

## THE IMPACT OF FINANCE ON THE ACADEMIC PERFORMANCE OF SECONDARY SCHOOL STUDENTS IN AKWANGA LOCAL GOVERNMENT OF NASSARAWA STATE, NIGERIA

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***Abstract:** The Nigerian National Policy on Education (2014), recognised education as an expensive social service that requires adequate financial provision from all tiers of government for its successful implementation. The role education play in economic development cannot be overemphasized, hence the need for all hands to be on deck for proper development of the educational system. Finance has been identified as one of the major challenge to educational achievement and development for both individuals and the society at large. This research is conducted to determine the impact of finance on student's academic performance/achievement in secondary schools. The research design adopted for this study is a survey research design. Three hypotheses are stated, to guide the researchers in reaching the needed conclusion for the study. SS II students in Akwanga LGA, of Nassarawa State, Nigeria made up the population for the study. The instruments adopted for the collection of data are structured questionnaires which were administered to elicit responses from the respondent, with respect to their financial disposition and an achievement test, to determine the students' academic performance. Chi-square ( $X^2$ ) was used in testing the hypotheses. The study put forward some recommendations, among which are; for government to make provision for adequate infrastructures and facilities needed for smooth operations of the school system, be it boarding house, public and or private so as to create balance among the students, there is need for the provision of scholarship especially for student from low socio-economic background, learners are also encouraged to engage in collaborative studies among their peer so as to enable them tap from the experience of each other not minding their background.*

**Key Words:** Impact; Finance; Academic Performance; Students; Secondary School;

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### INTRODUCTION

The relative importance of the amount of social resources and the diversity of social resources to students learning cannot be empirically judged. This implies the role finance play in students' academic performance as far as education is concerned. The National Policy on Education (NPE) (2004) section 13 sub sections 120, assert that:

*“Education is an expensive social service and requires adequate financial provision from all tiers of government for successful implementation of the educational programmes”*

The government of Nigeria realized the crucial role of education on the life and growth of human resources, and hence the need for adequate financial commitment from all the three tiers of government for effective implementation of educational programmes in Nigeria. The importance of parent's financial background, the teachers commitment level and peer group influence in student's academic achievement cannot be ignored. And as such, the odds are stacked high against learners from a deprived socio-economic background to curb with the demand for facilities necessary to facilitate their academic pursuit. A student whose parents are illiterate and earn low income, who has no access to the electronic media for information, no educated sibling or peers to learn from, faces an uphill task in his educational pursuit. That task is even more difficult if the learner lives in an obscure rural area where he is cut off from modern civilization. Cannot be compared with a students from an academically enriched background, whose parents are learned and financially stable, who can readily provide whatever the student needs to enhance his/her learning process will be better off. It is unfair that learners from different background should face the same competition for admission into both post secondary and post primary institutions.

According to Sander (2012), he was able to note that Many Americans are caught up in the economic downturn, and college students are often worried about money, this financial worry may affect their academic performance, due to divided attention. When they are concern about the availability of learning materials, as well as their daily upkeep in school. Dubey (1984), asserted that “child's academic achievement suppose to be determined by the child”, incidentally, the child's performance today in schools depend on how much attention he earns from his parent, the nature of school, the environment and peer group influence among others. For now, it is too common to find out that children who belong to the family of high socio-economic background would do better in academic achievement. Satisfying the child's basic needs such as books, (text and notes), cloths, transportation, feeding among others would give such child the confidence to perform better, comparing with a child from the family of low socioeconomic background who would find it hard to cope without such basic necessities may result in poor performance even though not in all cases.

The responsibility of training a child always lies in the hand of the parents. This is congruent with the common assertion by sociologist, that education can be an instrument of cultural change which is being taught from home. It is not out of place to imagine that parental socio-economic background can have possible effects on the academic achievement of children in school. Nonetheless, children physical environment affect their education or disposition to it. Parental status is one of such variables, just like

when a woman's nutritional status improves, so does the nutrition of her young children (Lisa *et al.*, 2003).

Rothstein asserted as follows:

*"Parents of different occupation classes often have different styles of child rearing, different ways of disciplining their children and different ways reacting to their children need. These differences do not express themselves consistently as expected in the case of every family; rather they influence the average tendencies of families for different occupational classes".(Rothstein, 2014).*

Hill *et al.*, (2004) also argued that the financial status of parents do not only affect the academic performance of the child, but also makes it impossible for the child to compete with his counterpart from high financial status under the same academic environment. Furthermore, Smith, Fagan and Ulvund (2002) asserted that significant predictor of intellectual performance of a child at age of 8 years, included parental socio-economic status. Other researchers had posited that parental financial status could affect school children as to bring about flexibility to adjustment to the different school schedules (Guerin *et al.*, 2001). In another finding, Oni (2007) and Omoegun (2007) had averred that there is significant difference between the rates of deviant behaviour among students from high and low socio-economic status.

