

Relationship between Establishment of Commercial Venture and Managerial Effectiveness in Federal Universities in North West, Nigeria

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Abstract

The study was conducted to evaluate the relationship between the establishment of commercial venture and managerial effectiveness in federal universities in northwest Nigeria. It was guided by three (3) objectives questions, three (3) research questions and one (1) null hypotheses. A correlational research design was used for the study. The population of the study was 14811 which consisted of both lecturers 7118 and management staff 7693 of federal universities in the northwest, Nigeria. The sample of the study consisted of 702 respondents which were selected out of the population of the study using research advisors [2006] table. Structured questionnaires titled Establishment of Commercial Venture Questionnaires (ECVQ) and Managerial Effectiveness Questionnaire (MEQ) were constructed by the researcher. The researcher designed the questionnaire based on five rating scale such as VHE, HE, ME, LE VLE. After validation, pilot test was conducted. 30 Copies of the questionnaires were administered to the respondents from Sokoto State University and Shehu Shagari University of Education who are not part of the sample respondents. The responses were collected and correlated using Cronbach Alpha statistical formula, using SPSS Version 30. The internal consistency of the instruments was determined using Cronbach alpha reliability. The reliability coefficient for managerial effectiveness was 0.848. The researcher with the aid of five (5) research assistants administered the instrument to the respondents. Mean, percentage and frequency counts were used to answer the research questions while corresponding hypotheses were tested using Pearson Product Moment Correlation Coefficient (PPMC) using Statistical Package for Social Science (SPSS version 30). The study concluded that with little grant from the government, Universities can stand firm with the establishment of commercial venture. Hence every institution should invest in business as it is one of the sources of development. Vice Chancellor of Universities should be more vigilant and ensure effective monitoring and supervision of establishment of commercial venture so as to utilize the fund effectively. Funds which are generated internally by the universities need to be managed judiciously to achieve a holistic development of the universities.

Keywords: Commercial, Venture, Managerial, Effectiveness and Universities

Introduction

Nigeria education is graded from primary, secondary to the tertiary education. Among tertiary educations, universities are the real focus of this seminar. A university represents the highest point of academic pursuit where degrees are awarded or some sort of other certificate. It provides the environment where a community of scholars engage in teaching and learning research, as well as community services Sambo (2011) said that, postgraduate students at masters and doctorate levels are required to produce original works that add to knowledge. University education leads to further learning and discoveries. It exposes students to new research and technology. It encourages creative and independent thoughts. This is why candidates for admission are expected to indicate capability for independent studies.

Education is capital intensive and demands a lot of funds to grow in order to achieve the importance of education in national development, but the challenge of funds cannot be exaggerated. Education needs to be funded. The challenge remains how to finance this massive education internally. Prior to Nigeria independence, individual found ways of funding their education, but after independence, government try to take over such responsibilities. As the population to be educated increase, it becomes imperative that something needed to be done in order to fund education.

Education is the process of teaching, training and learning especially in schools, colleges or universities to improve knowledge and develop skills. Serious attention should be paid to tertiary education as the bulk of civil service manpower is obtained from that level. Okojie (2015) said that one of the major role of National University Commission (NUC) is to ensure that all Nigeria universities meet minimum academic standard. The only snag is sourcing for funds to do so, hence the need for this seminar. Otomowo (2018) said that higher education has been speculated to be disfunctional as a result several problems both within and outside the school system. Establishment of commercial venture is a concept of dwindling financial flow from the government to tertiary institutions. It has become very important at the tertiary level of Nigeria University system. Establishment of commercial venture and managerial effectiveness can no longer be ignored. It has come to the front burner at both the political and educational spheres.

Managerial effectiveness is that management activity which is concerned with the planning and controlling of an institutional resources. In educational management activity that is concerned with decision on how to procure, expend, disburse and give account of fund provided for the implementation of educational programs. Ley (2023) said that, managerial effectiveness refers to manager's ability to achieve the organization goals and balance employees' expectations and development. Omisore and Okofu (2014) said that, recruitment and selection of staff in any organization be it public or private sector is of paramount importance to the organization. This is so because it is the staff that turns the vision and mission of the organization into reality. In order to show managerial effectiveness, the administrator of educational institution should see that the staffs adhere to rules and regulations guiding the institution. In any institution where establishment of commercial venture exists, managerial effectiveness is very important. It helps any project going on to function well without any ambiguity.

