, resource managers and others assess management's honesty and passion from the conduct of the committee sessions, and for many of them, it informs their response to the expectations of management.

This discussion conforms with the RAP model assumptions (Bower, 1970, Bower and Gilbert, 2007:26) which inform that commitment to direction is a 'complex, multilevel phenomenon' that begins at the lower levels of management and goes on until the commitment is agreed at the top. The aim is to arrive at a strategic direction with firm structures and process dimensions. Conflicts that arise (which must) are straightened by proper definition of roles and integration of narrow departmental or personal views into the global expectations of the institution as a whole. Proper communication between management and the stake holders is at the centre of success or failure in this engagement. When it is done well, the community experiences united purpose and dynamic growth. If it is done badly, distrust ensues and resource managers make a bad showing of the job. Governance and resource direction are directly or indirectly affected as reflected in fig. 4.1. In view of the serious consequences of bad resources allocation processes on governance and direction of the institution then, management should make intentional efforts to keep resource managers constantly abreast with the institution's philosophy, funding dynamics and definite goals and expectations at all times.

Expectedly, the changes proposed here will almost certainly be resisted by some resource managers within the system. Those who enjoyed some undue advantage by

the former system that allowed room for internal politics would find faults and try to make the new system not to succeed. The administration would however do well ensuring sufficient communication with all stakeholders, emphasizing transparency and trust as a way of driving the system to succeed.

#### **5.3.4 Implications of critical financial shortage**

The findings here are of practical relevance to resource managers in institutions of higher learning. In agreement with the African Political Economy Model, resource managers will face critical financial shortage on a frequent basis as the study suggests that there is a huge declining support from the government (major financiers of the public universities) in the past few years (Aina, 2002; Wangenge-Ouma, et al., 2008). The managers will have to face the constraints posed by financial resources shortage in their deployment engagement. The findings indicate that the degree to which the managers invest or fail to invest in the resolution of the financial shortage problem may play a crucial role in determining the quality of governance and resource direction outcomes in the institutions.

The criticality of the financial resource problem may be considered from the point of view of atmosphere of tension in relationships and the feeling of impotence that results from workers not being able to deliver efficient services to the community. Appropriate attention to the issue of funding will bring about positive resolution of critical finances needed for salaries, instructional overheads, laboratory consumables, and other general operating expenses without which day to day running of the university would simply not flow. That is equally true for capital infrastructure provision. Accordingly, where the managers fail to resolve the funding problem, day to day management of the institutions

is not different from a 'nightmare'. There will be heightened tension in the air resulting from salary payment delays, unmet promotion promises, declining loyalty of the staff, increased level of staff turnover, eroding quality of teaching and research, and dilapidation of physical infrastructure, among several others. In some cases, the campuses become simply ungovernable (Odebiyi and Aina, 1999).

On the positive side, by paying appropriate attention to the issue of financial shortage, management is able to engage effectively with sustained salary payments, staff welfare funding and infrastructural provision. Indirectly, what results from this will reflect on staff loyalty, improved professionalism and efficiency, and the greater congenial workplace atmosphere that will emerge would simply persuade workers to choose the focal university as a place to make a lasting career.

It is important that the resources managers are aware of the funding realities of their institutions and appreciate the need for applying themselves to critical judiciousness in the application of the resources in their possession from time to time. In doing this, there is constant need for transparency and trust between central administration and the resource managers. The resource managers should be abreast with the philosophy of the administration and agree on the global direction as co-operators in good faith. The job of the resource managers is made easier where there is a culture of effective communication among all the stakeholders (Onuoha and Onuoha, 2013). Lack of appropriate communication leads to suspicions and erodes, gradually, the confidence of the resource managers in the management. Avoiding this situation creates an atmosphere that promotes good governance and positive resources commitment

direction. The result is a collective resource engagement where central administration and the resource managers think alike and work for one progressive purpose.

### **5.3.5 Implications of the resources dependence response**

The findings on resources dependence response indicate that university managements are in the constant business of seeking alternative funding when faced with critical financing shortages especially as created by the declining support from benefactors (especially government or proprietors as the case may be). These findings are in consonance with the African political economy model's assumptions which postulate that because the governments are facing worsening economic and political realities, they are continually allocating fewer and fewer funds to the education sector from year to year (Odebiyi and Aina, 1999; Aina, 2002; Wangenge-Ouma and Cloete, 2008). This, in turn, activates the response of the institutions in ways that produce assurances of continued availability of critical resources for operation and capital funding.

From the findings herein, it is noted that the institutions respond to critical resources decline by embarking in creative financing drives such as running commercial activities like supermarkets, bakery, table water, bookshops, consulting, and others. These investments, however, suffer tremendously from poor management often due to engagement of unprofessional managers (Aina, 2002) and political appointments. There is evidence from some of the universities in this study where professors are appointed managers of the commercial units. The problem here is that some of the professors undertake the management of the units as part time engagements and some lack the requisite knowledge of business management and the zeal to make one prosperous. Some of the units are not driven on definite entrepreneurial assumptions. And worse still,

many of the universities are located in rural settings which lack the enabling factors for the IGR centres to operate at sustainable profit levels. The outcome is that the commercial units that were supposed to be strong IGR earners for the university rather operate on a subsistence basis, and in some cases, remain infants, gulping in more and more capital, unable to produce the critically needed dependence finances for the institution (Odebiyi and Aina, 1999; Wangenge-Ouma and Cloete, 2008). The need for effective resolution of this problem will manifest from proper consideration of what success here means to the institutions. There is available literature to show that the success of the commercial units brings positive financing support for the main stream of the university which will be in the forms of more funds for operating and capital needs (Aina, 2002). The opposite is failure to reach set funding goals and the outcome of such failure is perennial dryness and a status quo of poor governance and inadequate resources commitment resolution.

The resources dependence theory (Pfeffer, 1978, 2003) appears to be in harmony with the findings here. There is very little evidence, however, of an overwhelming attempt on the part of the universities' managements (at least in public institutions) to impress their stakeholders with prudent operations as a way of winning more funding in the future. Some universities fail to appreciate the link between their performance in terms of quality of teaching and research and the amount of support they will receive either by way of increased students' enrolment or by the direct funds they are able to attract from the stakeholders. This is critically absent in the areas of investment in research and community service. The findings show that a very insignificant number of universities' researches have been developed or patented with a view to generating sustainable funding for the institutions. Worse still, there is a slim co-operation between the

universities and industry, and so, the area of mass production of research findings intended for generation of revenues is lacking.

It is important that university managements review their stance on response to declining critical resources support with a view to winning more alternative resources. The first step is to understand the criticality of the government's (proprietor's) economic realities and appreciate the inevitability of more funding decline in the years ahead. The ability of the managements to embrace this reality will help them to make appropriate search for alternative funding to keep the institutions growing in the right aggregation.

It may be concluded that the resolution of the resources dependence response will, along with the other resource commitment problems, impact on the quality of governance and the direction of critical resources at the end of the day (see fig. 4.2). This knowledge could in practical terms help managers to see the diverse ways in which resolving the dependence problem can lead to an environment of co-operation between management and staff, create more surplus cash for community-wide development projects and enable right atmosphere of collective engagement among all stakeholders.

Understanding the relevance of resources dependence response to the resolution of the resources commitment problem will compel university authorities to engage in systematic and creative ways in exploring how to fill the funding gap imposed by the declining critical support from the government or other benefactors. It is appropriate then to expect that both the central administration and the individual resource managers would engage in a collective way to resolve the problem. Once again, this calls for reasonable degrees of transparency and trust, driven by common vision and passion for

highly improved performance, among the stake holders. To resolve this, reliance would be on using appropriate bench marks and verifiable performance history to determine the allocations to the various stakeholders. This would lead to a culture change and encourage departments to seek more dependence resources responses in intentional ways to generate extra surplus funds.

The next section will present the Efficient Resources Allocation Process (ERAP) Model. The discussion here will situate the model as emergent from the findings. Its meaning, key features and the beneficial value to the resources allocation process community will be presented.

#### **5.4 Efficient Resources Allocation Process (ERAP) Model**

This section discusses the 'Efficient Resources Allocation Process (ERAP) Model' suggested by the researcher as a measure to bring about efficient resources allocation processes in Nigerian universities.

The findings of the study have suggested that there were general perceptions of pervasive resources commitment problems in all the universities studied. There were equally findings pointing to perceptions of dissatisfaction on the part of many resource managers who believe they are not involved enough in the process of sharing available resources to ends. Some resource managers were vocal about the central administration not being transparent and not trusting them. As a result, resource allocation process in many universities seemed to be an exclusive engagement and the resource managers' claim they simply accepted whatever votes they were given and not necessarily what they presented justifications for. In their responses as analysed in

section 4.3, the resource managers repeatedly called for a system that would involve greater participation of the whole community in a bottom-up dimension. The researcher thinks this signalled the need for a more systematic and reliable resource allocation process that would ensure transparency, equity and best practices. Accordingly, in order to achieve harmony in governance and resources engagement efficiency, the resources literature reviewed earlier appear to suggest the need for a more efficient direction of resources (Aina, 2002; Chartterji and Seaman, 2006; Wangenge-Ouma and Cloete, 2008; Bevc and Ursic, 2008). The attempt to resolve the efficiency question leads to the construction of the proposed Efficient Resources Allocation Process (ERAP) Model (see Fig. 5.1). The ERAP Model presents a systematic procedure of resources allocation processes incorporating three major stages, namely: consultations, comparisons and collective engagement (see fig. 4.1) which find accommodation within the three major themes of people, process, and resources presented earlier. These themes are further explained in relation to the ERAP Model in sections 5.4.1 - 5.4.3.

#### **5.4.1 People**

As discussed in Chapter 4 (Section 4.2.1), the people theme describes the involvement of the principal officers, deans, heads of department, and a host of other university personnel in the process of deployment of the universities' financial resources in a democratic governance fashion. In the same manner as previously stated the direction of resources in every university may strongly be seen as the result of the actions and inactions of the people factor. This may be as members of the top management (the vice chancellor, the chief financial officer, other principal officers) on one hand, or as resource managers (deans, HODs, and other units or strategic business units heads) on the other hand. On the ERAP model, the people element brings about the important

forces of transparency, vision, entrepreneurial spirit, trust, expertise, etc., needed to present the atmosphere conducive for orderly governance and effective commitment of resources to strategic directions. Furthermore, as earlier stated in chapter 4, the whole resource allocation process is about ensuring that people in positions receive the right allocation of resources to solve the universities' problems or meet the universities' corporate goals in congruence with the philosophy and vision of the institution.

The ERAP model may be said to be set out to affect the level of tension and rivalry among the resource managers. Thus, the ERAP model considers that people engage in objective and measurable ways with resources such that the level of resolution of resource direction based on politics and power of specific individuals may be reasonably reduced.

#### **5.4.2 Process**

The ERAP model also functions along the lines of strategic processes and procedures to achieve efficient deployment of resources. In this study, a lot of interviewees attested to the existence of processes like call for inputs, submission of inputs and collation of inputs. At this stage, most interviewees claimed the processes worked well by involving the micro units within the universities. From their claims, the process got problematic at the stage of the top level reviews. At that level many HODs claimed they were left out and that top management decided and allocated resources without further consulting them.

The ERAP model emphasizes inclusion of all managers at all levels. This point appears to agree with the recommendations of the Bower (1970) RAP model that resource

allocation should be a multilevel activity that involves junior, middle level and top level management to arrive at the strategic resource direction. Beyond Bower's (1970) recommendations, the ERAP model incorporates committee (Collective) engagement at the final stage of resource commitment decision. At this stage, the resource managers and the top management come in contact to review data, compare notes and debate direction of resources. Historical performance records may be reviewed in the light of fresh commitment requests. A statutory or standing committee (combining top management and other resources people) could undertake this task. The resource commitment committee, as suggested by the interviewees, could be made up of the representatives of the central administration and all resource managers from the various schools and departments. This membership may be made up of the principal officers and heads of departments who are well informed of the philosophy, funding dynamics and autonomy characteristics of the institution. They may be very knowledgeable of the core and peripheral divide, and the politics and power dynamics of the university. They would also be persons willing to bring transparency and good faith to bear on their assignment, knowing that their actions or inactions have remarkable consequences for the resourcing position of their departments, and more so, for the university as a whole.

### **5.4.3 Resources**

Again, as stated in chapter 4 (section 4.2.3), the resource element could be viewed from the perspectives of internal revenue generation (IGR), score keeping/accounting and cash-flow management. The ERAP model aims at resolving the allocation issues touching on which department is generating what revenue; who is getting what and how much or whether equal allocations may be made available to all the departments. As stated before in Chapter 4 (section 4.2.3), some universities have a policy that gives

more of the available resources to the higher IGR earners. For some others, there is no remarkable difference in the allocations of the buoyant and lean departments. The ERAP model aims at resolving this seeming anomaly by engaging in a manner to ensure that allocations recognize past historical performance. The operation of the model imports the need for each department to be assessed and resources allocated based on the contributions of the units to the realization of the financial goals of the institution. This is the basis that may lead to the objective allocation throughout the universities and at the same time work as inspiration for the resource managers to compete for resources in a transparent and healthy way.