Adelma, (1999), categorically stated that "Unfortunately, low income students are more likely to possess high risk characteristics than even undergraduates". In his findings, two-third of low-income beginning students came from families in which neither of the parents attended college, compared with one-third of middle and upper income students. Conversely, 50 percent of middle and upper income students have at least one of the parents who earned a bachelor's degree or higher, compared with less than 20 percent of low income students. And this implies that children who enrol in schools are more likely to drop out of school, because the first generation college students from low socio-economic status family, face many disadvantages, like: they have far less experience and information on the social and academic culture of higher education, and they may not be able to rely on their parents for assistance in these matters.

Base on the National Policy on Education, 2004, "The government's ultimate goal is to make education free at all levels", as such the financing of education is a joint responsibility of the federal, state and local government as well as private sectors. In this regards, government welcomes and encourages the participation of local communities, individual philanthropist and non-governmental organization. This point out the unique role played by finance, in educating an individual, notwithstanding the environmental factors and individual intelligence quotient which influences and determine the level of academic performance of an individual.

The financing of education is a popular opinion, it is the true domain of the economist, first, educators decide what is to be done and the economist works out how much money is to be raised. From this point of view, the structure and the character of the educational system rest on. It does not matter whether education is financed centrally or locally, publicly or privately, solely out of taxes or taxes supplemented by user charges. The particular way in which education is financed largely determines who will be educated and in what fashion.

Furthermore, financial questions come not after, but before the critical planning decision. It is precisely in the areas of finance that so many of the nobler aims of education are defeated (Blaug, 1976).

Pandit (1970) defined cost of education as

*"The monetary value of resources used up in the production of human capital during a given period of time".*

Longe, (1982) added that the concept of cost is in relation to the three investment decision-making bodies on education, the institutional, household and the society. Hence, the sum which give rise to total cost of education. The private cost comprises the money household or any private institutions investment in education as well as the students opportunity cost of being in school. Takur *et al* (1950) noted that, school financing policies of a nation, are a reflection of the value choices of the people. This implies the order of priorities in which individuals, as well as the nation established in the allocation of their limited available resources and their political philosophy, tells how far the education system will go. It is also believed that adequate investment in educating younger generation is essential in economic growth of a nation. Expenditure on education is an investment in the long run, which will indeed yield better returns in the future.

The cost of education should not be restricted to either parents (who have children) or the government alone but a share responsibility between the government, private sector and organization. UNESCO (1984) in Lomak (2002) also established this fact that financing of secondary education should be the responsibility of both public and private sectors. Hence, the study aimed at finding out the impact of finance on students' academic performance in economics in some selected secondary schools in Akwanga L.G.A, Nassarawa State.

#### **PURPOSE OF THE STUDY**

The general purpose of this study is to investigate the extent to which finance has impact in secondary school students' performance in economics. Specifically the study intends to:

- Find out the impact of finance on the academic achievement of secondary school students in economics.

- Find out whether parental socioeconomic status determined the students' academic achievement.
- Examine the extent to which learning environment is linked to students' academic performance in economics.

## **HYPOTHESES**

The following hypotheses have been formulated to guide the researchers in this study, they are as follows:

1.  $H_0$ : There is no significant difference in the academic achievement of students from low socio-economic background and those from high socio economic background.
2.  $H_0$ : There is no significant difference in the choice of school between students with low financial status and those with high financial status.
3.  $H_0$ : There is no significant difference in the availability of educational materials for students with academic enriched background and those with poor academic background.

## **LITERATURE REVIEW**

Haverman and Wolf (1995) found that children achievement depends on the social investment in them, in terms of parental investment in children; and the choices that children make, given the investments in, and opportunities available to them. But in Bangladesh this kind of choice is limited to a section of urban students. According to Acemoglu and Pischke (2001) family income explains difference in the enrolment rates of children, in a four-year college. These effects are different between rich and poor family. Woessmann (2004) concludes in his study that family background has strong and similar effects on both European and American students. He also estimates the model using a QR approach where he concludes that there is weak evidence of variation in the family background influence. Pedrosa, Dachs, Maia, Andrade and Carvalho (2006), were able to find out that students coming from disadvantaged backgrounds, (educational and socioeconomic), have a higher relative performance than their counterparts. This can be considered as a phenomenon which the authors named "educational resilience".

