

## Functional tertiary education as correlate of economic development

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### **Abstract**

*The study aimed at investigating the relationship between functional tertiary education and economic development. Survey research design was adopted for the study. The population of the study comprised all the students in University of Calabar, University of Uyo and Cross River University of Technology. The sample of the study was made up of 300 students purposively selected from the three tertiary institutions. Two hypotheses were formulated and tested in the study. The instrument for data collection was a structured questionnaire titled “Functional Tertiary Education and Economic Development Questionnaire (FTEEDQ). The instrument was subjected to face validity and reliability test using Test-Retest method and was found reliable at 0.78 r-value. Pearson Product Moment correlation Statistics (r) was used for data analysis at 0.05 level of significance. Result obtained revealed a significant relationship between man-power production, knowledge management and economic development. Based on this result, it was recommended that tertiary institutions should be re-designed to boost the production of functional human resources to fast track economic development among other things.*

**Keywords:** Functional, tertiary education, economic development, manpower production, knowledge management

### **Introduction**

The need for a continual progress in economic prosperity and the quest to be at the forefront of the world's leading economies, has intensified the strife for a functional educational system by developing economies of which Nigeria is not an exception. No society can attain any meaningful development without a solid educational base. The world economy has progressively advanced from industrial-based economy to knowledge-based economy, whereby the economic progress of any society is measured not by the accumulation of industrial infrastructure, but by the type of knowledge and skills acquired, applied, accumulated and re-constructed by its workforce (Ghirmai, 2010). It follows from here, that the economic wellbeing of any society has a direct functional congruence with the type, nature and levels of her educational development. Hence, it becomes imperative for every developing country to effectuate a functional educational system that is capable of producing knowledge-oriented workforce for a steady growth in industrial productivity, as well as increase in the economic wellbeing of the people.

Functional tertiary education is the base of economic development of any country. The goal of tertiary education is to produce high level manpower that would take up the productive activities in the economy (Federal Republic of Nigeria, 2004). Fonkeng and Ntembe (2009) declared that higher education in Cameroon like in many other African countries was viewed as a vehicle for training high level manpower for the new nation to consolidate its autonomy and as a driving force for the nation's economic development. Stating further, they maintained that the expansion in higher education was motivated by the conviction that it was a benchmark for the training of manpower at lower levels of education and was an important source of economic growth. Okon, Akuegwu and Uko (2016) stressed that the higher

education institutions are seen as prime human capital development institutions capable of grooming knowledgeable and skill-impacting educational output for productive capacity of the nation. Bloom, Canning and Chan (2006) maintained that the knowledge-based competition within a globalizing economy is prompting a fresh consideration of the role of higher education in development and growth. It is evidenced from the above assertions that functional tertiary education is the driving force of economic development.

Tertiary or higher education is the education acquired after secondary education (FRN, 2004). It is the level of education designed to provide and satisfy the manpower requirement of every economy. Higher education contributes to economic development through the creation and dissemination of knowledge and enables those who have acquired it to become more productive thus contributing to the overall economic growth (Fonkeng & Ntembe, 2009). A functional tertiary education system is the one that has the implied capacity to produce manpower with practical skills and knowledge, as well as ensure the evolution and expansion of the knowledge base of the economy in line with emerging needs of the society and global competitiveness. It is a mechanism that equips human resources with the needed knowledge, skill and competences which would make them functional and contribute to the development of the nation (Dauda, 2010). Higher education is the engine room of national economic growth strategies and poverty reduction through the training of qualified high-level manpower (Okon, Akuegwu & Uko, 2016). Aigheyisi and Obhiosa (2014) referred to functional education as education that comes from the child's needs, and uses the child's interest as a mechanism for activating him towards his desirable activities, and whose purpose is to

develop the life of the mind, that acts from the wholeness of organic life, with relation to practical life in the present and in the future.

From the foregoing, it holds that functional tertiary education should be practical, knowledge-based and geared towards solving the problems of the society. Higher education can be regarded as being functional if it ensures the performance of the functions and role for which it was created, generating a maximum degree of satisfaction among the participants in the educational process (Badea, 2013). The poor performance of the Nigerian economy and the slow pace of its development, are proven facts of the ill-functioning state of our tertiary education system. The high rate of poverty, high cost of living in the society, proliferation of graduates without skills, low level of industrial productivity, high dependency on import and the general low standard of living in the Nigerian societies, are indices of a stagnated economy. Aigheyisi and Obhiosa (2014) declared that even the Nigerian government appears to admit the popular notion that some of the graduates produced by tertiary institutions in the country are half baked, implying that they were taught only the theories of practical courses. Babalola (2008) declared that the high rate of unemployment in Nigeria is basically caused by the inability of output of high institutions to match their skills with those needed by the labour market. This espouses the fact that there is greater and urgent need for functional tertiary education that would boost the productivity of our workforce in theory and practice for the economic wellbeing of the Nigerian societies.