Commercial ventures are activities carried out in order to generate profit. Commercial venture is an attempt by individual to improve their economic standards by using their money or skills to make money. Some of these commercial ventures include the following: sachet water manufacturing, business center equipped with computers, Internet services, photocopies, printing machine and so on, inside and outside the school to generate revenue for funding their programmes. Obanya, in Manga, (2015) identified types of goods that school could produce and sell as part of school commercial venture. They include: arts and crafts, farm products, poultry products, farm animals, water supply (Tank), stationaries, clothing materials, soft drinks, provision, car stickers and fishes. Funds can also be generated internally through the use of commercial services; publishing and printing press, barbing saloon center, establishing or private radio station, school recreation center, tailoring center within and outside the school.

Akinyeni (2013) expressed that, commercial services are profit oriented activities which represent a major way of raising revenue for tertiary institutions. Aloa, (2010) said that, tailoring service provision in tertiary institutions are very compelling, considering the enormous market and population available such as students, staff, the community and general public will patronize the services through sewing their clothes for both male and female especially where students are using school uniform for training interested personnel. With these, the institution will generate reasonable

revenue to run their programme. Okpon (2015) explained that, business centre/internet cafe, in view of the fact that the higher institutions of learning are gradually going digital, the establishment of a business centre/internet cafe is therefore a matter of necessity. Internet cafe is necessary because information and communication technology (ICT) is now the order of the day. Singtel (2022) reviewed that, the purpose is to empower every generation harnessing technology to empower people and businesses and create a more sustainable future. Bamiro (2011) on the other hand said that, commercial venture are profit oriented activities which represent a major way of raising additional revenue for higher educational institutions system. Bamiro (2011) however viewed that the school can run commercial services to include supermarket, bakery, fuel station, table water manufacturing, business centre equipped with computers, internet services, photocopiers, printing machines, binding and lamination machine inside and outside the school environment use to generate revenue internally for funding their programme.

Managerial effectiveness can be seen as a measure of school achievement (Kwashabawa, 2017). Managerial effectiveness in schools or institution requires the achievement of the objectives of establishing the school or the institution. It is all about doing the right things, optimizing resources utilization, producing creative alternatives, and increasing output. Effectiveness can also mean maximization of individual potentials, values contributed to the society and the satisfaction of employees need. According to Bolatito (2020), effectiveness needs to be distinguished from efficiency. Efficiency implies a comparison between cost and results, while effectiveness means achieving a goal. An ineffective manager is a way of crashing or disrupting the progress of an organization. Ineffective management is manifested through hesitant decision – making, poor communication skills, poor human relation, and inadequate initiatives poor motivation leading to low morale among workers, uninspiring personality and low productivity. Otley (2019) explained that, managerial effectiveness is the extent to which managers achieve the organizational goals through their traditional functions which include planning, coordinating, controlling, organizing, etc.

Statement of the Problem

There is an unresolved argument as to whether the funding of education is the sole responsibility of the government or parents. The government of Nigeria used to wholly fund education at all levels. But as schools grow in numbers

and students population exploded, the government is no longer able to solely fund education.

The federal government of Nigeria worried about the incessant complaints of poor funding of public institutions of learning advised university managers through the National University Commission (NUC) to explore various ways of generating ten percent (10%) of their expected revenue from within and outside their institutions towards solving their finance related problems rather than depend almost entirely on grants from the Federal Government. One of that major roles of the NUC is to ensure that all Nigerian universities meet minimum academic standard.

There are various programme and initiatives by the government to enhance establishment of commercial venture for example, the Structural Adjustment Programme (SAP) subsequent to the Nigeria economy crisis has further shrunk government funding of tertiary education. Other contributing factors to underfunding of tertiary education include: inadequate planning, proliferation of universities and other institution of higher learning and expansion of enrolment, academic verses non-academic employment ratio among others. The inadequate funding of higher education has no doubt affected teaching and learning. This was why institutions of higher learning have been forced to embark on income generating in order to source for alternative income for the institutions.

Objectives of the Study

This study sought to;

1. Determine the level of establishment of commercial venture in federal universities in North-West Nigeria.
2. Examine the level of managerial effectiveness in federal universities in North-west Nigeria.
3. Determine the relationship between establishment of commercial venture and managerial effectiveness in federal universities in North-West Nigeria.