Furthermore, another thing that worth noting is that, The individual's educational achievement has a basic foundation on the early stage of his/her growth and development, the pre-educational stage involve infancy and childhood, and their health and hygiene and the constituent of their nutrition determines greatly the rate of growth and mental development in them. This is because each child is endowed with different genetic potential being modified by their environment. This makes any child unique in his/her makeup which is a concept of individual difference. (Mallum, Huggai and Ajaegbu, 2014). Ballantine (1983) demonstrated that socioeconomic and educational background of the parent goes a long way in determining child's academic achievement. This is a reality, because the parent educational background and level of income places the child in a better position in terms of academics and other extra-curricular achievement

thus, the saying "the better the socio economic background, the higher the expectation both physically and mentally (academically)".

Expenditure on education does not only directly improve people's lives and well being, but also contributes indirectly as a stock that contributes to increase in national income. Education equips people with literary and numeracy and directly improves their productively (Ukwu, 2002). This assertion reinforces the fundamentality of education to the quest for national development in any country. The Nigerian educational policy, even with its lofty visions, would remain mere documentations unless the education sector in Nigeria is well funded and professionally managed. Udoh and Akpa (2004) noted that, financing education is as popular as it is a true domain of economist. They further explain that educators decide what is to be done and then, the economist work out how much the cost would be and how to source for money for the implementation of such educational program.

Woolfolk (2004) supports by arguing that because low socioeconomic status students may wear old clothes, speak in dialect or be less familiar with books and school activities, teachers and other students may assume that those students are not bright and teachers may avoid calling them to answer questions in the classroom to protect them from embarrassment of giving wrong responses. This makes these students less attentive and do not concentrate on what is being taught, and in the end, they come to believe that they are not very good at schoolwork. This situation makes them perform poorly in the subjects and sometimes drop out from school because they are affected psychologically.

## **METHODS**

### **Research Design**

The research design adopted for this study is survey research design; this is because of the nature of the data to be used for the study. In this study a sample is drawn from the population and analysis is made with respect to the sample, but the result is generalized to the entire population of the study.

### **Participants**

Four schools were selected for this study, they consist of two public and two private schools. They public schools comprise of one Boarding and One Day School, the private schools also comprise of one Boarding and One Day School. All these schools are in Akwanga Local Government Area of Nassarawa State. These schools are:

- Government Science Secondary School Andaha.
- Shepherd International College Akwanga.
- Government Secondary School Akwanga .
- St. Peter's Secondary School Akwanga.

The sample consists of one hundred and twenty (120) students drawn from all the four schools. Thirty (30) students were selected from each school with fifteen from SSS II and another fifteen from SSS III, these students were randomly selected.

### **Instruments**

- The main instrument used for this study included a researched design questionnaire titled "Students' Socio-economic Status Questionnaire" (SSSQ) and Students academic achievement test in Economics.
- The questionnaire consists of two sections (A & B). Items contained in section A include: Class, Sex, Age, parents occupation and school type. Section B has 10 items that gives the researchers information on the financial status and the socio-economic background of the students.
- The students' academic achievement test in economics consists of items that include: Basic economic theories and principles, the theory of Demand and Supply, national income and theory of the firm.

### **Procedure**

The researchers on arrival in each of the selected schools introduce themselves to the principals and the teachers after which they brief the school authority on the purpose of their visit. Teachers in these schools take the researchers to the classes needed for the study and the researchers take a random sample of students that will participate in the study. The questionnaires are shared to the students after which the test is administered to the same student with each student questionnaire matched with his/her test script.

### **Method of Data Analysis**

Chi-Square ( $X^2$ ) was used to test the hypothesis, to determine if there is a significant difference in the academic achievement of students from low socio-economic background and those from high socio economic background. To also determine whether there is any significant difference in the choice of school between students with low financial status and those with high financial status. Furthermore, the hypothesis is to determine if there is no significant difference in the availability of educational materials for students with academic enriched background and those with poor academic background. The theoretical chi-square is to be determined at 0.05 level of significance.

### **RESULT**

**H<sub>01</sub>:** There is no significant difference in the academic achievement of students from low socio-economic background and those from high socio economic background.

Table 1: Students responses on academic performance

School type	Pass	Fail	Total
Public	15	45	60
Private	30	25	55
Total	45	60	115

$$d.f = 1 \quad [(r - 1) (c - 1) = (2 - 1) (2 - 1)] = 1$$

$$x^2 = 12.88$$

$$\text{Table value, } t_{0.05} = 3.84$$

$$\therefore 12.88 > 3.84$$

The calculated value of chi-square from the data in table 1 revealed a value of 12.88. the theoretical value of chi-square obtained at 0.05 level of significance using the degree of freedom obtained above of 1, the  $x^2$  theoretical value is 3.84. Based on the decision rule, since the calculate value is greater than the theoretical value we fail to accept the null hypothesis and by accepting that alternative hypothesis that; "there is a significant difference in the academic performance of student due to financial status of high socio-economic background and that of their counterpart of low financial background". The percentage of failure indicates that, there is a significant difference in student's performances base on their financial status, which is 60 against 45.