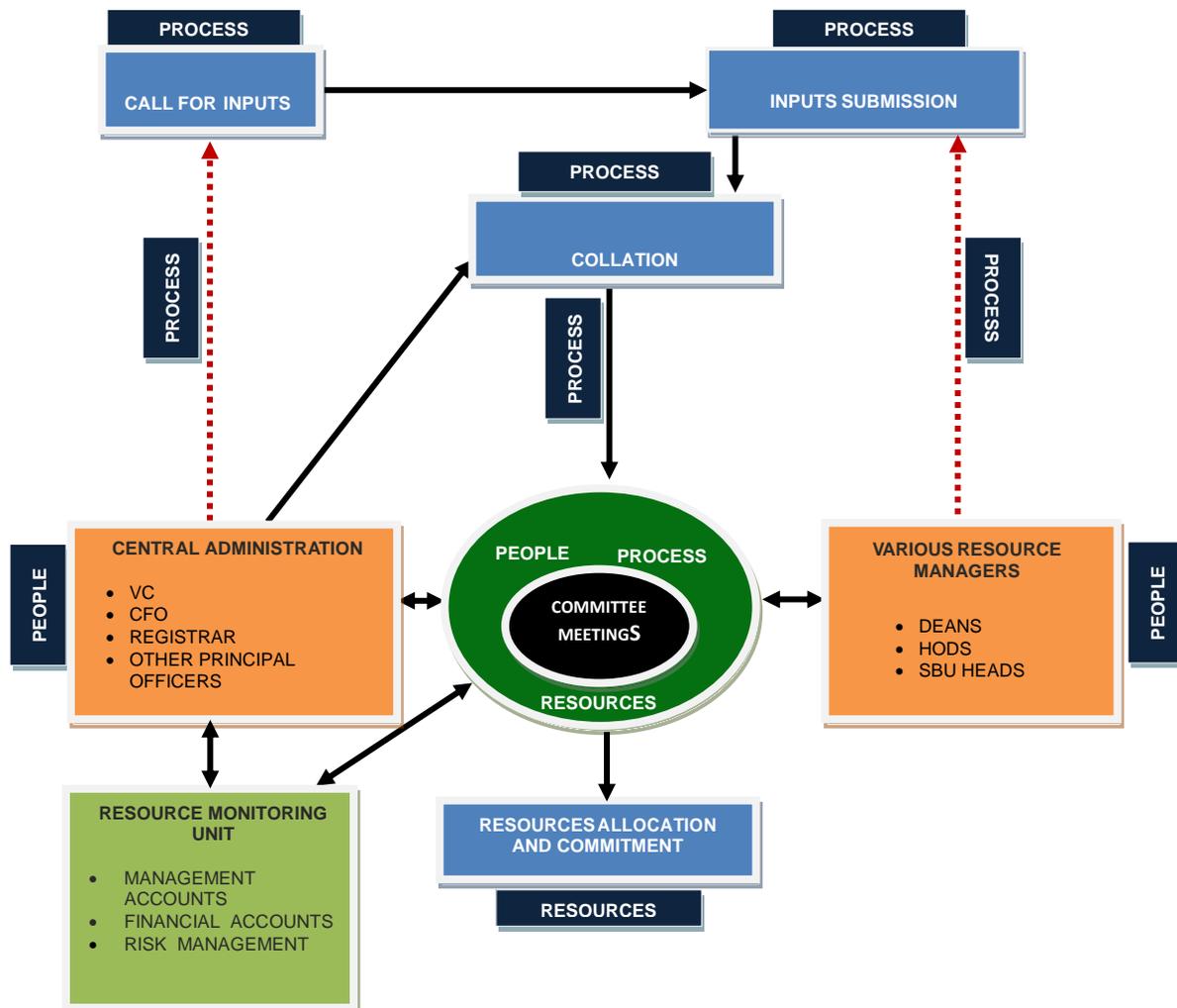
The need for establishing standard measures calls for the keeping of sound accounting records for each budget centre, effective monitoring of the income generation and expense profile of each unit with a view to curtailing the danger of reporting avoidable expenses when there is no room for correction.

The resource earning and commitment engagements are closely handled by the finance office operating the financial accounts, management accounts and risk management (internal audit) desks. The financial accounts desk keeps scores of performance; the management accounts produces the reports needed for making allocation decisions from the available score-cards and reasonable estimates submitted by the resource managers; and the risk management ensures compliance with strategic goals. All these work together to ensure proper control of the resource generation, distribution and reporting in conformity with the strategic expectations. Without this level of engagement the ERAP model may fail to bring about the efficient and effective resources engagement it was set out to achieve. The ERAP model sets out to remove resources

allocation based on the 'justified needs' criteria and place it on the portal of merit and not on the overriding influence of any powerful HOD or Dean.

In summary, the ERAP model attempts to respond to the findings presented in section 4.3. The focus is on solving the resourcing problems associated with people (core and peripheral dichotomy, and politics and power); process (unsystematic resources allocation processes); and resources (critical financial shortage, and resources dependence). The focus is to provide alternative collective engagements processes that would ensure efficiency in the resources mobilization and commitment in the universities.

**Figure 5.1: Efficient Resources Allocation Process (ERAP) Model**



The next section will discuss the features of the proposed ERAP Model and how the process functions to eliminate the deficiencies of the existing processes.

### **5.5 Features of the proposed ERAP Model**

The ERAP model is the result of the researcher's analysis of the findings in chapter 4. The aim of the model is to provide for all universities' resource managers effective bottom-up platform to enhance collective resourcing engagements. There are nine specific features of the ERAP model which can be subsumed into four major categories as shown below, namely: consultations; comparisons, collective engagement (see figure 4.1 in chapter 4), and control and monitoring thus:

1. Consultations (section 5.4.1.1)
  - a. Call for Inputs
  - b. Submission of inputs
2. Comparisons (section 5.4.1.2)
  - c. Collation
3. Collective engagements (section 5.4.1.3)
  - a. Historical performance reports
  - b. Transparency
  - c. Trust
4. Control and monitoring (section 5.4.1.4)
  - a. Score keeping

- b. Budget performance report
- c. Compliance/periodic reviews

### **5.5.1 Consultations**

Call for inputs (a) and submission of inputs (b) may fall within a larger classification known as 'consultations'. The resources allocation processing flags off with a memo from the CFO calling the various department heads (revenue and cost centres) to submit estimates for the given plan period. In the circular, the CFO details the financial direction of the university for the period in question. He also encloses a template to guide the resource managers at all levels to make requests conformable to specific budget headings. The CFO's call for inputs is expected to go out early such that the units would have reasonable time to conduct their sectional consultations. This process is captured by a resource manager from a federal university as follows:

“We run in a participatory way. The arrangement is bottom up approach. The lower levels generate inputs and the top gives approval as the requests meet the vision of the administration for the period of budget. The lower levels defend the budgets in their sections before bringing them to the centre.” (RM23: 1559-1562)

The insight here is that an average time of three months is usually required for the sectional heads to return their inputs to the CFO's office. Those who are not able to submit anything would have to accept the finance office best judgement. In that case, the CFO and his finance team would have to propose estimates for the department in question. Before this happens, the CFO would have tried many ways to get response

from the department in question and failed. No resource manager wants this to happen and this helps to encourage their engagement in the consultation process.

Consultations take place at two major levels. The first level of consultations is between the office of the Chief Financial Officer and the various heads of department (resource managers). The things consulted on at this level are those that were not obvious in the CFO's earlier circular. Usually these may include discussion on how much money is available for which operating activities and when; information on any changing financial policies; how much of the items yet to implement in the current period's plans would be taken before the end of the financial year and what plans the university has for certain capital expansions, etc. This level of consultations helps the people (HODs, deans and other budget officers) to know how to ask.

The second level of consultations takes place within the units between the HODs and the members of their respective departments. The purpose of the consultations at this stage is to obtain inputs from the micro units within the departments so as to have figures that would be representative of the real needs of the departments in question. This stage is characterized by meetings among the departments' heads and the rest of the resources desk hands (employees) within the given departments. This is a bottom up engagement that ensures broader involvement of all personnel across the university in the planning process.

### **5.5.2 Comparisons**

The activities of *comparisons* occur mainly in the finance office during collation of estimates submitted by the various departments. The effort here assures that the

estimates submitted meet the year's definitions of direction and quotas. The CFO's team spend useful time comparing the requests against the available resources focusing on the global direction of the university. At this stage the finance office maps the historical cost reports from the departments against their respective current requests. This helps to make sense of the new requests. A resource manager from one of the state universities captures what goes on to this point as follows:

“The departments are involved in the resource allocation process as the first level of input generation. Every HOD sends in input through the Dean's office. The inputs are then collated by the Bursar's office after necessary preparations. The Bursar's office trims down all submissions and presents what the expected funds for the year would meet. We all provide the inputs before the final allocations are decided.” (RM 63: 6752-6758)

This stage is also the time to look at the report of revenues brought in by the departments in the previous period and compare with the projections to test how realistic are the estimates submitted. This activity also helps the CFO's office to reflect departmental IGR into the global plans. The result of the series of comparisons at the CFO's office may be the production of the relevant period's master budget. It is this master budget that will go for debate during the collective engagement stage.

### **5.5.3 Collective Engagement**

This feature draws from the study findings where several resource managers were making repeated calls for an engagement with the top management to agree on resource commitments rather than being handed already made decisions. The final

direction of the resources may be decided at the committee stage. This is a broad congregation of the universities' resources managers and the central administration meeting to agree on the final commitment of the resources for the specified period. At this stage 'people', 'process' and 'resources' may be said to meet in one place. The operation of this stage may lighten the fear of "widening accountability gap between managers and the stakeholders" (Broad, et al., 2007:122) identified with public services.

The vice chancellor chairs and all principal officers are members along with the resource managers at every strategic unit. The mode of engagement may be according to democratic principles. It is here that the department heads would have to justify their budgetary requests and make cases for approval. From one of the federal universities, a resource manager captures the process here as follows:

"Every dean and head of department is a resource manager. The process of planning and implementation has a place for all. The bursar first calls for inputs and every section of the university submits {financial proposals} as they are convinced in their locations. Of course, we know that the money available for each year will not be adequate. So everyone tries to present their requests with proper justification. The submission process ends with a collective meeting which prepares the stage for going to the council." (RM65:7160-7167)

Another resource manager from a private university corroborates, thus:

“There is equal involvement of all managers of the system. The departments first submit their requests and later come together with the Administration to agree on what to move forward with and what to drop. Because it is difficult for everyone to get all they asked for, we must make out time to meet and agree before taking it to the council.” (RM54: 5938-5943)

Also the CFO uses this forum to clarify the reasons for the allocations made or why certain requests may not go into the year's plans. Most importantly, in order to make the purpose of the collective engagement realisable, both the central administration and the resource managers will have to come to the committee with some expectations. From the qualitative data analysis, it was noted that resource managers expect from the central administration, clear vision, transparency and entrepreneurial spirit. In turn also, from the resource managers, the central administration looks forward for trust, transparency, passion and expertise. Transparency and trust presupposes accountability. For the ERAP model to make a different kind of sense, historical performance data must be available and form the basis of justification of requests rather than mere 'needs' or any other qualitative basis. That by itself would reduce ERAP into a merit based assessment. With historical data and performance report, points could be assigned to the different degrees of performance and that becomes the basis of allocation of fresh resources.

These qualities stand crucially at the centre of the collective resource sessions and their absence may render the whole exercise an effort in futility. Both central administration and the universities' resource managers should come to the table with the spirit of give and take. Central administration should be willing to explain why certain requests would

not make way into the year's plans and perhaps give hope for the future. The resource managers should see themselves as partners in progress and be willing to show understanding once the plans have been approved.

#### **5.5.4 Control and monitoring**

The condition of efficient and effective functioning of the ERAP model could only come from a system of proper control and monitoring. There would be room for serious abuse where actions and inactions of the people, processes and resources interface are left without any control and monitoring. It is this basis that would ensure that assessments are based not on 'connections' with the top, but by verifiable and measurable statistics, with "evidence of key performance indicators permeating throughout the university hierarchy" (Broad and Goddard, 2010:62). In sum, the main features of control and monitoring may be contained in three major roles, namely: score keeping, budget performance report and compliance/periodic reviews. In practice, three units carry out these functions under the traditional finance office structure as follows: financial accounts section, management accounts unit, and risk management/internal audit office.

The control and monitoring unit (through the financial accounts section) will ensure accurate accounting of historical performance of the various resource management centres and provide objective basis of assessment to determine the relevance of future requests and statistical measures to ensure objectivity. It is also out of the statistics that the model would have predictive ability.

The resource managers would find the control and monitoring unit (through the management accounts section) a helpful ally in the matter of ensuring that they run

within the approved resource limits. The management accounts unit may ensure that budgets are consistently compared with actual performance and that helps to ensure that resource releases and deployment conform to plans and strategic direction. This presupposes performance measurements are set up and sanctions defined for performance outside of targets.

After the committee has deliberated as many times as necessary to arrive at the approved allocations to the departments, the need for compliance takes an upper place if the resource managers would keep within their budgeted resources and not allow the system to run out of control. The risk management/internal audit group would ensure that the resource managers are applying the approved resources for the purpose intended and that they report back after an allocation has been appropriated. Without the compliance checks, the system would be without proper performance, and the resource managers may find themselves in absolute misapplication of the financial votes committed by the process. It would appear from these descriptions that the work of the control and monitoring unit would be continuous beginning before the allocations are made until actual allocations are committed and reported. The monitoring people assure the system of transparency and best practices in the ways of engagement either within the departments or at the collective engagement forum.

The next section will discuss the researcher's proposal of how the ERAP model will operate, bringing together people, process and resources to achieve harmonious governance and efficient resources direction.

## **5.6 How the ERAP model works**

This section discusses in three stages the proposed working of the ERAP Model to ensure efficient resource allocation processes are achieved from time to time. The three stages present the practical ways the ERAP model functions to ensure that governance quality and resources direction are optimized.

### **Stage 1**

As indicated in figure 5.1, the first level of the ERAP model is characterised by series of consultations between the central administration represented by the CFO and the resource managers, both at the schools and the department levels. At this stage, first, the CFO sends out a circular with a budget template inviting all resource managers (RMs) to send in their budget requests for the period under consideration (call for inputs). To guide the RMs as to how to request, the CFO's circular would also contain a brief communiqué summarizing the university's direction for the period under reference. The RMs who may not have been clear about certain details could refer back to the CFO's office for more details. Thereafter, the RMs may respond to the CFO's invitation with their input estimates.

However, before doing this, the RMs would have done lots of consulting within their departments to make sure that the inputs emanate from the very stakeholders of the focal units and not from a single head. As stated before, the template accompanying the CFO's circular is intended to help resource manager ask according to available budget headings. Participation at this level is nearly compulsory for all resource managers. Those who could not submit any requests for their centres would have to make do with best of judgement from the CFO and his finance office team. The researcher's personal

insight is that resource managers do not like to be represented in this exercise, so almost always they take active part at this stage. However, the more involved all the relevant resource managers are at this stage, the more representative the final document becomes.

## **Stage 2**

It is the final document the RMs get after consulting their teams that goes to the CFO (inputs submission). The CFO's office brings all the various requests into one document (collation) and then prepares the comprehensive report in the form of a Master Budget. Before presenting the master budget, however, the CFO's office would have carried out lots of verifications of the inputs received to confirm approved ceilings and the relevance of the requests to the institution's proposed direction. The researcher's insight is that the CFO's office may end up preparing more than one document for discussion at this stage. One of the documents would have all the requests against all the resource expectations. Almost always, this document would be in serious deficit – having a wide gap between the estimated expenditures and the expected inflows. The second is an adjusted document of the admissible expenditures and the available revenues. This document is made available as soon as the CFO and team are able to convince the committee that the projected resources could only take part and not all the items requested by every resource manager.