Productive manpower accumulation and practical knowledge evolution are the twin mechanism for economic development of any nation. Manpower production is the process educational systems use in producing human capital for labour force towards

increase in national output (Okon, Akuegwu & Uko, 2016). Explaining further, they maintained that the need for manpower requirement is on the basis that there is a link between education and economic development through knowledge and skills it produces for the labour force. Ekanem, Uchendu and Sule (2012) established that for any economy to grow, develop, sustain and reproduce itself, it must have a large educated middle class. The immediate past president of Nigeria, Dr. Goodluck Jonathan in his speech in March 2012, stressed the need to achieve the nation's manpower needs in the various fields of learning for the scientific development of the nation. In Cameroon the expansion in higher education was motivated by the conviction that it was a benchmark for the training of manpower at lower levels of education and was an important source of economic growth (Fonkeng & Ntembe, 2009). Accordingly, Okon, Akuegwu and Uko (2016) opined that there is a direct relationship between Knowledge Economy Index and economic growth. Asuquo (2009) stressed that the 21<sup>st</sup> century is characterized by development of "knowledge economies" where nations' social prosperity and economic viability are premised upon skilled and knowledgeable citizens. The above expressions assert the fact that manpower production and knowledge management are the cannons of economic progress in any society.

There is an inseparable relationship between manpower production and economic development. Fadipe (2011) maintained that manpower deals with human capital formation, allocation and utilization for economic productivity. Aliyu (2013) carried out an evaluation of the impact of human capital formation and utilization on economic growth in Nigeria (1981-2007). The result of the study showed that human capital does not only have a positive impact on economic growth but such impact is strong

and statistically significant. Idenyi, Eze and Ogbonna (2016) carried out a study on Analysis of the relationship between human capital development and economic growth in Nigeria. The variable as human capital development factor was found to have significant effect on economic growth. It was further revealed that any increase in expenditure on education contributes positively to the growth of the economy. The above reviews establish the fact that manpower production has a positive implication on the economic development of any nation of the world.

Jarboe (2001) opined that the ability of a locality to supply a company's need for information and knowledge assets has become paramount in economic development. He maintained that knowledge management has three objective domains; creation of knowledge repositories, improving knowledge access, enhancing the knowledge environment and management of knowledge as an asset. Bratti, Bucci and Moretti in Sankay, Ismail & Shaari (2010) designed a relationship model between economic growth and human capital accumulation. The model was developed on the basis of countries at different phases of development. The results showed that there is positive direct relationship between education level and production level. This leads to enhancing the consideration of knowledge as a production function in competitive business scenario.

Bhullar and Kaur (2014) opined that knowledge and ideas have emerged as key drivers of economic growth in current scenario. They found out in their study that firm specific, Sector specific and General knowledge are the three forms of knowledge that play a significant role in economic growth, and that the well qualified human capital has positive impact on economic growth through total factor productivity. Kahreh (2011), in his study,

asserted that the increased prominence of knowledge related economics from the beginning of the 1990,s have coexisted with the development of the new view on business strategy that emphasizes resource efficiency rather than the generally accepted competitive forces. According to him, in the e-economy era, for any country to achieve and sustain the competitive advantage, the implementation of strategic knowledge management (SKM) is undeniable. He explained further that through knowledge driven reconfiguration, integration and innovation, organizational and institutional competencies are gained in the economy. The above review stipulates the fact that linking school experiences to the needs of the society would boost organizational and institutional performance, which would enhance economic growth and development of the country.

### **Statement of the problem**

The struggle for a steady progression in economic prosperity and the strife to narrow the poverty gap in the society has been the pre-occupation of every developing economy of which Nigeria is not an exception. Nigeria as a nation is gripped by poor standard of economic activities and slow pace of development growth rates. This situation has placed the country at the lower end of developing economies. Several researchers had attributed this to poor and inadequate provision of industrial infrastructure and facilities, while others linked it to the poor development of our natural resources. Government has over time, committed so much to the provision of industrial facilities and tried to revamp agricultural base for improved productivity. Despite these measures, the economic situation has increasingly become worse as the country is totally dependent on imports for survival even in food production.

It is obvious that no country can grow above its level of education and that the level of economic wellbeing of any society is a direct correlate of the nature and type of manpower and knowledge accumulated and utilized in the economy. A country with knowledge-driven work force and expanded practical knowledge bank seems to attain higher levels of economic development than others. In Nigeria, there seems to be little attention given to manpower production and knowledge management as feasible solutions to the economic problems of the society. It is against this backdrop that it becomes pertinent to raise the question: "what is the relationship between functional tertiary education and economic development?"

### **Purpose of the study**

The general purpose of the study is to investigate the relationship between functional tertiary education and economic development. Specifically, the study is designed to ascertain the relationship between;

1. Manpower production and economic development.
2. Knowledge management and economic development.

### **Research questions**

The following questions were posed to direct the study;

1. How does manpower production relate to economic development?
2. What is the relationship between knowledge management and economic development?