**H<sub>02</sub>:** There is no significant difference in the choice of school between students with low financial status and those with high financial status.

Table 2: Student's responses on choice of school

School type	Positive response	Negative response	Total
Public	56	4	60
Private	43	10	53
Total	99	14	113

$$d.f = (r - 1) (c - 1) = (2 - 1) (2 - 1) = 1$$

$$X_{cal}^2 = 3.84$$

$$\text{Table value, } X_{0.05}^2 = 3.84$$

$$\therefore 3.84 = 3.84$$

Analysis from the data from table 2 above, revealed that, the calculated value ( $x^2 = 3.84$ ) equals table value ( $X_{0.05}^2 = 3.84$ ). We therefore reject null hypothesis and upheld alternative hypothesis. The alternative hypothesis reveals that there is a significant difference in the choice of school and the learning environment among the financial status of individual in the society. From the responses in table 4.2, a public school has 56 against 4. This shows that, there may be structure on ground for learning programme while that of private school shows 43 against 10. Nevertheless, individual have preference for private to public, as well as public to private as the case may be relating to the financial need of such school.



Therefore, an environment where a student find him/her self, whether good or bad influences his/her learning behaviour.

**H<sub>03</sub>:** There is no significant difference in the availability of educational materials for students with academic enriched background and those with poor academic background.

**Table 3: Student's Responses on Materials Availability**

School type	Positive Response	Negative Response	Total
Public	25	35	60
Private	32	21	53
Total	57	56	113

$$d.f = (r - 1) (c - 1) = (2 - 1) (2 - 1)$$

$$X_{cal}^2 = 3.95$$

$$\text{Table value, } X_{0.05}^2 = 3.84$$

$$\therefore 3.95 > 3.84$$

In respect to the analysis above, the alternative hypothesis is upheld, while the null hypothesis rejected. This is so because, the calculated value ( $x^2 = 3.95$ ) is greater than the tabulated value ( $X_{0.05}^2 = 3.84$ ). The alternative hypothesis reveals that: There is a significant difference in the availability of learning and instructional materials to those students of enrich socio-economic background than their counterpart in deprived and poor socio-economic background. From table 4.3 above, the positive responses of private school are 32 against 21, which implies that majority of the private schools enforced the use of learning materials as a prerequisite for entry into school. On the other hand, public schools show less concerned about the use of learning materials in school by both teachers and students. These learning materials or instruction include ICT facilities, well equipped library, personal text books, workbooks, and other learning instruments and apparatus.

## DISCUSSION

This study reveals the difference in the performance of students in senior secondary school (both public and private) as a result of the differences in the socioeconomic background of their parents or guidance. The findings in this respect can be link with the performance of these students in major examinations, specifically standard examination that are coordinated by external examination bodies like West African Examination Council (WAEC), National Examination Council (NECO), Joint Admission and Matriculation Board (JAMB) and National Business and Technical (NABTEB), when students are required to sit for the same examination across all the schools.

The choice of school, learning environment is determine by the financial status of such individual's parents. Many students have no choice on the type of school they desire to enrol, since their parent cannot afford such school demand. The research work reveals that both parent of upper and lower class status have equal concern for their children most

especially in area of home training, extra lesson, upbringing among others; but financial accessibility becomes the major challenge especially for students from poor socioeconomic background. Students are motivated to learn when all learning gadgets are readily available. Inadequate and lack of learning and instructional materials which involves the finances in running the schools either public, private boarding or day-school stand out as a challenge in meeting up the academic achievement or performance of the students, thereby, discouraging effective learning and teaching.

## RECOMMENDATIONS

Based on the findings and observations made from the study, the following recommendations are made by the researchers:

- Government should in their part make provision for adequate infrastructures, facilities needed for smooth operations of school system, be it boarding house, public and or private establishment. The government can as well augment individual effort in providing scholarship to deserving student.
- There is need for non-governmental organization to assist by encouraging individual who are outstanding in academics but are financially constraint, especially those of poor financial/ socioeconomic background with scholarship awards, learning materials/gadgets to enhance their performance. The philanthropist can as well key into service to the humanity.
- Learners should be encouraged to carry out team or group work or studies. In this case, students of low academic and socioeconomic background could benefit from the wealth of knowledge and gadget of enriched individuals.
- Policy planner should prioritize the financing of education programs, as not all individuals can meet the demand of educating their children.
- Individuals, parents are advice to maintain a sizeable family, where all members of the family could be well catered for in term of health services, education, and general upbringing, especially socioeconomic deprived families.
- Teachers who are policy implementers must be up to task, meeting up with modern educational challenges, employing the use of appropriate teaching gadgets and materials, encourage the spirit of team work to bridge the gap that exist between student of different financial, academic and environmental background.

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