## **Stage 3**

With consultations and comparisons completed, the CFO is now ready to present the proposed commitments to the committee for debate (collective resources allocation engagement). The importance of the committee, as stated above, is that it is made up of

well informed members of the university community. The forum allows for healthy debates and runs on democratic principles. This is where, from the qualitative data, the interviewees repeatedly maintained that 'no HOD singly decided the resource commitments'. This is a notable strength of the committee system, that is, its ability to minimize the excessive influence of any single individual or a powerful HOD. Matters are debated dispassionately before decisions are reached. The committee meetings may go on for more than one sitting or as many times as required to achieve a meeting of minds. So the committee meeting can go one, two, three or more times until necessary resource allocation agreements have been resolved by the members. However, the researcher believes that where appropriate homework is done by the relevant stakeholders before the actual meetings, most decisions would be achieved in just a few meetings. The researcher predicts that, the ERAP model, if properly engaged, would lead to better and systematic resourcing decisions.

Some of the above assumptions require that the central administration and the resource managers should come to the roundtable with important expectations without which the resolutions would fail to lead to efficient results. The expectations include transparency, clarity of vision, entrepreneurial spirit on the part of the central administration, and trust, expertise and passion on the part of the resource managers and vice versa (fig. 5.1). It is important to note, however, that these expectations are not one directional: both central administration and the resource managers have shared mutual expectations in good faith. That way, the committee stands a chance of reaching decisions which are acceptable to both the central management and the resource managers. The meaning of this is that, by coming together to map the resources to strategic ends, management and the resource managers would make a way for the whole university to function on

consistent strategic and co-operative principles. This collective engagement is expected to result in higher quality of governance and highly improved resource commitment resolution.

Furthermore, on specific terms, it may lead to high staff morale, focused and even development of infrastructure, improved standard of teaching and research, and best practices that are not possible under the existing environment. By committing together, the gap between available resources and funds available for commitment would not be too glaring; more focused response would be engaged against critical resources decline; dynamic resources allocation processes would be adopted; core and peripheral units would receive appropriate commitment emphasis, and power and politics may not substantially (adversely) define resource commitment decisions. It would appear from this discussion that the objective of the collective engagement approach is to bring in needed improvements that would augur for efficiency in the financial resources management of the universities.

The ERAP model, viewed from the 'people, process and resources' framework, presents the processes that lead to efficient deployment of resources through collective resource commitments. The model differs from other resource management models because it incorporates committee decision making system within the structure and process design of the universities' financial resources management. Also it brings in historical performance as way of assessment so that the debates are focused on verifiable independent statistics. Adopting ERAP strictly may mandate involvement of everyone that matters in the resource allocation processes. That may represent an index of efficiency and best practices. ERAP works with people, process and resources, thereby

makes it conformable as a solution model to the problem of resources allocation processes in Nigerian universities.

## **5.7 Chapter Summary**

This chapter discussed the findings obtained from the qualitative data to identify factors influencing resources allocation processes in six Nigerian universities. Laughlin's middle-range paradigm was used to extract meanings from aspects of the African political economy model (Aina, 2002); resources dependence theory (Pfeffer and Salancik, 1978, 2003); power and centrality theory (Hackman, 1985), and the RAP model (Bower, 1970). The findings from the qualitative data indicated that the four paradigms were useful in explaining the resource allocation processes in the three categories of universities studied. In addition, the resources problem resolution portfolio (fig. 4.2) helped to show how a university's philosophy, funding dynamics and autonomy characteristics drive the resolution variables to achieve governance quality and resource commitment. The resource dependence response, core and peripheral units challenge and resources allocation processes seemed perceived to have positive association with governance quality and resources commitment direction. Conversely, critical financial shortage, politics and power appeared perceived to have negative association with both governance quality and resource commitment. In other words, universities that have higher degrees of critical financial shortage and politics and power issues may, to a large degree of probability, also have poor governance and resources commitment resolutions.

The findings on the impact of critical financial shortage on teaching and research, development and maintenance of infrastructure and staff morale were in agreement with

the earlier studies carried out by Aina (2002) and Wangenge-Ouma and Cloete (2008). The findings on the perceived association between power and politics also agree with Hackman's (1985) power and centrality theory. The core and peripheral unit's challenge was equally correctly predicted by Hackman, 1985. Furthermore, the resources dependence response was correctly predicted by Pfeffer and Salancik, 1978 and 2003.

Finally, the findings of the study can be stated against the seven research questions as follows.

- 1) The extent to which culture, politics and power affect how much a department may be allocated from the available resources:
  - a. Cultural differences associated with location of the universities seemed to affect the resource allocation direction of the universities.
  - b. Politics and power considerably affect the resources allocation processes in the universities.
  - c. Politics seemed to be more entrenched in the public universities' processes than in the private universities.
  - d. Private universities seemed to have less of politics in their allocation processes because of the religious factor which appeared common in all the private universities studied.
  
- 2) How the allocation of resources differs between core and peripheral units:
  - a. Core units receive available resources in priority to the peripheral units.
  - b. Core units are given allocations in abundant or lean times.

- 3) Negotiation strategies that department heads leverage on in order to win more shares of the available resources:
  - a. The HODs align their requests with the vision of the central administration
  - b. They articulate and argue their departmental needs in very convincing ways
  - c. They seek a more efficient system based on measurable past performance
  
- 4) The factors which affect the resource allocations granted a unit from the internal resources of the university:
  - a. The resources granted a unit from time to time is affected among others by the amount of financial resources available in a given plan period
  - b. The amount allocated a unit may be affected by the ability of the head of department to make a convincing case for his unit
  - c. Allocation may be made to a unit based on the importance of the unit to the main purpose of the university
  
- 5) The resource allocation processes currently practiced by the universities and the extent they reflect equity and good practices:
  - a. The universities currently approach resources allocation in a haphazard manner. There is not a single approach that is common for all universities.
  - b. There is no evidence of a clear philosophy base by which resources are committed from time to time.
  - c. There were repeated calls for more systematic negotiation processes that would involve all levels of resource management in a consistent manner.

- 6) The extent to which shortage of critical financial resources impact on governance, staff morale, teaching and research in the universities:
  - a. Shortage of critical finances affect quality of governance in the universities
  - b. Staff morale is negatively impacted by funding situation of the universities.
  - c. Funding shortage affects the delivery of teaching and research. Dissatisfied academics leave the system and science laboratories are without reagents.
  - d. Resource managers seek to share in the available resources based on the merit of their past performance.
  
- 7) The extent and how the institutions respond to declining critical dependence support:
  - a. The government grants to the public universities are in steady decline from year to year (Table 1.3).
  - b. Universities seek alternative funding sources by engaging on internally generated revenue (IGR) drive. Measures used include charging of tuition, registration and other fees; engagement in commercial activities such as super markets, hospitality business and commercial agriculture.
  - c. The resource managers seek a more efficient resourcing process that will ensure more equity in the allocation of the internally generated revenues to the various departments and units in a manner that reflects their contribution to the resource pool.

The next chapter will present a summary of the major findings, conclusions, recommendations for practice and future research, and some limitations of the study.

## **CHAPTER SIX – SUMMARY, CONCLUSIONS AND RECOMMENDATIONS**

### **6.0 Introduction**

This final chapter presents the summary of the study, conclusions and recommendations for practice and future research. The chapter is presented in six sections, as follows: purpose of the study (section 6.1); overview of methodology (section 6.2); major findings (section 6.3); limitations of the study (section 6.4); evaluation of the findings and method of data collection (section 6.5); contribution of the study (section 6.6); recommendations for practice (section 6.7); and recommendations for further research (section 6.8).

### **6.1 Purpose of the study**

The purpose of this study was to identify the factors affecting resources allocation processes and to determine the effect of funding shortage on governance, staff morale, and teaching and research in six Nigerian universities. The study was guided by Laughlin's (1985) middle-range thinking theory. This theory proposes the study of phenomena through a triangulation of some aspects of a number of paradigms. In this study, there was reliance on aspects of the African political economy model (Aina, 2002), resources dependence theory (Pfeffer and Salancik, 1978, 2003), resources allocation process model (Bower, 1970) and power and centrality theory (Hackman, 1985) to provide acceptable framework to guide the study.

Firstly, the African political economy model (Aina, 2002) suggests that the budgetary allocation to the universities in Africa is greatly affected by the economic and political fortunes of the governments. This holds that the universities are likely to face under funding given the worsening situation of economy and politics in these countries. Secondly, the resources dependence theory (Pfeffer and Salancik, 1978, 2003) provided

the background for understanding the responses of the universities to the decline in critical resources from their major benefactors. Examples of such responses include incorporation of strategic business units, engagement in consulting services and other internally generated revenue drives. The resource dependence theory proposes that as long as the institutions produce quality goods and services, the stakeholders will respond with increasing funding (Pfeffer and Salancik, 1978, 2003). In this study, resource dependence response was adapted from Pfeffer and Salancik's (1978, 2003) theory in the light of the resort to greater creativity on the part of the universities' managements in fashioning alternative funding drives as a result of the steady decline from their primary critical funding sources.

Thirdly, the resources allocation process model (Bower, 1970) provided the background for determining the processes and levels of resource requisition and approval within the universities. This model yielded room for clarification of the bottom up resources allocation process progression identified in the study. Finally, the power and centrality theory (Hackman, 1985) provided the background for understanding the role of a department's position within the organization and the power of a head of department in resolving allocation issues. Power and centrality considerations appear to affect the resolution of a unit as either core or peripheral which ultimately affects the decision to allocate the available resources to some units in abundance or lean times.

## **6.2 Overview of the methodology**

This study used a qualitative approach. Using the expression of Chau (1986:611) that "social reality is emergent, subjectively created and objectified through human interaction," this means that qualitative data are collected and analysed. This approach

was selected as it allows detailed interaction with participants which gives room for richer and more robust data (Al-Dossary, 2008). In this study, qualitative data were obtained from three categories of universities: federal, state and private universities. There were 45 interviews involving 13 principal officers, 6 deans, 18 HODs and 8 senior management accountants. Both face-to-face and telephone interviews were used. The face-to-face interviews were 30 while telephone interviews were 15. Each interview lasted approximately 30 minutes. The qualitative data were analysed using Creswell's (2002) data analysis procedure, Maykut and Morehouse's (1994) constant comparison method, and McAdams' (1993) story elements analytical approach. The process involved identification of 'units of meaning' (Maykut and Morehouse, 1994) from each of the 45 interview narratives, coding, refinement and categorizing for major concepts. Further analysis using McAdams' method, rigorous as it were, led to the consolidation of the major themes into three: 'people, process and resources'. The researcher believes that the methodological approach adopted for this study has provided sufficient insight into the practice of resource allocation processes in the six Nigerian universities studied.

### **6.3 Major findings**

The study identified three major themes – people, process and resources – by which the Nigerian universities' resources allocation processes milieu can be understood. The themes were further analysed leading to identification of the five major categories of problems confronting systematic financial resources allocation processes in Nigerian universities. These are critical financial resources shortage; resources dependence response; resource allocation processes; core and peripheral units' challenge; and politics and power. The study was supported by aspects of the African political economy model (Aina, 2002), the resources dependence theory (Pfeffer and Salancik, 1978,

2003), resources allocation model (Bower, 1970) and power and centrality theory (Hackman, 1985), tied into Laughlin's middle range thinking framework. The study relied on triangulation of interview narratives, theoretical conceptual framework and evidences from existing literature to reach conclusion that a university's philosophy, funding dynamics and autonomy characteristics may influence its response to the five resources allocation problems identified in the study.

In addition, the study suggested that the quality of governance and resources allocation problems resolution are co-jointly influenced by the universities' responses to the five paradigms in the resources problems resolution portfolio (figure 4.2). It was, therefore, a strong suggestion of the study that critical financial resources shortage; resources dependence response; resources allocation processes; core and peripheral challenge; and politics and power are of important consideration to the universities' managements in the systematic resolution of resources allocation and deployment problems. It was further suggested that these factors may be influenced by the university's a) philosophy, b) funding dynamics, and c) degree of autonomy. While critical financial shortage and politics and power suggested an inverse association with (a) governance quality, and (b) the resources commitment problem resolution, the other three variables (resources dependence response; resource allocation processes; and core and peripheral challenge) suggested a positive association.

Qualitative data were obtained from federal, state and private universities' managers. The study, through the window of the African political economy model, sought perceptions of the resource managers regarding impact of funding shortage on governance, staff morale, and teaching and research. It was inducted that funding

shortage appeared to be pervasive throughout the universities studied and that it had a direct negative impact on governance quality, staff morale and teaching and research.

Furthermore, relying on the resources dependence theory (Pfeffer and Salancik, 1978, 2003), the resource managers were asked how the universities responded to the declining critical funding from government. It was the perception of the participants that the universities resorted to creative internally-generated revenue (IGR) drive to close the gap between their needed funding and what came from the government as grants. As regards existing resources allocation processes, the interviewees appeared to suggest that every university was identified with some kind of process and that the processes varied somewhat from one university to the other. The narratives analysis further suggested that whatever those processes were, they were far from efficient.

Finally, through the Hackman's (1995) power and centrality theory framework, the study sought perception of the participants on the influence of heads of department on the resource allocation processes and impact on allocations given to the departments. The perception of the participants appeared to be that some kind of internal politics exists in every university and that such had a relative impact on resource allocation resolutions. In addition, there appeared to be a general perception of most resource managers in both public and private universities that private universities performed better in the matter of resource allocation processes than the public universities. This was in agreement with the earlier studies of Rui (2013), Smith (2013), and AAU (2004). In addition, for instance, responses from the private universities participants suggested the least resort to politics and power for the resolution of governance and resources

allocation problems. They appeared to be more collegiate in resolving resource demands among the resource managers.

In summary, all the findings point to the fact that the Laughlin's middle-range thinking theory (1985) which allowed for the use of some aspects of APE model, RDT, RAP model, and PCT was very useful for explaining the resources allocation process problems in Nigerian universities. Some specific contexts of the theories, however, seemed applicable to a limited extent, thereby making the Laughlin's middle range thinking appropriate for the study. For example, the participants suggested that, in Nigeria, the government funds only the public universities to a limited extent whereas the private universities operate completely with internally generated revenues. Under such environment, the African political economy model, for instance, can make more relevant predictions for only the government owned institutions; such predictions may not be largely true for the private universities who derive most of their funding from internally generated revenues. Also, while politics and power may play a major defining role in resolving resource allocation questions in the public universities, the resource managers in the private universities appeared to easily rally around the central administration's vision on a collegiate resolve.