Research Questions

This study provided answers to the following research questions:

1. What is the level of establishment of commercial venture in federal universities in North-West Nigeria?
2. What is the level of managerial effectiveness in federal universities in North-West Nigeria?
3. What is the relationship between establishment of commercial venture and managerial effectiveness in federal universities in North-West Nigeria?

Research Hypothesis

The following null hypotheses were formulated at 0.05 level of significant:

H₀: There is no significant relationship between establishment of commercial venture and managerial effectiveness in federal universities in North-West Nigeria.

Methodology

Methodology specifically deals with the research design, population of the study, sample and sampling techniques, instrumentation, validity and reliability of the instrument, method of data collection and method of data analysis.

The researcher used correlational research design which explains simple relationship between two or more variables as explained by Creswell (2012). It is a correlational research design in which a researcher is interested in the extent to which two variables or more co-vary, that is, where changes in one variable are reflected in changes in the other. Correlational designs consist of simple association between two variables. (e.g playing with electronic toys and becoming an electronic engineer). The research design is suitable for the study because the study aimed to ascertain the relationship between establishment of commercial venture and managerial effectiveness in federal Universities in North-West Nigeria. The population of the study comprised management staff and lecturers of the federal universities in Northwest Geo-Political Zone Nigeria. The Respondents are academic and non-academic staff. The study population consist of seven thousand six hundred and ninety-three (7693) management staff and seven thousand, one hundred and eighteen (7,118) lectures given a total of fourteen thousand eight hundred and eleven (14,811) as Respondents of the study. This section presents sample of the study and sampling techniques used in this study. The researcher selected four

(4) states out of seven (7) states in North-West geo-political zone, Nigeria and choose one federal university from each state. They include; Bayero University Kano, Federal University Birnin-Kebbi, Federal University Gusau, and Usmanu Danfodiyo University Sokoto. Random sampling technique was used to select four (4) universities out of seven (7), while Proportionate Sampling was used to determine the sample size of the Respondents.

The study used self-designed questionnaires titled: Establishment of Commercial Venture Questionnaire (ECVQ) and Managerial Effectiveness Questionnaire (MEQ) to elicit data from the targeted respondents. The establishment of commercial venture questionnaire (ECVQ) has two sections namely A and B. Section A consisted of personal data of the Respondents which has five (5) items (name of institution, Sex, Age, Educational qualification, Working experience). While section B has twenty-five (25) items constructed based on research questions. Managerial effectiveness questionnaire (MEQ) also has twenty-five items constructed based on research question. The study used five (5) rating scale such as Very High Extent, High Extent, Moderate Extent, low Extent and Very Low Extent. The researcher measured the responses of the Respondents. In order to validate the instruments and to make them valid for this study, the copies of Establishment of Commercial Venture questionnaire (ECVQ), Managerial Effectiveness Questionnaire (MEQ) were given to the researcher's supervisors who are experts in the field of Education Management in the Department of Educational Foundations, as well as, other experts in Research Method in the Faculty of Education, Sokoto State University, Sokoto. The establishment of commercial venture has thirty-two (32) items, but after expert validation, the items were reduced to twenty-five (25) based on expert's recommendations and suggestions. Therefore, the content validity index for establishment of commercial venture is calculated as follows $25/32 = 0.7$. So, the 0.7 is considered as a significant which indicated that the instrument is valid at significant level. Also, the managerial effectiveness was twenty-seven (27) items and after the expert's validation, the items were reduced to twenty-five (25) and is calculated as follow $25/27$ which gives 0.9 which is considered as very good and indicated that the instrument is valid at significant level.

The statistical table of Cronbach's Alpha reliability with twenty-five (25) items for establishment of commercial venture was calculated using SPSS version 30. The calculated value of Cronbach's Alpha reliability was 0.864 (see Appendix II SPSS). Managerial Effectiveness questionnaire (MEQ) was

calculated using SPSS version 30. The calculated value of Cronbach's Alpha reliability was 0.848 (see Appendix II SPSS). This was found to be reliable because Cronbach alpha value of 0.7 or higher is usually considered to be accepted and the value of .950 to 1 is usually considered very high. Therefore, establishment of commercial venture (ECVQ) was reliable and accepted for data collection. In order to ensure successful and accurate data collection through administration of the research instruments, the researcher employed five (5) research assistants in order to distribute the questionnaires to the respondents in federal universities in north-west Nigeria. The researcher and research assistants introduced themselves to the management staff and lecturers in the federal universities in north-west Nigeria to seek permission before the questionnaires were administered to the respondents. The respondents (management staff and lecturers) were asked to fill the questionnaires.