### **Hypotheses**

The following hypotheses were formulated to guide the study;

1. Manpower production does not have any significant relationship with economic development.
2. There is no significant relationship between knowledge management and economic development.

### **Methodology**

The research design adopted for the study was the survey research design. The population of the study comprised all the students in University of Calabar, University of Uyo and Cross River University of Technology. The sample of the study +comprised 300 students selected through accidental sampling, from the three tertiary institutions. Two (2) hypotheses were formulated and tested in the study. The instrument for data collection was a structured questionnaire titled “Functional Tertiary Education and Economic Development Questionnaire (FTEEDQ). The questionnaire was divided into two sections; section A and section B. section A was designed to elicit information on demographic variables of sex, year of study and course of study, while section B consisted of items designed to measure functional tertiary education variables and economic development. The instrument was subjected to face validity and reliability test using Test-Retest method and was found reliable at 0.78 r-value. Pearson Product Moment correlation Statistics (r) was used for data analysis at 0.05 level of significance.

### **Result**

#### **Hypothesis 1:**

Manpower production does not have any significant relationship with economic development. The result analysis is presented in Table 1.

Table 1

**Pearson product moment correlation analysis of the relationship between manpower production and economic development**

N = 300				
Variables	$\sum X$	$\sum X^2$	$\sum XY$	r.cal
	$\sum Y$	$\sum Y^2$		
Manpower production (X)	788	1431		
			2410	0.559
Economic development (Y)	621	1203		

Significant at 0.05 alpha level.  $df = 249$ .  $r.crit = 0.113$

The result of the analysis in table 1 shows that the calculated r-value of 0.559 is greater than the critical r-value of 0.133 at 0.05 level of significance and 249 degrees of freedom. Based on this result, the null hypothesis is rejected and the alternative hypothesis accepted. This means that there is a significant relationship between manpower production and economic development.

**Hypothesis 2:**

There is no significant relationship between knowledge management and economic development. The result of the analysis is presented in Table 3.

Table 3

**Pearson product moment correlation analysis of the relationship between knowledge management and economic development.**

N = 300

Variables	$\sum X$	$\sum X^2$	$\sum XY$	r.cal
	$\sum Y$	$\sum Y^2$		
Knowledge management (X)	723	1400		
			2345	0.846
Economic development (Y)	621	1203		

Significant at 0.05 alpha level. df = 249. r.crit 0.113.

The result of the analysis in table 3 shows that the calculated r-value of 0.846 is greater than the critical r-value of 0.113 at 0.05 level of significance and 249 degrees of freedom. Based on this result, the null hypothesis is rejected while the alternative hypothesis is accepted. This means that there is a relationship between knowledge management and economic development.

### Discussion of findings

The result of the first hypothesis revealed that manpower production has a significant relationship with economic development. This result is supported by Aliyu (2013), who carried out an evaluation of the impact of human capital formation and utilization on economic growth in Nigeria (1981-2007). The result of the study showed that human capital does not only have a positive impact on economic growth but such impact is strong and statistically significant. Idenyi, Eze and Ogbonna (2016), carried out a study on “Analysis of the relationship between human capital development and economic growth in Nigeria.” the variable as human capital development factor were found to have significant effect on economic growth. It was further revealed that any increase in expenditure on tertiary education contributes positively to the growth of the economy. From here, it is obvious that manpower production has a positive

implication on the economic development of any nation of the world.

The result of the last hypothesis revealed that there is a positive significant relationship between knowledge management and economic development. This result is collaborated by the findings of Bratti (2004), who designed a relationship model between economic growth and human capital accumulation. The results showed that there is positive direct relationship between education level and production level which according to him, leads to enhancing the consideration of knowledge as a production function in competitive business scenario. Bhullar and Kaur(2014), supported that knowledge and ideas have emerged as key drivers of economic growth in current scenario. Kahreh (2011), in his study, asserted that the increased prominence of knowledge related economics from the beginning of the 1990,s have coexisted with the development of the new view on business strategy that emphasizes resource efficiency rather than the generally accepted competitive forces. According to him, in the e-economy era, for any country to achieve and sustain the competitive advantage, the implementation of strategic knowledge management (SKM) is undeniable. This implies that knowledge management is strongly related to economic development.

## **Conclusion**

The functionality of a country's tertiary or higher education system is the driving force of the country's social and economic prosperity because of its inherent capacity to produce a functional workforce, as well as fast tracking the evolution and expansion of the knowledge base of the country for global competitiveness and high productivity. Based on the findings of

this study, it is concluded that manpower production and knowledge management have significant relationship with economic development.

### **Recommendations**

Based on the findings of the study, the following recommendations are made;

1. There should be a re-design of tertiary education system in Nigeria for adequate production of functional manpower with practical skills and knowledge to boost economic development of the country.
2. The curriculum content and experiences of tertiary institutions in Nigeria should be re-organized in line with the needs of the society, so as to ensure congruence between the knowledge and skills acquired in schools and the ones needed for societal growth and global competitiveness.

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