The study revealed that there were not a standard procedure in which the universities carried out their resource allocation processes. Above all, it appears there were no scientific ways of assessing departmental needs for inclusion in the year's budget. This presented some possibilities that from year to year, some 'louder' heads of department could win more resources at the expense of the others. To address this gap, many resource managers suggested introduction of a standard procedure that would weigh

needs against historical performance and availability of funds prior to inclusion in the relevant year's budget. As a response to this repeated yearning by the resource managers persuaded the researcher to propose the efficient resources process (ERAP) model as a step towards solving the problem. Perhaps, it may be appropriate to observe that ignoring the problem of unfair allocations to some departments at the expense of others could lead to uneven development of the university over time.

#### **6.4 Limitations of the study**

The findings are to be considered in the light of the study limitations. It is normal to expect data from qualitative study of the nature to be limited in the matter of generalizations (Lee and Cadogan, 2009; Corbin and Strauss, 2008). In other words, one could only reach tentative conclusions based on the casual association between the variables discussed in the study. Conversely, however, such a methodology lends opportunity to gain a rich and insightful detail of an area of study like financial resources management in Nigerian universities.

Universities' resource managers can find immediate benefit using the findings of the study which will help them reflect on the resolution of resources commitment process problems. Also, the resource managers will be stimulated to know that within the resource commitment problems resolution there are the strong interplays of philosophy of the institution, funding dynamics and autonomy as the defining factors. By focusing at the major resource commitment problems resolution situations, and by making specific reference to the outcomes of the various resolution dimensions (see fig. 4.2 and relevant discussions), resource managers are prompted to the importance of making the right

resource commitment decisions, and by that way, appropriately shape the direction of the university towards greater management efficiency.

It should not be overlooked, of course, that as is common with qualitative studies, preset mental ideas about the problems in focus may have partly dictated the data which was collected and how conclusions are reached (Lee and Cadogan, 2009). Special efforts, however, have been employed to minimize such by using rigorous analytical approaches in analyzing the qualitative data. Also, by using triangulation of interview data, qualitative literature, and conceptual theoretical frameworks, the study has provided readers with warrants (Wallace and Wray, 2006) which help them to understand how the arguments and conclusions were shaped.

The study made use of four conceptual theories (however, tied into Laughlin's middle range thinking) to seek understanding of the Nigerian universities resource allocation processes. These were not Nigerian context specific and their adaptation could have some implications on the conclusions reached. However, the use of more than one analytical tool (Creswell, 2002; Maykut and Morehouse, 1994; and McAdams, 1993) for the qualitative data analysis proved useful in addressing trustworthiness of the findings.

## **6.5 Evaluation of the findings and method of data collection**

The findings are of practical relevance for universities' resource managers. The resource managers have to deal with problem situations in financial resource commitment on a regular basis and in those circumstances, they may be somewhat constrained in their ability to confront internal manoeuvrings. The study findings show that the degree to which university resource managers engage or fail to engage the five

resources commitment problems situated within the people, process and resources themes may play an important role in determining resource commitment outcomes and governance quality. Failure to confront the problem situation by resource managers can have the dual damaging consequences leading to worsening governance situation and poor resource commitment outcomes.

University resource managers who give prompt attention to the five resource commitment problems are likely to have a regime of effective governance and better resource commitment direction. With knowledge of the resource commitment problems resolution, the resource managers may be able to purposefully manage in a positive way to influence the governance quality and commitment directions. More importantly, resource managers may be able to invest a good degree of effort in developing alternative funding sources that can curtail the shortage arising from the decline in critical dependence sources, and make for consistent development of the institution in a pre-determined way. With these findings, resource managers may be able to understand the consequences of engaging or not engaging on different allocation processes. Top management, in particular, may be able to use the findings to develop appropriate management philosophies and invest in creative funding strategies that will make available the right resource level for attaining the requisite goals of the university while maintaining quality governance.

Finally, critical financial shortage and powerful influence of a few heads of department which may cause negative governance situation should not be ignored. Central administration should ensure that the efficient resources allocation process (ERAP) model is consistently enforced in an intentional way.

## **6.6 Contribution of the study**

First, this study contributes a fresh approach to the understanding of the resources allocation process milieu focused on 'people', 'process' and 'resources'. That way, the resources allocation process phenomenon is highlighted using these major themes to bring out a new robust insight to the problems and resolution of the resources allocation question in the Nigerian universities.

Second, the study presents the resources management literature in a different way that gives fresh light on the systematic resolution of financial resources allocation processes and deployment. The results presented here provide a new conceptual framework to the existing theories on higher education resources management focusing at the resolution of governance quality and resources commitment problems making use of the Laughlin's middle range thinking perspective. As shown in fig 4.2 (in chapter 4) the study provided the resources problems resolution portfolio (RPRP) as a tool for the development of arguments linking philosophy, funding dynamics and autonomy as the driving factors of the universities' approach to the resolution of the financial resources problems, and pointing to governance quality and resources commitment as the end results. Consequently, the study identified that critical financial shortage; resources dependence response; resources allocation processes; core and peripheral units' challenge, and politics and power, constitute important considerations in the systematic resolution of the universities' financial resources allocation process problems.

Third, the study presents an important insight that the resources allocation processes in the Nigerian universities appear to be hampered, contrary to the general belief of funding

shortage, but much more by the 'deep rivalry' and 'subtle politics' among the resource managers. This insight may be buttressed by the high prevalence of 'tension' and 'competition' among the resource managers as is interpretive from the analysis of the interview narratives. This further suggests that the resource managers may be expending most of their important working hours fighting or quelling internal battles.

Fourth, the study proposes the efficient resources allocation process (ERAP) model as an optimality approach for the engagement of the universities' resource managers in achieving the resources allocation process goals in an effective and efficient manner. The study suggests that the ERAP model will likely lead to increased staff motivation, improved productivity and better performance of the Nigerian universities. The model will introduce practice change involving collective bottom-up resource allocation processes in the Nigerian higher education sector.

## **6.7 Recommendations for practice**

Based on the findings of this current study and the associated literature review, the following recommendations are provided in order for the six universities to improve on their financial resources allocation processes and deployment.

1. The qualitative study suggested that critical financial shortage is pervasive throughout the six universities. On the part of public universities, the study suggested there appears to be over dependence on the government for critical funding. For private universities, it has suggested there is resorting to high pricing of programmes. It would seem then that a better and more efficient system of funding would be required. It is recommended, therefore, that the universities should place greater emphasis on

improved drive for internally generated revenue (IGR) mobilisation in order to reduce the dependence on government or the proprietors.

2. The qualitative study has suggested that the universities currently pursued resource allocation in no systematic order. This appeared to have resulted in lack of transparency and loss of faith on the part of the resource managers. It is recommended that the universities should adopt the efficient resources allocation process (ERAP) model (fig. 5.1) which predicts that, with central administration and the resource management team undertaking constant collective engagements (committee meetings) conducted in atmosphere of transparency and trust of one another, where decisions are made based on historical performance, governance quality will be at its best and may result in effective and efficient resources commitment resolution. That way, the resource managers' ideas on how to achieve greater resources management efficiency can be more effectively harnessed and resource engagement decisions would be democratic, bottom-up, performance based and not concentrated at the top only.

3. In the course of this study, participants noted that the allocation of resources in the six universities did not follow a standard scientific assessment process. On the other hand, the literature review disclosed that scientific assessment had succeeded in England going by the role of HEFCE (Kelchtermans and Verboven 2008; Johnes 2007). It is, therefore, suggested that the six Nigerian universities should consider and, perhaps, borrow a leaf from the UK resources allocation experience and appropriate available resources based on research productivity, graduate output, governance quality and innovative programmes.

4. The findings have suggested the absence of a systematic approach being employed by the universities prior to the present study. From one university to the other, the processes appeared to differ considerably. It is recommended that allocation of resources should be based on some clearly specified processes. Accordingly, guided by the ERAP model (fig. 5.1), the central administration of each university can be in a position to elicit the involvement of all resource managers, and both bring to the table vision, transparency, entrepreneurial spirit, trust, passion for excellence and expertise in resolving the universities' financial resources commitment problems.

5. Previous research has confirmed the importance of internally generated revenues to support universities' funding of critical needs (Odebiyi and Aina, 1999; Aina, 2002; and Wangenge-Ouma and Cloete, 2008). Qualitative data suggested that internally generated revenue (IGR) appears to hold a special key in the resolution of the pervasive critical financial shortage in the six universities. It is recommended that these universities should engage in vigorous drive for internally generated revenues. The participants had suggested engagement in businesses such as supermarkets, table water, bakery, agriculture, consulting, events management, etcetera, as good areas to explore. As far as possible, the establishment of a separate directorate to be in charge of the management of the IGR units can help to harness the advantages in full. This may free the central administration from the attendant distractions from the primary business of teaching and research while ensuring that the IGR units' management is in competent hands.

6. The results from the qualitative study also indicated that resources may be better directed when the divide between core and peripheral units are distinctive and driven by

the universities' purpose and philosophy. Thus, it is recommended that the six universities should ensure that the available resources are distributed to the departments in equivalent proportions to their importance to the primary purpose of the universities. That way, more resources should be available, first and foremost, for the more central units than the others, according to the degrees of their contribution to main administration.

#### **6.8. Recommendations for further research**

Based on the literature reviewed in chapter two and the qualitative data presented and discussed in chapters four and five, the following recommendations for further research are made for systematic financial resources allocation processes in Nigerian universities.

1. There are additional avenues for future research. An important area for the future is to develop useful measures of the resource commitment problems. This will allow for several conceptual issues to be addressed. For instance, it is important to understand to what specific degrees the underpinning resource commitment problems identified in this study impact on governance quality and commitment resolution. An empirical study could investigate the degree to which resources managers view the central administration's response to critical shortage, dependence resources decline, resource allocation processes, core and peripheral units' challenge, and politics and power.

2. The present study has been based on qualitative study of only six universities in the south-west geo-political zone of the country (one zone out of six). This suggests the findings may not be generalisable for the whole country. It may be appropriate to suggest a future investigation that would purposively include more institutions from the

other remaining five geo-political areas of Nigeria given that culture and location could perhaps influence the way resource problems are tackled. For example, will the resource management style of a university administration located in Zamfara, a predominantly Muslim state in northern Nigeria be the same with another university located in Owerri, an overwhelmingly Christian community in the east? Also, how do the prevailing cultures of the universities' host communities affect their leadership styles? These are outside the scope of the present study and can be subjects for future research.

3. The present study does not analyse the link between the resources commitment problems in figure 4.2. It is important to conduct further research on the degree of co-variance of the five resources problems identified by the study. This may help to measure the extent of impact of each problem. It is, therefore, recommended for future researchers to review in detail the consequent outcomes of the resolution problems suggested in the study. Future research may then show which of the five factors would be more crucial in resolving the resources allocation and deployment questions. Future research may also show whether the five factors are connected such that the effective resolution of one factor may diminish the adverse consequences of the other. The conclusive evidence of the consequences of each of the five commitment problems can be studied to measure the impact on the two resolution directions: governance quality and resource commitment resolution.

4. The ERAP model suggests that effective and transparent communication processes could lead to efficient resources allocation and deployment. Further investigation may be needed to determine, for instance, the practical effects of the collective engagement effort on staff morale and productivity. How will the central

management ensure that the conduct of the committee sessions is not cornered by a few powerful individuals and that delays do not arise from needless bureaucracies? At the present, not much is known of these and future research in the areas may be appropriate.

5. The present study made use of only the qualitative approach. Given the merits of the mixed methods stated in chapter 3, future research using mixed methods may allow for simultaneous comparison of the findings arising from both qualitative and quantitative approaches. From such, greater insight may be revealed towards a better understanding of the resources commitment problems and the solutions. It is, therefore, recommended that future research should be conducted employing both quantitative and qualitative methodologies.

6. The present study was limited to internal resources management problems within the six universities. It should be appropriate for a future research to study the external problems associated with financial resourcing between the government and the public universities. Such a study may also show in detail how the external problems affect the internal management situation.

7. The present study made allusions to better management of financial resources by private universities over the public institutions. There was, however, not enough coverage of this aspect of the investigation due to time and scope limitations. It is recommended that further research should be carried out to determine the measure of financial management efficiency of the private universities compared to the performance of the public universities.

## REFERENCES

- AAU. (2004). Higher Education in Sub-Saharan Africa with Specific Reference to Universities. Retrieved July 17, 2013
- Adams, W. (1977) Economic Problems Confronting Higher Education: Financing Public Higher Education. *American Economic Association*, Vol. 67, No. 1
- Adebesin, S. O. (2005). External Debt, Private Investment and Economic Growth in Nigeria. *Babcock Journal of Management and Social Sciences*, 3(2), 12-27.
- Adebisi, J. F. (2013). The Challenges of Corruption and the Attainment of Vision 20:2020. *Canadian Social Science*, 9(1), 65-70.
- Adedimeji, M. (2013). What is Academic Culture?, *The Alma Mater* (pp. 1-6).
- Adegbite, J. G. O. (2007). The Education Agenda: Challenges for tertiary education administration in Nigeria. Paper presented at the Sixth Annual Seminar of the Conference of Registrars of Colleges of Education in Nigeria (SW Zone).
- Adeline, N. D. (2012). Managing the "Knowledge Factory": The Learning Organization as a Catalyst for National Development. NY: Routledge.
- Adeniji, P.O. (2008) Repositioning Nigerian Universities for National Sustainable Development. 10th Iju Quarterly Public Affairs forum Series. Iju, Ondo State,
- Adeniyi, E. O., & Olawale, S. G. (2010). Creativity: Bedrock of Productivity and National and Development. *Educational Periscope*, 3(Sept), 123-132.
- Adeosun, L. P. K., & Ganiyu, R. A. (2013). Corporate Reputation as a Strategic Asset. *International Journal of Business and Social Science*, 4(2), 220-225.
- Adigun, I. O. (1999). A Comparative Study of Factors Influencing Organisational Commitment. *International Journal of Management*, 16(4), 475-483.
- Adisa, W. B. (2010). Media Freedom and corruption in Post-Military Nigeria. *Journal of International Politics and Development*, 8(1), 33-50.
- Adora, C. U., Agba, M. S., & Olajide, Y. (2010). Rethinking Financial Management Imperatives in Nigerian University Theatres. *Researchers World - Journal of Arts Science & Commerce*, 1(1), 45 – 55.
- Agamah, M. (2013). To What extent Do Companies Listed in the Nigerian Stock Exchange Comply with Corporate Governance and Risk Management Principles? *International Journal of Business and Management*, 8(14), 134-157.
- Aghion, P., Dewatripont, M., Hoxby, C. M., Mas-Colell, A., & Sapir, A. (2009). The Governance and Performance of Research Universities: Evidence From Europe and the U.S.: National Bureau of Economic Research.