In order to analyze data to be collected through questionnaires, descriptive statistics such as mean (\bar{x}), percentage (%) and frequency counts were used to answer research questions, while corresponding hypotheses were tested using Pearson Product Moment Correlational Coefficient (PPMC) using Statistical Package for Social Science (SPSS) version 30.

Results

The researcher presented and analyzed the results of data from the field.

Research Question One: What is the level of establishment of commercial venture in Federal Universities in North-West Nigeria?

This research question was answered and presented in Table 1 below.

Table 1: Level of Establishment of Commercial Venture in Federal Universities in North-West Nigeria

SN	Item statement	HE		ME		LE		X	SD	Level
		F	%	F	%	F	%			
1	Establishment of commercial venture generate money for the institution.	690	98.3	9	1.3	3	0.4	4.7	0.53	HE
2	Building of nursery and primary school generates funds for the institution.	668	95.2	19	2.7	15	2.1	4.6	0.57	HE
3	Provision of sachet water manufacturing company generates revenue to the institution.	668	95.2	19	2.7	15	2.1	4.7	0.69	HE

4	Opening bookshops and printing press generates money to the institution.	685	97.5	14	2.0	3	0.4	4.7	0.53	HE
5	The use of university buses to convey students and visitors to and from the institution will generate funds for the universities.	684	97.4	16	2.3	2	0.3	4.7	0.55	HE
Grand Mean (\bar{x})		4.7		4.7		0.57		HE		

Sources: Fieldwork, 2024

The responses from Table 1 indicate strong affirmation that there is higher extent on the level of establishment of commercial venture and managerial effectiveness in Federal universities in North-Western, Nigeria. Item one of the Table 1 indicates a mean of 4.7 and standard deviation of 0.53 with 98.3% responses indicating higher extent and 0.4% indicating lower extent. This means that establishment of commercial venture generate money for the institution. In the same table item two indicates mean of 4.6 and standard deviation of 0.57 with 95.2 % of the responses indicating higher extent that building of nursery and primary school generates funds for the institution. Item three indicates a mean of 4.7 and standard deviation of 0.69 with 95.2% with view that provision of sachet water manufacturing company generates revenue to the institution. Item four indicates mean of 4.7 and standard deviation of 0.53 with 97.5% responding higher extent with the opinion that opening bookshops and printing press generates money to the institution. Item five indicates a mean of 4.7 and standard deviation of 0.55 with 97.4% responding higher extent with the statement that the use of university buses to convey students and visitors to and from the institution will generate fund for the university.

Research Question Two: What is the level of managerial effectiveness in Federal Universities in North-Western Nigeria?

This research question was answered and presented in Table 2.

Table 2: Level of Managerial Effectiveness in Nigeria Universities

SN	Item statement	HE		ME		LE		X	SD	Level
		F	%	F	%	F	%			
1	My school ensures employees are working towards accomplishment of the goals of the organization.	68	98	14	2.0	0	0	4.7	0.52	HE
2	My school ensures stringent	69	98.	11	1.6	0	0	4.7	0.50	HE

	obedience of guiding principles, rules and regulations in the organization.	1	4							
3	My school ensures equal distribution of work responsibility according to the employee's specialization.	69	98.4	5	0.7	3	0.4	4.7	0.51	HE
4	My school ensures competent staffs are employed on merit.	69	99.6	3	0.4	0	0	4.7	0.47	HE
5.	My school ensures strict compliance with the reward and punishment policy.	68	97.2	10	1.4	1	1.4	4.6	0.66	HE
		2	2			0				
			0.					4.7	0.53	
	Grand Mean (\bar{x})		7							

Source: Field work (2024)