- Ahiazu, A. (1984). Culture and workplace industrial relations: a Nigerian study. *Industrial Relations Journal*, 15(3).
- Ahmad, A. R., Farley, A., & Naidoo, M. (2012). Impact of the Government Funding Reforms on the Teaching and Learning of Malaysian Public Universities. *Higher Education Studies*, 2(2), 114-124.
- Ahrens, T., & Chapman, C. S. (2006). Doing Qualitative Field Research in Management Accounting: Positioning Data to Contribute to Theory. *Accounting, Organizations and Society*, 31(2006), 819 - 841.
- Ahrens, T., and Chapman, C. (2000). Occupational identity of management accountants in Britain and Germany. *European Accounting Review*, Vol. 9(4), 477-498.
- Aina, O. I. (2002) Alternative Modes of Financing Higher Education in Nigeria and the Implications for University Governance. *Africa Deployments*, Vol. XXV11(1 & 2), 236 - 262.
- Ajayi, I. A., & Ekundayo, H. T. (2006). Funding Initiatives in university education in Nigeria. Paper presented at the National Conference of Nigerian Association for Educational Administration and Planning (NAEP).
- Akinsanya, O.O. (2007). Financing Higher Education in Nigeria. *International journal of African and African American Studies*, Vol. VI, Vol. 1, 69 – 72.
- Akpe, J.M. (2006). How to save the Nigerian university system. *Journal of Philosophy of Education*, XI(2), 12 - 21.
- Al-Dossary, S. A. (2008). *Study of the Factors Affecting Study Retention at King Saud University, Saudi Arabia: Structural Equation Modelling and Qualitative Methods*. University of Stirling, England.
- Amao, O.O. and Amaeshi, K. (2008). Galvanising Shareholder Activism: A Prerequisite for Effective Corporate Governance and Accountability in Nigeria. *Journal of Business Ethics*. Vol. 1, p. 119-130.
- Amponsah, E. B., & Onuoha, L. N. (2013). The Performance and challenges of Private Universities in Ghana and Nigeria. *International Journal of Business and Social Science*, 4(5), 256-263.
- Andres, B. and Bello, U. A. (2007). Constitutional prospects for the implementation of funding and governance reforms in Latin American higher degree. *Journal of Education Policy*, Vol. 22 (5), 509 – 529.
- Angluin, D., & Scapens, R. W. (2000). *Transparency, Accounting Knowledge and Perceived Fairness in UK Universities' Resource Allocation: Results from A Survey of Accounting and Finance*: Academic Press.

- Asechemie, D. P. S. (Ed.). (1999). The Finances of the University. In E.J. Alagoa History of the University of Port Harcourt, 1977 – 1998 (Vol. 52 - 76). Lagos: University of Lagos Press.
- Ashar, H. and Shapiro, J.Z. (1988) Measuring Centrality: A note on Haman's Resource Allocation Theory. *Administrative Quarterly Science*, Vol. 33, No. 2
- Asplund, R., Adbelkarim, O.B., Skalli, A. (2008) An equity perspective on access to, enrolment in and finance of tertiary education. *Education Economics*, Vol. 16 (3), 261 – 274.
- Atuahene, F. (2008) The Challenge of Financing Higher Education and the Role of Student Loans Scheme: An analysis of the Student Loan Trust Fund (SLTF) in Ghana. *Higher Education: The International Journal of Higher Education and Educational Planning*, Vol. 54 (4), 407 – 421.
- Atueyi, U. (2009) Universities' masters' degrees are worthless, insists Oshuntokun. The Guardian 23/7/09 p 65 Available @ [http://www.whichwaynigeria.net/university-fundraising-nigeria-case/retrieved on 26/7/09](http://www.whichwaynigeria.net/university-fundraising-nigeria-case/retrieved%20on%2026/7/09)
- Awolaja, G. O. (2011). The Demand for Tertiary Education in the Nigerian Private Universities: Babcock University as a Case Study. *Babcock Journal of Management and Social Sciences*, 9(1 & 2), 123-135.
- Ayininuola, S. (2009). Leadership in Corporate Governance. *The Nigerian Accountant*, vol. 42(2).
- Babalola, J. B., Okunola, P. O., Adeyemi, S. O., & Ibekwe, M. E., (1996) Cost of financing education in Africa: The Nigerian experience. Revised research report No. 4. Association of African Universities (August).
- Babalola, Y.T., Sodipe, O. D., & Babalola, D. A. (2012). Ensuring Graduate Employability: The Role of Nigerian Private Universities. Paper presented at the First International Conference of Private Universities in Africa held in Babcock University, Ilishan Remo, Nigeria.
- Bacharach, S.B. (1989) Organizational theories: some criteria for evaluation. *Academy of Management Review*, 14:496 – 515. IN: Colquitt, J.A. and Zapata-Phelan, C.P. (2007) Trends in theory building and theory testing: Five-decade study of the Academy of Management Journal. *Academy of Management Journal*, Vol. 50, No. 5 1281 – 1303
- Bartel, M. (2003). Internationalization of Universities: A Culture-based Framework. *Higher Education*, 45, 43-70.
- Becker, S.W. and Green, D. (1962). Budgeting and employee behaviour. *Journal of Business*, Vol. 35(4), 392-402.
- Bell, S. (2002). Economic Governance and Institutional Dynamics. Melbourne: Oxford University Press

- Bevc, M. and Ursic, S. (2008) Relations between funding, equity, and efficiency of higher education. *Education Economics*, Vol. 16 (3), 229 – 244.
- Bogdan, R., and Biklen, S. (1992). *Qualitative research for education: An introduction to theory and methods* (2nd ed.). Boston: Allyn and Bacon.
- Bok, D. (2006). *Our underachieving colleges: A candid look at how much students learn and why they should be learning more*. New Jersey: Princeton University Press.
- Bouchard, T.J. Jr (1976). Unobtrusive measures: An inventory of uses. *Sociological methods and research*, 4, 267-300
- Bower, J. L., & Gilbert, C. G. (2007). *From Resource Allocation to Strategy*. New York: Oxford University Press.
- Broad, M. and Goddard, A. (2010). "Internal performance management with UK higher education: an amorphous system?" *Measuring Business Excellence*, Vol. 14, Iss. 1, 60-66
- Broad, M., Goddard, A. & Alberti L. V. (2007). Performance, Strategy and Accounting in Local Government and Higher Education in the UK. *Public Money & Management*, 27(2), 119-126.
- Broadbent, J., & Unerman, J. (2011). Developing the relevance of the accounting academy: the importance of drawing from the diversity of research approaches. *Meditari Accountancy Research*, 19(1/2), 7-21. 10.1108/10222521111178600
- Bryman, A. (2004). *Social research methods* (2nd ed.). Oxford: Oxford University Press.
- Buckland, R. (2009). Private and Public Sector Models for Strategies in Universities. *British Journal of Management*, 20(4), 524-536.
- Burgelman, R.A. (2007) *The Role of Strategy Making in Organizational Evolution in From Resource allocation to Strategy*. Edited by Bower, J.L. and Gilbert, C. G. New York: Oxford University Press
- Burrell, G. and Morgan, G. (1979) *Sociological paradigms and organizational Analysis*. England: Ashgate Publishing Limited
- Burrell, G., & Morgan, G. (1994). *Sociological Paradigms and Organisational Analysis*. Burlington: Ashgate Publishing Company.
- Campbell, D.T. and Fiske, D.W. (1959) Convergent and discriminant validation by the multitrait-multimethod matrix. *Psychological Bulletin*, 56, 81-105.
- Cadbury, A. (1992). *Report of the Committee of Financial Aspects of Corporate Governance*. London: Gee
- Cannell, C.F. & Kahn, R.L. (1968). Experimentation in social psychology. In G. Lindzey and E. Aronson (Eds.). *Handbook of Social Psychology*, Vol. 2, Reading, MA: Addison Wesley.

- Chatterii, M. and Seaman, P.(2006) Research Assessment Exercise Results and Research Funding in the United Kingdom: A Comparative Analysis. *Education Economics*, Vol.14 (3), 259 - 279.
- Cohen, L., and Manion, L. (1994). *Research methods in education* (4th ed.). London: Routledge Falmer.
- Cohen, L., Manion, L., & Morrison, K. (2010). *Research Methods in Education*. London and New York: Routledge.
- Cole, G. A. (2002). *Personnel and Human Resource Management*. London: Thomson Learning.
- Colquitt, J.A. and Zapata-Phelan, C.P. (2007) Trends in theory building and theory testing: Five-decade study of the Academy of Management Journal. *Academy of Management Journal*, Vol. 50, No. 5 1281 – 1303.
- Colville, I. (1981). Reconstructing “behavioural accounting”. *Accounting, Organizations and Society*, Vol. 6(2), 119-132,
- Corbin, J., & Strauss, A. (2008). *Basics of Qualitative Research: Techniques and Procedures for Developing Grounded Theory*. London: Sage Publications.
- Cousin, G. (2005, November). Case study research. *Journal of Geography in Higher Education*, 29(3), 421–427.
- Creswell, J. (1994). *Research design: Qualitative and quantitative approaches*. Thousand Oaks, CA: Sage.
- Creswell, J. (1998). *Qualitative inquiry and research design: Choosing among five traditions*. Thousand Oaks, CA: Sage.
- Creswell, J. (2002). *Educational research: Planning, conducting, and evaluating quantitative and qualitative research*. London: Merrill, Prentice Hall.
- Creswell, J. (2003). *Research design qualitative, quantitative, and mixed methods approaches* (2nd ed.). Thousand Oaks, CA: Sage.
- Creswell, J., and Plano Clark, V. (2007). *Designing and conducting mixed methods research*. Thousand Oaks, CA: Sage.
- Creswell, J., Plano Clark, V., Gutmann, M., and Hanson, W. (2003). Advanced mixed methods research designs. In A. Tashakkori and C. Teddlie (Eds.), *Handbook of mixed methods in social and behavioural research* (pp. 209-240). Thousand, Oaks, CA: Sage.
- Crozier, M. (1967) *The Bureaucratic Phenomenon*. Chicago: University of Chicago press.
- Daferighe, E. E. (2009). The Place of accounting Information in Organizational Control. *International Journal of Investment and Finance*, 2(1 & 2), 194-203.

- Dariye, J. C. (1999). Resource Allocatin in a Democratic Nigeria. Paper presented at the 1999 Annual Accountants' Conference held in Abuja, Nigeria (October).
- Dearden, L., Fitzsimons, E., Goodman, A, Kaplan, G. (2008) Higher Education funding Reforms in England; the distributional effects and the shifting balance of costs. *Economic Journal*, Vole 118 (February), p100 – 125.
- Denzin, N. K. (1970). *The Research Act in Sociology: A Theoretical Introduction to Sociological Methods*. London: Butterworth.
- Denzin, N., and Lincoln, Y. (1998). *The landscape of qualitative research: Theories and issues*. Thousand Oaks, CA: Sage.
- Denzin, N., and Lincoln, Y. (2000). *Handbook of qualitative research (2nd ed.)*. Thousand Oaks, CA: Sage.
- Deshpande, R. (1983). Paradigms lost: On theory and method in research in marketing. *Journal of Marketing*, 47, 101-110.
- Dieleman, M., & Toonen, O. (2006). The Match between motivation and performance management on Health Sectors in Mali, *Retrieved November 20, 2010. [www.humanresources-health.com](http://www.humanresources-health.com)*.
- DiMaggio, P.J. (1995) Comments on “what theory is not.” *Administrative Science Quartely*, 40:391 -397. IN: Colquitt, J.A. and Zapata-Phelan, C.P. (2007) Trends in theory building and theory testing: Five-decade study of the Academy of Management Journal. *Academy of Management Journal*, Vol. 50, No. 5 1281 – 1303
- Durosaro, T. (2009) Our plan is to adopt 100 schools by 2015; We have 25 on hand. *The Guardian* 12/7/09 p13.
- Easterby-Smith, M., Thorpe, R., and Lowe, A. (1991). *Management research: An introduction*. London: Sage.
- Ebegbulem, J. C. (2012). Corruption and Leadership Crisis in Africa: Nigeria in Focus. *International Journal of Business and Social Science*, 3(11), 221-227.
- Eells, R. (1960), Multiple Constituency definition of corporate governance.p.108
- Ehiabhi, O. S., & Ehinmore, O. M. (2011). Nigeria and the Challenges of Credible Political Leadership Since 1960. *Canadian Social Science*, 7(4), 136-143.
- Ehioghae, E. M. (2012). Private Universities as Catalysts for Conscientizing Tertiary Education in Africa: A Case Study of Babcock University. In G. N. D. Aja & S. M. Nwaomah (Eds.), *Private University Education in Africa: issues and Challenges* (pp. 187 - 208). Ilishan Remo, Ogun State: Babcock University Press.
- Eisenhardt, K.M. (1989) Building theories from case study research. *Academy of Management Review*, 14:532 – 550). IN: Colquitt, J.A. and Zapata-Phelan, C.P. (2007) Trends in

- theory building and theory testing: Five-decade study of the Academy of Management Journal. *Academy of Management Journal*, Vol. 50, No. 5 1281 – 1303
- Ekong, D. E. U. (2004). Universities in the Modern Nigeria. *Comparative Education*, 4(3), 17 - 28.
- Ekundayo, H. T., & Ajayi, I. A. (2009). Towards Effective Management of University Education in Nigeria. *International NGO Journal*, 4(8), 342 - 347.
- Elliott, J. and Lukes, D. (2008). Epistemology as ethics in research and policy: The use of case studies. *Journal of Philosophy of Education*, 42(S1), 87-119.
- Elton, L. (2000) The UK research Assessment Exercise: Unintended Consequences. *Higher Education Quarterly*, Vol. 54 (3), 274 – 283.
- Emevan, E. U. (2005). Research and qualitative improvement of education. *Review of Higher Education in Nigeria*, 5, 19 - 29.
- Fagbemi, K. (2006). Decay in Nigerian Universities. *The Nigerian Economist*, 4(15), 12 - 26.
- Fagbemi, T. O., & Uadiale, O. M. (2011). *An Appraisal of the Determinants of Timeliness of audit report in Nigeria: Evidence from Selected Quoted Companies*. Paper presented at the The 2011 New Orleans International Academic Conference, New Orleans, Louisiana USA.
- Fellows, R., and Liu, A. (1997). *Research methods for construction*. Oxford: Blackwell Science Limited.
- Finnegan, R. (1996). Using Documents. In R. Sapsford & V. Jupp (Eds.), *Data Collection and Analysis* (pp. 138 -151). London: Sage and Open University press.
- Fisher, C., et al. (2007) *Researching and Writing a Dissertation: A guidebook for Business Students*. 2nd ed. London: Prentice Hall
- Flick, U. (2002). *An introduction to qualitative research* (2nd ed.). London: Sage.
- Fontana, A., and Frey, J. (2000). The interview: From structured questions to negotiated test. In N. Denzin and Y. Lincoln (Eds.), *Handbook of qualitative research* (pp. 645-672). Thousand Oaks, CA: Sage.
- Gallego, I., Garcia, I.-M., & Rodriguez, L. (2009). Universities' Websites: Disclosure Practices and the Revelation of Financial Information. *The International Journal of Digital Accounting Research*, 9, 153 - 192.
- Garba, A. (2009) Government should upgrade schools' facilities'. *The Guardian* 4/7/09 p 52.

- Ghosh, S. (2001). Ethnic Diversity and Managerial Effectiveness in South Africa. *Academy of Management Executive*, 15(3), 136-137.
- Gillie, A. (1999). Efficiency in Universities and Resource-Based Learning: A Case study of Assumptions versus Analysis. *Public Money & Management* (CIPFA 1999), 43-49.
- Glass, C.J., Hyndman, N.S., McKillop, D. G. (1996) UK Universities: A Time-Series Study of Economics of Scale and Scope in the Context of the Research Assessment Exercises. *Public Money & Management*, (October – December), p59 - 64.
- Gooddard, A., Ooi, K. (1998) Activity-Based Costing and Central Overhead Cost Allocation in Universities: A Case study. *Public Money & Management*, July – September.
- Gorard, S. (2003). Quantitative methods in social sciences. New York: Continuum.
- Gourley, B. M., (1995) Financial sustainability of tertiary education in South Africa. A. C. U. *bulletin of current documentation* No. 119, p 17
- Greene, J., Caracelli, V., and Graham, W. (1989). Toward a conceptual framework for mixed-method evaluation designs. *Educational Evaluation and Policy Analysis*, 11, 255-274.
- Guba, E., and Lincoln, Y. (2000). Competing paradigms in qualitative research. In N. Denzin and Y. Lincoln (Eds.), *Handbook of qualitative research* (2nd ed.) (pp. 105-117). Thousand Oaks, CA: Sage.
- Hackman, J. D. (1985). Power and Centrality in the Allocation of Resources in Colleges and Universities. *Administrative Science Quarterly*, 30(1), 61-77.
- Hallack, J. (1990). Investing in the future - Setting Educational Priorities in the Developing World. Oxford: Pergamon Press.
- Hancock, B. (1998). An introduction to qualitative research. Nottingham; Trend Focus.
- Hickson et al, (1971) A strategic contingencies theory of intra-organizational power. *Administrative Science Quarterly*, 16: 216 – 229
- Higher Education Funding Council of England (2010). Available @ <http://www.hefce.ac.uk/widen/>. Downloaded 14/11/2010.
- Hills, F.S. and Mahoney, T. A. (1978) University Budgets and Organizational Decision Making. *Administrative Science Quarterly*, Vol. 23 (September), p454 – 465).
- Hinings et al. (1974) Structural Conditions of intra-organizational power. *Administrative Science Quarterly*, 19: 22 – 44.
- Hong, Y. (2012). Research on the Coordinative Development of regional Higher Education and Economy. *Higher Education Studies*, 2(1), 51-54.

- Hopper, T., & Powell, A. (1985). Making Sense of Research into the Organizational and Social Aspects of Management Accounting: a Review of its Underlying Assumptions (1). *Journal of Management Studies*, 22(5), 429 - 465.
- Howe, K. (1988). Against the quantitative-qualitative incompatibility thesis, or, dogmas die hard. *Educational Researcher*, 17, 10-16.
- Huff, A. S. (2009). *Designing Research for Publication*. London: Sage.
- Hufty, M. (2011). Investigating Policy Processes: The Governance Analytical Framework (GAF). In: Wiesmann U, Hurni H, editors; with an international group of co-editors. *Research for Sustainable Development: Foundations, Experiences, and Perspectives*. Perspectives of the Swiss National Centre of Competence in Research (NCCR) North-South, University of Bern. Vol.6. Bern, Switzerland: Geographica Bernesia, pp 403-424
- IBFRD/World Bank (2006). A Decade of Measuring the quality of governance – 2006 World Bank Governance Indicators.  
Available at: [www.siteresources.worldbank.org/wbi/governance](http://www.siteresources.worldbank.org/wbi/governance)
- Ibukun, W. O. (1997). *Educational Management: Theory and Practice*. Ado-Ekiti: Green Line Publishers.
- Ijaduola, K. O. (2009). Higher Education in Nigeria: Policies for Adjustment, Revitalization and Expansion in the New Millennium. *Academic Scholarship Journal*, 2(2), 104 - 114.
- Ijaduola, K. O., & Agbajeola, R. O. (2010). Funding University Education in Nigeria: The clarion Calls for Improvement. *Educational Periscope*, 3(September 2010), 102 -109.
- Ijaduola, K. O., Adenaike, F. A., & Odumade, A. S. (2009). Fringe Benefits and Employee's productivity: Implications on Human Resource Management. *Educational Periscope*, 3(Sept 2010), 10-19.
- Ikenberry, S. (2011). Scholarship and practice in Higher Education: What lies at the intersection? *Higher Education in Review*, 8, 1-12.
- Jaiyeoba, A. O., & Salami, S. O. (2006). Research Designs. In G. O. Alegbeleye, I. Mabawonku & M. Fabunmi (Eds.), *Research Methods in Education* (pp. 112 - 137). Ibadan: Faculty of Education, University of Ibadan.
- Janesick, V. (1994). The dance of qualitative research design: Metaphor, methodology, and meaning. In N. Denzin and Y. Lincoln (Eds.), *Handbook of qualitative research* (pp. 209-219). Thousand Oaks, CA: Sage.
- Jarzabkowski, P. (2002). Centralised or Decentralised? Strategic Implications of Resource Allocation Models. *Higher Education Quarterly*, 56(1), 5 - 32.
- Jick, T. D. (1979). Mixing qualitative and quantitative methods: Triangulation in Action. *Administrative Science Quarterly*, 24 (December).

- Johnes, G. (2007) Funding Formulae where Costs Legitimately Differ: The Case of Higher Education in England. *Education Economics*, Vol. 15 (4), 385 – 404.
- Johnson, R., and Christensen, L. (2004). Educational research: Quantitative, qualitative, and mixed approaches. Boston, MA: Allyn and Bacon.
- Johnson, R., and Onwuegbuzie, A. (2004). Mixed methods research: A research paradigm whose time has come. *Educational researcher*, 33, 14-26.
- Johnson-Jr, B. L. (1995). Resource Dependence Theory: A Political Economy Model of Organizations. US Department of Education Educational resources Information Centre (ERIC). ED 387.
- Johnstone, D. B. (1998). The Financing and Management of Higher Education: A Status Report on Worldwide Reforms, *UNESCO World Conference on Higher Education* Paris: The World Bank.
- Jones, C.S. (1986). Universities: On Becoming What They Are Not. *Financial Accountability & Management*, Vol. 2(2), pp. 107 –119.
- Jones, C.S. (1991). Power, Politics and Jarratt Proposals for Accounting in British Universities. *Financial Accountability & Management*, Vol. 7(3), pp. 143-158.
- Jones-Esan, L. (2007). Public private participation in funding education in Nigeria 1999 to date. Paper presented at the 16th Convocation Ceremony of the University of Ado -Edkiti.
- Jongbloed, B. (2004). Funding higher education: options, trade-offs and dilemmas. Fulbright Brainstorms,
- Kalejaiye, O. J. (2003). Communication as a Tool for Successful Industrial Relations in a Turbulent Economy. *Babcock Journal of Management and Social Sciences*, 2(1), 36-51.
- Kass, J. (2005). Higher-Education Foundations Facing New Scrutiny. Boston Globe.
- Katz, D. and Kahn, R.L. (1966) The social Psychology of Organizations. New York: Wiley.
- Kelchtermans, S. and Verboven, F. (2008) Regulation of program supply in higher education: lessons from a funding system reform in Flanders. *CESifo Economic Studies*, Vol. 54 (2)
- Kempkes, G., & Pohl, C. (2008). Do institutions matter for university cost efficiency? Evidence from Germany. *CESifo Economic Studies*, 54(2), 177-203.
- Kirk, J., and Miller, M. (1986). Reliability and validity in qualitative research. Beverly Hills: Sage.
- Kolawole, D. (2009) ASUU strike: Govt. needs to be more proactive, says UNAD VC. *The Guardian* 30/7/09 p47
- Lapsley, I. and Miller, P. (2004). Transforming Universities: The Uncertain, Erratic Path. *Financial Accountability & Management*. Vol. 20(2), 0267-4424

- Lapsley, I., & Miller, P. (2004). Transforming Universities: The Uncertain Erratic Path. *Financial Accounting & Management*, 20(2), 103-106.
- Laughlin, R. (1995). Empirical Research in Accounting. *Accounting, Auditing & Accountability Journal*, 8(1), 63-87.
- Lawrence, P.R. and Lorsch, J.W. (1967) Organisation and Environment. Cambridge, Mass.: Harvard Graduate School of Business.
- LeCompte, M., and Goetz, J. (1982). Problems of reliability and validity in ethnographic research. *Review of Educational Research*, 52, 31-60.
- Lee, E. C., & Bowen, F. M. (1971). *The Multi-campus University: A Study of Academic Governance*. New York: McGraw-Hill.
- Lee, N., & Cadogan, J. W. (2009). Sales Force Social Exchange in Problem Resolution Situations. *Industrial Marketing Management* 38(2009), 355-372.
- Lee, N., & Lings, I. (2008). *Doing Business Research: A Guide to Theory and practice*. London: Sage.
- Lenis, I. (1979). Effect of Budgetary Goal Characteristics on Management Attitudes and Performance. *The Accounting Review*, LIV(4), 707-721.
- Lepori, B., Benninghoff, M, Jongbloed, B., Salerno, C., & Slipesaeter, S. (2007). Changing models and patterns of higher education funding: some empirical evidence. *Universities and strategic knowledge creation: specialization and performance in Europe*, 85.
- Liefner, I. (2003). Funding, resource allocation and performance in higher education systems. *Journal of Higher Education*, 46. 469-489.
- Li, M., Shankar, S. & Tang, K. K. (2009) Why does the US dominate university league tables? Available @ <http://.uq.edu.au/economics/abstract/391.pdf>
- Lillis, J. (2009) Kazakhstan: Economic crisis crimps Astana's grand plans for higher education. Available @ <http://www.eurasianet.org>. Retrieved on 22/7/09
- Lincoln, Y. S., & Guba, E. (1985). *Naturalistic Inquiry*. Beverly Hills, CA: Sage.
- Liu, Y. (2007). Revenue diversification: A Comparison of Russian and Chinese Higher Education. *Higher Education in Review*, 4, 21-42.
- Liverpool, L. S. O., Esenyin, E. G., & E.I.Opara. (1996). Modelling For Resource Allocation to Departments and Faculties in African Universities: Association of African Universities.
- Lobo, M. S. d. C., Ozcan, Y. A., Silva, A. C. M., Lins, M. P. E., & Roberto, F. (2010). Financing reform and productivity change in Brazilian teaching hospitals: Malmquist approach. *Central European Journal of Operations Research*, 18(2), 141-152.

- Lofland, J., and Lofland, L. (1995). *Analyzing social settings: A guide to qualitative observation and analysis* (3rd ed.). Belmont, CA: Wadsworth.
- Lombardi, J.V.; Graig, D.O.; Capaldi, E.D.; Gater, D.S. (2002). *University Organization, Governance and Competitiveness. The Top American Research Universities – An annual Report from The Lombardi Program on Measuring University Performance.*
- Loubert, L. (2008) *Increasing Finance, Improving Schools. Review of Blanc Political Economy*, Vol. 35 (1), 31 – 42.
- Macdonald, D., Kirk, D., Metzler, M., Nigles, L.M., Schempp, P. and Wright, J. (2002). It's all very well, in theory: Theoretical perspectives and their applications in contemporary pedagogical research. *QUEST*, 54, 133–156.
- Machold, S. (2004). *Corporate Governance and Feminist Ethics: A Conceptual Model. Working Paper Series, No WP003/04. University of Wolverhampton Business School, UK.*
- Magalhaes, A., Veiga, A., Amaral, A., Sousa, S., & Ribeiro, F. (2013). Governance of governance in Higher Education: Practices and lessons drawn from the Portuguese case. *Higher Education Quarterly*, 67(3), 295-311.
- Mackenzie, N. and Knipe, S. (2006, October). Research dilemmas: Paradigms, methods and methodology. *Issues in Educational Research*, 16(2), 193–205. Retrieved August 9, 2009, from <http://www.iier.org.au/iier16/mackenzie.html>.
- Marks, T. and Jasmina, D. (2008) Funding system off full-time higher education and technical efficiency: case of the University of Ljubljana. *Education Economics*, Vol. 16 (3), 289 – 303.
- Mason, J. (2002). *Qualitative researching* (2nd ed.). London: Sage.
- Maykut, P, and Morehouse, R. (1994). *Beginning qualitative research: A philosophic and practical guide.* London: Falmer Press.
- McAdams, D.P. (1993). *The stories we live by: personal myths and the making of the self.* New York: William C. Morrow and Co.
- Merriam, S. (1988). *Case study research in education: A qualitative approach.* San Francisco: Jossey-Bass.
- Mertens, D. (2005). *Research methods in education and psychology: Integrating diversity with quantitative and qualitative approaches* (2nd ed.). Thousand Oaks, CA: Sage.
- Miller, J.G. (1978) *Living Systems.* New York: McGraw-Hill
- Miller, P., and O'Leary, T. (1987). Accounting and the construction of the governable person. *Accounting, Organization and Society*, Vol. 12(3), 235-265.
- Mufune, P. (2003). African culture and managerial behaviour: Clarifying the connections. *South African Journal of Business Management*, 34(3), 17-28.