The table 2 above reveal that the respondent indicated affirmation that there is higher extent of managerial effectiveness, the information on the table indicates at higher extent level of managerial effectiveness in Federal Universities in North-West, Nigeria. Item one indicates a mean of 4.7 and standard deviation of 0.52 with 98% of responses indicating that my school ensures employees are working toward accomplishment of the goals of the organization. Item two indicates a mean of 4.7 and standard deviation of 0.50 with 98.4% of the responses indicating that my school stringent obedient of guiding principles, rules and regulation in the organization. Item three indicates a mean of 4.7 and standard deviation of 0.51 with 98.9% of the responses indicating that that my school ensures equally distribution of work responsibility according to employees' specialization. Item four indicate a mean of 4.7 and standard deviation of 0.47 with 99.6% of the responses indicating that my school ensures competent staffs are employed on merit. Item five indicate a mean of 4.6 and standard deviation of 0.66 with 97.2% of the responses indicating that my school ensure strict compliance with reward and punishment policy.

Hypothesis Testing

H₀: There is no significant relationship between establishment of commercial venture and Managerial Effectiveness in Federal Universities in North –West, Nigeria.

Table 3: Relationship between commercial Ventures and Managerial Effectiveness

Variables	N	Mean	SD	r-Cal	p-Value	Decision
commercial ventures	702	4.66	0.353			
Managerial effectiveness	702	4.66	0.184	0.470	0.000	Rejected

The result indicated $N = 702$, Mean = 4.66 and SD = 0.353 on commercial ventures and $N = 702$, Mean = 4.66 and SD = 0.184 on managerial effectiveness. The analysis also revealed a calculated r -Cal of 0.470 and p -value of 0.000 at 0.05 level of significance. Therefore, since p -value of 0.000 is statistically less than the level of significance of 0.05, the null Hypotheses which stated that there is no significant relationship between commercial venture and Managerial Effectiveness in Federal Universities in North –West Nigeria was rejected. This means that there is significant relationship between commercial venture and managerial effectiveness in Federal Universities in North –West Nigeria.

Summary of Findings

The following are the major findings of the study:

1. There is high level of establishment of commercial venture in Federal Universities in North-West, Nigeria.
2. There is high level of Managerial Effectiveness in Federal University in North-West, Nigeria.
3. There is significant relationship between establishment of commercial ventures and managerial effectiveness of Federal Universities in North-West, Nigeria. This means that establishment of commercial ventures is an indicator of managerial effectiveness in Universities in North-West, Nigeria.

Discussion

This section discusses the finding of the study. The study investigates establishment of commercial venture and managerial effectiveness in federal universities in northwest, Nigeria. Results were discussed according to research hypotheses in the study. The finding of the hypotheses which stated that there is no significant relationship between commercial venture and management effectiveness was rejected as the finding show that there is significant relationship between commercial venture and managerial effectiveness in Federal University in North-West, Nigeria. This means that establishment of commercial venture is an indicator of managerial effectiveness in North-West Universities, Nigeria. The findings from the result of quantitative analyses also confirm that there is higher extent between establishment of commercial venture and managerial effectiveness. The statement was in line with Okpon (2015) which investigate business

centre/internet café in view of the fact that higher institution of learning are gradually going digitals, the establishment of a business centre/internet café is therefore a matter of necessity. Internet café is necessary because information and communication technology (ICT) is now the order of the day. Everything done in school is through the internet eg: School admission process, examination, preparing results and so on. In this modern education, internet café shows the level of the standard of the institution. This finding is in agreement with Akinyemi (2013), which said that commercial venture are profit oriented activities which represent a major way of raising revenue for tertiary institution. Some institution build bookshop, multi-purpose hall for social activities and other petty trading shops for selling of water and other drinks.

Conclusion

The study has come to realize that with little grant from the government, universities can stand firm with the establishment of commercial venture which includes introduction of transportation services supermarket, sachet water factory, photo coping services, internet café services. All these help to boost institution account.

Recommendations

Based on the findings, this study recommended the following:

1. Special committee should be appointed to the yielding enterprises under the auspices of vice chancellor and members of the governing council.
2. Operation of taxi, Keke-Napep, motorcycle, from gate to inside the school will be an advantage to students and staffs who are not mobile, even those car owners that has tinted glasses. It will help them to reach their lecture venues on time. It will also fetch a lot of funds for the institution.
3. The funds which are generated internally by the universities need to be managed judiciously to achieve a holistic development of the universities.

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