- Ndagi, J. O. (1983) Financing of education in Nigeria under the military rule (1968-1978). In S. Adesina, K. Adeyemi and K. Ajayi (eds), Nigerian education Unife press, Ife, Nigeria
- Negash, M. (2008). Resource Allocation Challenges in South African Universities: A Management Accounting Perspective. *The Southern African Journal of Accountability and Auditing Research* (October).
- Neuman, W. (2003). Social research methods: qualitative and quantitative methods. Boston, MA: Allyn and Bacon.
- Nkrumah-Young, K., Huishman, J., Powell, P. (2008) The impact of funding policies on higher education in Jamaica. *Comparative Education*, Vol. 44 (2), 215 - 227.
- Nwacukwu, C. (1977). Issues and Problems of Financing education in Nigeria. *The Journal of Negro Education*, 46(3), 219-229.
- Nwazue, O. I. (2002). Corruption and Economic Development in Nigeria: The Way Forward. *Babcock Journal of Management and Social Sciences*, 1(1), 90-105.
- Obasi, I. N., & Eboh, E. C. (2002). Cost Sharing Crises in Nigerian Universities: Policy Lessons from an Empirical Study. Accra: Association of African Universities.
- Ocheni, S., & Nwankwo, B. C. (2012). Re-Engineering African Political leadership Through Good Governance for Sustainable Development and growth in Africa. *Canadian Social Science*, 8(3), 64-69.
- Odebiji, A.I., & Aina, O. I., (1999) Alternative modes of financing higher education in Nigeria and implications for university governance. Final Report. Accra: Association of African Universities (AAU). Available @ <http://www.aau.org/studyprogram/notpub/odebaina.pdf> retrieved on 26/7/09
- Oduleye, S. O. (1985). Decline in Nigerian Universities. *Higher Education*, 14(17), 17 - 40.
- Oduoza, P. (2010). Financing Higher Education for Sustainable Growth. Paper presented at the Association of Bursars of Nigerian Universities Conference Held at Nigerian Defence Academy, Kaduna.
- OECD (2004). Principles of Corporate Governance. Available at: <http://www.oecd.org>. Retrieved 26/07/2009
- Oghojafor, B., George, O., & Owoyemi, O. (2012). Corporate Governance and National Culture are Siamese Twins: The Case of Cadbury (Nigeria) PLC. *International Journal of Business and Social Science*, 3(15), 269-278.
- Ojo, O., & Bakare, O. (2010). Political Corruption and Accountability in Nigeria: bane of Democratic Consolidation and Sustainability. *Babcock Journal of Management and Social Sciences*, 8(1 & 2), 1-14.

- Ojo, O., & Ireunmi, B. (2011). Corporate Governance and the policy making process in a Federal State: The Nigerian Situation. *Babcock Journal of Management and Social Sciences*, 9(1 & 2), 233-247.
- Oke, A., & Dawson, P. (2012). The Role of Socio-Cultural Norms in Workplace Stress: an Empirical Study of Bank Employees in Nigeria. *International Journal of Management* 29(1), 314-331.
- Okike, E. N. M. (2007). Corporate Governance in Nigeria: the status quo. *Corporate Governance: An International Review*, 15(2), 173-193.
- Okojie, J. A. (2009) Innovative funding in the Nigerian university system. Available @ <http://www.unilorin.edu.ng/unilorin/downloads/okojie-innovative%20Funding.ppt>  
Retrieved on 26/7/09
- Olaniyan, O. (2003). Financing Higher Education in Nigeria: What has the education achieved? (Vol. 21). Ibadan: Awemark Printers.
- Olaolu, S. M. I. (2002). The Relevance of the Political, Social and Economic Thought of Obafemi Awolowo in Nigeria and the African Continent. *Babcock Journal of Management and Social Sciences*, 1(1), 51 - 64.
- Olawole, O. & Olukayode, B. (2010). Political Corruption and Accountability in Nigeria: Bane of Democratic Consolidation and Sustainability. *Babcock Journal of Management and Social Sciences*, Vol. 8 (1/2).
- Olowononi, G. D. (2010). Public Private Partnership of Higher Education Financing in Nigeria: The Case of User Charges in the Nigerian Universities. Paper presented at the Association of Bursars of Nigerian Universities Held at Nigerian Defence Academy, Kaduna.
- Olubomehin, O. (2003). Road Transportation and Nigeria's Economic Development in a Historical Perspective. *Babcock Journal of Management and Social Sciences*, 2(1), 91-102.
- O'Neil, D. (2006). Processes of Change. Available @ [http://anthro.palomar.edu/change/change\\_2.htm](http://anthro.palomar.edu/change/change_2.htm). Retrieved 28/1/2015.
- Onuoha, L. N. (2012a). Creative Financial Resources Mobilization: A Prescription for Private Operators in the Nigerian Higher Education System: A Case Study of Babcock University. In G. N. D. Aja & S. M. Nwaomah (Eds.), *Private Universities in Africa: Issues and Challenges* (pp. 169-185). Ilishan Remo: Babcock University Press.
- Onuoha, L. N. (2012b). Corporate Transparency: Babcock University. *Int. J. Innovation in Education*, 1(4), 311-323.
- Onuoha, L. N., Onuoha, U. D., & Amponsah, E. B. (2013). Financial Information Needs of University Stakeholders and the Transparency Implications of Timely Dissemination. *International Journal of Accounting and Taxation*, 1(1), 1-8.

- Onwuegbuzie, A.J. (2000, November 18). Positivists, post-positivists, post-structuralists, and post-modernists: Why can't we all get along? Towards a framework for unifying research paradigms. Paper presented at the annual meeting of the Association for the Advancement of Educational Research, Ponte Vedra, Florida.
- Otley, D.T. (1978). Strategies for research in studying the use made of accounting information in organizational control. Paper to European Institute for Advanced Studies in Management – Information and Control Systems Workshops, September.
- Ouma, G. W. (2007). Reducing resource dependence on government funding, the case of public universities in Kenya and South Africa. Unpublished doctoral dissertation. University of Cape Town.
- Owoyemi, A. (2009). Optimizing financial resources as panacea to perennial underfunding of universities. Being a guest speaker's address delivered to the annual conference (COBNU) , held at the University of Lagos, Akoka, Lagos State, Nigeria on 5<sup>th</sup> August, 2009
- Oxford Business Group (2012). The Report: Nigeria 2012: Oxford Business Group.
- Oyejide, A. (2008). Corruption and Development: A Nigerian Perspective. *The Nigerian Accountant*, 41(4), 38 - 42.
- Oyeneye, O. Y. (2006). Current Issues in the Administration of University Education in Nigeria. . Paper presented at the 5th Convocation Ceremony of University of Ado-Ekiti, Ado-Ekiti.
- Parker, L., & Gould, G. (1999). Changing public sector accountability: critiquing new directions. *Accounting Forum*, 23(2), 109 -135.
- Patton, M. (2002). *Qualitative research and evaluation methods* (3rd ed.). Thousand Oaks, CA: Sage.
- Pendlebury, M. and Algaber, N. (1997). Accounting for the cost of central support services in UK Universities: A Note. *Financial Accountability & Management*, 13 (3), 0267 – 4424.
- Perrow, C. (1970). Departmental Power and Perspectives in industrial firms. In Mayer N. Zald (ed.), *Power in Organizations*: 59 \_ 85. Nashville., TN: Vanderbilt University Press.
- Peteraf, M (2007). Research Complementarities: A resource-based view of the Resource Allocation Process Model (and vice versa) in *From Resource allocation to Strategy*. Edited by Bower, J.L. and Gilbert, C. G. New York: Oxford University Press
- Peters, S. (2009). Leadership in Universities. *International Journal of Leadership in Public Service*, 7(3), 229-234.
- Pfeffer, G. and Salancik, G.R. (1978). *The External Control of Organizations: A resource dependence perspective*. New York: Harper and Row.
- Pfeffer, G. and Salancik, G.R. (2003). *The external control of organizations: A resource dependence perspective*. California: Stanford University Press.

- Pfeffer, J. and Salancik, G.R. (1974). organizational decision making as a political process: the case of a university budget. *Administrative Science Quarterly*, 19:135 – 151
- Plender, J. (2003). Capitalism under scrutiny. *Financial Times*, September 5<sup>th</sup>.
- Polit, D., and Beck, C. (2008). Nursing research: Generating and assessing evidence for nursing practice (8th ed.). Philadelphia, PA: Lippincott Williams and Wilkins.
- Posthuma, R., & Al-Riyami, S. (2012). Leading Teams of Higher Education Administrators: Integrating Goal Setting, Team Role, and Team Life Cycle Theories. *Higher Education Studies*, 2(3), 44-54.
- Productivity commission (2003). University resourcing: Australia in an international context. Available @ <http://129.3.20.41/eps/mic/papers/0305/0305003.pdf>. Retrieved on 22/7/09 retrieved on 26/7/09
- Psacharopoulos, G. (2008). Funding Universities for efficiency and equity: research findings versus petty politics. *Education Economics*, 16:3, 245 – 260
- Psacharopoulos, G. and Woodhall, M. (1985). Education for development – An analysis of investment choices. New York: Oxford University Press – World Bank
- Razavi, S. H., & Attarnezhad, O. (2013). Management of Organizational Innovation. *International Journal of Business and Social Science*, 4(1), 226-232.
- Resurreccion, P. F. (2012). Performance Management and Compensation as drivers of Organization Competitiveness: The Philippine Perspective. *International Journal of Business and Social Science*, 3(21), 20-30.
- Rezaee, Z. (2002). Financial Statement Fraud. New York: John Willey & Sons.
- Riessman, C.K. (1993). Narrative analysis. Thousands Oaks: Sage (Qualitative research methods, vol. 30).
- Rifaat, L. (2012). Education and business conduct in Nigeria. *Training*. Vol. 49(6), 18-18.
- Robbins, S. P., & Coulter, M. (2007). Management. New jersey: Pearson/Prentice hall International.
- Robson, C. (2002). Real world research: A resource for social scientists and practitioner researchers (2nd ed.). Oxford: Blackwell.
- Rui, D. (2013). Research on Current Private Higher Education in Shandong Province. *Higher Education of Social Science*. Vol.4(3), 78-82.
- Salancik, G., & Pfeffer, J. (1974). The Bases and Use of Power in organizational Decision Making: The Case of a University. *Administrative Science Quarterly*, 19(4), 453-473.

- Sanda, A., Mikailu, A. and Garba, T. (2005). Corporate Governance and Firm Financial Performance in Nigeria. AERC Research Paper 149 for African Economic Research Consortium, Nairobi, Kenya.
- Santoro, M. D., & Chakrabarti, A. K. (1999). Building industry-university research centers; some strategic considerations. *International Journal of Management Reviews*, 1(3), 225-245.
- Sarantakos, S. (1998). Social research (2nd ed.). Basingstoke: Macmillan.
- Schiller, D. and Liefner, I. (2007) Higher Education funding Reform and University-industry Links in Developing Countries: The Case of Thailand. *High Education*, Vol. 54, p543 – 556.
- Scott, P. (2012). Crossing Boundaries: Mass Higher Education in Multiple Perspectives. *Higher Education in Review*, 9, 1-14.
- Shattock, M. (2002). Re-Balancing Modern Concepts of University Governance. *Higher Education Quarterly*, 56(3), 235-244.
- Shen, X., & Tian, X. (2012). Academic Culture and Campus Culture of Universities. *Higher Education Studies*, 2(2), 61-65.
- Shuy, R. (2003). In-person versus telephone interviewing. In J. Holstein and J. Gubrium (Eds), *In side interviewing: new lenses, new concerns* (pp. 175-193). Thousand Oaks, CA: Sage.
- Silverman, D. (1993). *Interpreting Qualitative Data*. London: Sage.
- Silverman, D. (2011). *Interpreting qualitative data: methods for analysing talk, text and interaction*, London: Sage (3<sup>rd</sup> edition).
- Simui, M. H., & Kanyengo, C. W. (2001). *Financing of Universities Libraries in Zambia*. Accra: Association of African Universities.
- Sinha, P.K. and Sinha, S. (2007). *MBA Current Trends in Management (Semester 1V)*. Pune: Nirali Prakashan.
- Smith, D. (2013). Differentiation and Diversification in Higher Education: The Case of Private, Faith-Based Higher Education in Manitoba. *Canadian Journal of Higher Education*, 43(1), 23-43.
- Smith, H. W. (1975). *Strategies of Social Research: The Methodological Imagination*. London: Prentice Hall
- Sodipo, O. (2010). Industrial Actions As Correlates of Students' Academic Performance in Southwestern Nigeria Universities. *Educational Periscope*, 3(September, 2010), 20 -30.
- Soomro, T. R., & Ahmad, R. (2012). Quality in Higher Education: United Arab Emirates Perspective. *Higher Education Studies*, 2(4), 148152.

- Stensaker, B., & Vabo, A. (2013). Re-inventing Shared Governance: Implications for Organisational Culture and Institutional Leadership. *Higher Education Quarterly*, 67, 256-274.
- Struwig, F. W., & Smith, E. E. (2002). The relationship between organizational culture and strategy formulation in South African firms. *South African Journal of Business Management*, 33(1), 21-30.
- Tandberg, D. A. (2008). The Politics of State Higher Education Funding. *Higher Education in Reviews*, 5, 1-36.
- Tashakkori, A., and Teddlie, C. (1998). *Mixed methodology: Combining qualitative and quantitative approaches*. Thousand Oaks, London: Sage.
- Teixeira, P., & Korykina, T. (2011). Funding reforms and revenue diversification – patterns, challenges and rhetoric. *Studies in Higher Education*, 1-18.
- Thomas, A., & Shonken, J. S. (1998). Culture-specific management and the African management movement - a critical review. *South African Journal of Business Management*, 29(2), 53-67.
- Ticker, A. (2009). *Essentials for Board of Directors – An A-Z Guide*. New York: Bloomberg Press
- Tomkins, C., and Groves, R. (1983). The everyday accountant and researching his reality. *Accounting, Organization and Society*, Vol. 8(4), 149-166.
- Torrance, H. (2005) in Torrance, H. and Stark, S., 'Case study'. In Somekh, B. and Lewin, C. (eds). *Research methods in the social sciences*. London: Sage Publications.
- Udoh, H. M. (2001). The Management of Nigerian Universities. *Quarterly Journal of Administration*, 2644 -2273.
- University of Ibadan (2008). *Calendar 2008 – 2012*. Ibadan: University Press
- University of Ibadan (2010). *Pocket Statistics 2010*. Ibadan: University Press
- Wahid, A. H. D. A., Abu, N. A., Latif, W. A., & Smith, M. (2013). Corporate Governance and Intellectual Capital: Evidence from Public and Private Universities. *Higher Education Studies*, 3(1), 63-78.
- Wangenge-Ouma, G. and Cloete, N. (2008) Financing Higher Education in South Africa: Public Funding, Non-Government Revenue and Tuition Fees. *South African Journal of Higher Education*, Vol. 22 (4), 906 – 919.
- Whitechurch, C., & Harvey, L. (2013). Governance Revisited. *Higher Education Quarterly*, 67(3), 215-216.

- Whitt, E. (1991). Artful science: A primer on qualitative research methods. *Journal of College Student Development*, 32, 406-415.
- Wildavsky, A. and Hammond, A. (1979) Comprehensive versus incremental budgeting in the department of agriculture. *Administrative Science Quarterly*, 10:321 – 346
- Woods, M. (2008). The Theory, History and Practice of Resource Allocation Models in UK Universities. *The Journal of Finance and Management in Colleges and Universities*(5), 139-172.
- Wooldridge, W. (2011). Leadership in higher education: some lessons from other sectors. *International Journal of Leadership in Public Services*, 7(3), 245-250.
- World Bank (1991). *Managing Development – The Governance Dimension*. Washington DC. [www.oecd.org/daf/corporateaffairs/principles/text](http://www.oecd.org/daf/corporateaffairs/principles/text). Retrieved 18/05/2013
- Yin, R. (2003). *Case study research: Design and methods* (3rd ed.). Thousand Oaks, CA: Sage.
- Yusof, K. (2008). University Governance in Malaysia. Paper presented at Regional Seminar on University Governance in Southeast Asian Countries, Luang Prabang, Lao PDR.

## Appendix A: Statistics of Accredited Universities in Nigeria

	Before 1999	1999 – 2008	2009 – 2013
Federal	19	27	32
State	13	31	35
Private	0	34	59
	-----	-----	-----
	32	92	126
	=====	=====	=====

Source: Adapted from National Universities Commission, Abuja (October 31, 2010)

## **Appendix B: Semi-Structured Questions**

Demographic Data:

Name of Institution:

Profession of Respondent:

Rank of Office:

Number of years in Employment:

### **Questions and Responses**

1. How would you describe the philosophical basis of your university's resource allocation processes?
2. How are the different levels of management (top, middle or lower) involved in the initiation and commitment of resources to specific purposes? Could you identify the communication procedures followed to ensure equitable distribution of available resources to all the departments?
3. In what ways, if at all, does the influence of the head of a unit affect the budgetary allocations made to a particular department at given periods?
4. How much of the university's annual budget is funded from internally generated revenues (IGR) each year? Could you identify the most significant sources of your university's internally generated revenues?
5. How does the allocation quota of available finances to units reflect their respective contribution to the overall internally generated revenues of the university?
6. Which units/departments receive more funding in 'lean' and 'abundance' times? What factors support this trend? What unique attributes support this trend?
7. How would you describe the influence of politics and power in the distribution of resources in the University?
8. How frequently are the annual allocations reviewed and what corrective measures are employed to make corrections?

9. How has the university's annual budgets been funded in the last five years?
10. Describe how adequately the university funds staff-related payments - salaries, bonuses, medicals, etc.? (Could you share statistics)
11. How sufficient is the policy on ground to ensure that 'teaching' and 'research' budgets are adequately funded in both 'lean and abundance times'?
12. How would you assess staff and faculty turnover in the university over the last five years. What are the most common reasons often alleged by disengaging staff for quitting the university's employment?
13. To what extent do you think staff morale would improve if the administration should consistently allocate more funding to staff-related budget and heads like housing, educational allowance, funded conferences, among others.
14. How do you assess the allocation processes currently employed by the university and to what extent do you see and need for change?
15. In order to achieve greater efficiency, what specific steps do you suggest the university's allocation processes should follow?
16. Would you consider need for a policy/practice change for how universities compete for external resources?
17. In what specific ways do you expect legislation at the state or federal levels to affect your university's allocation processes?

## Appendix C: Sample of Interview Narratives

### Transcript Excerpts1

- 717 1. How would you describe the philosophical basis of your university's resource  
718 allocation processes?  
719 **R: We try to operate in a way all needs of the university are given fair**  
720 **attention. I can say the philosophy of even development of the different**  
721 **faculties**
- 722 2. How are the different levels of management (top, middle or lower) involved in the  
723 initiation and commitment of resources to specific purposes? Could you identify  
724 the communication procedures followed to ensure equitable distribution of  
725 available resources to all the departments?  
726 **R: There is equal involvement of all managers of the system. The**  
727 **departments first submit their requests and later come together with the**  
728 **Administration to agree on what to move forward with and what to drop.**  
729 **Because it is difficult for everyone to get all they asked for, we must make out**  
730 **time to meet and agree before taking it to the council.**  
731 **The Bursar is the chief driver for ensuring that the budget represents the**  
732 **direction of the university at any given time. That is why that office involves**  
733 **all to make sure the outcome of the resource allocation is not a single person's**  
734 **ideas. That has implication for the budget performance also. The reason is**  
735 **people support it if they have reasonable input in it.**
- 736 3. In what ways, if at all, does the influence of the head of a unit affect the budgetary  
737 allocations made to a particular department at given periods?  
738 **R: No head of department has that kind of overriding powers. We plan jointly**  
739 **and attempt is made to direct funds as all of us deem to the best interest of the**  
740 **university as a whole. Some HODs that have accreditation visit in view may**  
741 **receive greater attention but that is not measured by power or politics.**  
742 How much of the university's annual budget is funded from internally generated  
743 revenues (IGR) each year? Could you identify the most significant sources of your  
744 university's internally generated revenues?  
745 **R: I will say 100%. The proprietors bring in a little....very little every year.**  
746 **This is not more than 5% of the overall budget. We fund basically with**  
747 **internally generated resources....tuition fees and other basic commercial**  
748 **inflows from supermarket.**

- 749 4. How does the allocation quota of available finances to units reflect their respective  
750 contribution to the overall internally generated revenues of the university?  
751 **R: allocations are by needs. Some departments contribute more than others,**  
752 **but we hardly look at that formula in sharing what is available. A**  
753 **department may not earn any positive net income but gets a huge chunk of**  
754 **the resources. It all depends on the needs properly analyzed and defended by**  
755 **the head of department in charge of that unit.**
- 756 5. Which units/departments receive more funding in 'lean' and 'abundance' times?  
757 What factors support this trend? What unique attributes support this trend?  
758 **R: No unit is set apart to receive more. All the departments view with equal**  
759 **attention. But those who have good claims that conform with our focus in a**  
760 **given year simply get more. It is not because they are so designated as most**  
761 **favoured. This is the rule here both in lean and abundant times.**
- 762 6. How would you describe the influence of politics and power in the distribution of  
763 resources in the University?  
764 **R: As I said before, we are not a politics driven university. Personal influence**  
765 **of an HOD is never a factor in allocating resources to his unit.**
- 

- 766 7. How frequently are the annual allocations reviewed and what corrective measures  
767 are employed to make corrections?  
768 **R: There is none that I know, however, during the council, the Bursar**  
769 **discusses the way money allocated previously went through her Bursar's**  
770 **report. We do not do annual or periodic review as to make corrections mid-**  
771 **way in the budget implementation.**

Transcripts Excerpt 2

- 1028 1. How would you describe the philosophical basis of your university's resource  
1029 allocation processes?  
1030 **R: I will say even development of the university's approved programmes.**  
1031 **The attempt is to ensure that no programme suffers unduly at the end of**  
1032 **the day. Whether is the provision of equipment or allocation of money,**  
1033 **that is the rule.**
- 1034 2. How are the different levels of management (top, middle or lower) involved in  
1035 the initiation and commitment of resources to specific purposes? Could you  
1036 identify the communication procedures followed to ensure equitable  
1037 distribution of available resources to all the departments?  
1038 **R: The process is such that brings everybody to the sharing table together.**  
1039 **I can say the budgeting process is bottom up in that the department heads**  
1040 **first put their requisitions together, send same to the office of the Bursar**  
1041 **after the relevant dean's office has verified it. Who gets what finally is a**  
1042 **function of what is available and how weighty the listed needs are when**  
1043 **viewed from the point of view of the whole university direction for the**  
1044 **year. The first step begins with the bursar asking everybody to submit**  
1045 **budgets and then she calls a meeting to look at the submissions. From here**  
1046 **the office of the bursar presents the requests to the council. What ever the**  
1047 **council approves is what goes into the final budget. When the council is**  
1048 **over, the Bursar calls all together to report the approved budget;**  
1049 **department heads act as the budget officers.**
- 1050 3. In what ways, if at all, does the influence of the head of a unit affect the  
1051 budgetary allocations made to a particular department at given periods?  
1052 **R: I am not familiar with such. No head or individual exerts most**  
1053 **influence as implied. Each department head vies for resources just as the**  
1054 **others do by providing an acceptable justification for prioritization of the**  
1055 **available money to his claims as different from others. Every one puts his**  
1056 **or her department needs on the table and in joint meetings we vote those**  
1057 **that would go as different from others. It is not a single's persons business.**  
1058 **It is our collective responsibility guided by the direction of the Bursar's**  
1059 **office.**

- 1060 4. How much of the university's annual budget is funded from internally  
1061 generated revenues (IGR) each year? Could you identify the most significant  
1062 sources of your university's internally generated revenues?  
1063 **R: basically everything....give a small margin for what comes from the**  
1064 **proprietors. Minimal that is. We may find more ways of doing this better**  
1065 **in future... I think it is a dynamic process.**
- 1066 5. How does the allocation quota of available finances to units reflect their  
1067 respective contribution to the overall internally generated revenues of the  
1068 university?  
1069 **R: Not that I know. The allocations are need based rather than looking at**  
1070 **how much each department brings in.**
- 1071 6. Which units/departments receive more funding in 'lean' and 'abundance'  
1072 times? What factors support this trend? What unique attributes support this  
1073 trend?  
1074 **R: the rule here is equality. Departments are viewed to be of equal**  
1075 **importance to the university. The direction of resources is to meet the**  
1076 **justified needs of the respective units from time to time. However, when**

- 
- 1077 **there is accreditation in view, more may be given to the department that is**  
1078 **facing accreditation visit.**
- 1079 7. How would you describe the influence of politics and power in the distribution  
1080 of resources in the University?  
1081 **R: None....totally nonexistent.**
- 1082 8. How frequently are the annual allocations reviewed and what corrective  
1083 measures are employed to make corrections?  
1084 **R: Rarely...that happens only during the presentation of the next year's**  
1085 **budget. The bursar says how the former budget was and from there we**  
1086 **look at what is ahead for the next financial year.**

## Appendix D: Sample of Story Elements Analysis Using McAdams' Analytical Method

**Table 1:**

### RM11 story elements

McAdam's (1993) list of story elements	Line number	Narrative
Scene Setting	45-46, 58-60, 193-195	Private University community
Introducing main characters	43, 56-57	Prof of Economics, Bursar, Deans and HODs
Initiating event	43-45, 182	Resources shortage resulting in competition among departments
Attempt	71-75	Ration equitably yet prioritize certain expenses
Consequence	129-130, 135-137	Staff payments, teaching and research suffer
Reaction	137-139	Hope for improved situation of resource allocation processes in future
Denouement	72-75, 191-192, 195-199	Co-operation with fellow resource managers; liberalized policy in favour of government support to private universities

**Table 2:**

### RM12 story elements

McAdam's (1993) list of story elements	Line number	Narrative
Scene Setting	216-217	Private University organization
Introducing main characters	226-227	Bursar, Finance Office staff, Deans and HODs
Initiating event	217-218	Resources allocation processes efficiency
Attempt	233-234	HODs justify requests according to need
Consequence	255	<b>"..apply fairness in our allocations to reflect the common good"</b>
Reaction	290-291	Greater discipline; higher staff morale
Denouement	299-300	Centralized budget control

## Appendix E: Transformed Interview Analysis Table

Resources Allocation Drivers from Perceptions of the Interviewees:					
Table Number	Shortage of Finance	Resources Dependence (IGR)	Resources Allocation Processes	Core and Peripheral Challenge	Politics and Power
Table 1	x		x		
Table 2	x		x		
Table 3	x		x	x	
Table 4	x		x		
Table 5	x		x	x	
Table 6	x		x		
Table 7	x		x		
Table 8	x		x		
Table 9	x	x			x
Table 10	x	x	x		
Table 11	x	x		x	x
Table 12	x	x	x		
Table 13	x	x	x		x
Table 14	x	x			x
Table 15	x		x		
Table 16	x	x	x		
Table 17	x	x		x	
Table 18	x	x	x		x
Table 19	x	x	x		
Table 20	x		x		x
Table 21	x		x		x
Table 22	x	x			x
Table 23	x		x		x
Table 24	x		x		x
Table 25	x	x	x		
Table 26	x		x		x
Table 27	x		x		
Table 28	x		x		
Table 29	x		x	x	
Table 30	x		x		
Table 31	x	x	x		
Table 32	x		x		
Table 33	x		x		

Table 34	x		x		
Table 35	x		x	x	
Table 36	x	x	x		x
Table 37	x	x	x		
Table 38	x		x		
Table 39	x		x		x
Table 40	x		x	x	
Table 41	x	x		x	x
Table 42	x	x	x		
Table 43	x		x	x	x
Table 44	x	x	x		
Table 45	x			x	x
TOTAL	45	18	39	10	16
PERCENTAGE	100%	40%	87%	22%	36%