

FACTOR ANALYSIS OF PARTNERSHIP CONSTRAINTS OF TERTIARY INSTITUTIONS AND SMALL AND MEDIUM SCALE ENTERPRISES FOR BUSINESS EDUCATION TRAINING IN NIGERIA

EKWERE A. UMOESHIET

Department of Technical and Business Education,
Delta State University, Abraka, Nigeria.

eaumoesbiet@yahoo.com

+2348035082130

Abstract

This study focused on factor analysis of partnership constraints of tertiary institutions and small and medium scale enterprises for Business Education training in Nigeria. The study became necessary because of the unsatisfactory level of poverty among the Nigerian populace and the increasing number of university graduates who are qualified neither for jobs in formal sectors nor for self-employment. The study identified partnership constraints of tertiary institutions and small and medium scale enterprise in Business Education training, and factors that could strengthen collaborations between tertiary institutions and small and medium scale enterprise for Business Education training, for national development. It tested the hypothesis of no significant difference in the ways of strengthening collaborations between tertiary institutions and small and medium scale enterprise. The study employed descriptive survey design. Convenience random sampling technique was used to select 800 respondents drawn from tertiary institutions and small and medium scale enterprise, from the South-South Nigeria. Data was collected from primary source using copies of questionnaire and analysed using descriptive statistics and factor analysis. The findings of the study showed that unfavourable economic environment, reluctance by small and medium scale enterprise and government administrative and policy inadequacies hindered collaboration between tertiary educational institutions and small and medium scale enterprise, for national development. The study recommended that tertiary educational institutions and small and medium scale enterprise should be convinced to undertake a long-term-view on investment in Business Education training and that policy makers, tertiary educational administrators and captains of small and medium scale business enterprises should carefully note the various differences in their roles and status towards Business Education training and make adequate provisions for enhanced involvement, for national development.

Key words and phrases: Business Education training, tertiary institutions, Small and Medium Scale Enterprises, partnership.

Introduction

Traditionally the relationship between education and business occupations has been quite narrowly defined in Nigeria. The field of business occupations is often, the most important criterion for employers to recruit graduates in combination with aspects that can be subsumed as generic and personal skills. The relationship between education and business occupation is not always direct as in

many cases phases of additional professional business occupational trainings are needed to prepare graduates especially in the higher ranks of a professional hierarchy. Thus, the key to enhancing the efficiency and expertise of any workforce is training.

Training relates to doing. It is learning without which mastery of an area of knowledge may become too difficult to achieve. It involves

developing skills through the use of tools or equipment to perform tasks that are related to a trainee's field of study. Such skills enable trainees to harness available resources to meet the needs of the society they live in. Business Education is one of such skill development programmes geared towards preparing universities undergraduate students for transition from school environment to work environment. Higher-educational institutions are by this, expected to be well positioned to deliver, apply, and create knowledge and training opportunities for younger generations to excel in workplaces, particularly in this era of unsatisfactory level of poverty among the Nigerian populace and the increasing number of university graduates who are qualified neither for jobs in formal sectors nor for self-employment ventures.

Thus, effective partnership or collaboration through knowledge-sharing between tertiary institutions offering Business Education programmes and business enterprises such as Small and Medium Scale Enterprise is very pertinent. Through appropriate sharing mechanisms as a matter of course and crucial strategy, the quality of education and skills acquisition by undergraduate students can be enhanced through joint undertakings of research and development projects. This can improve the productivity levels of partnering institutions. Furthermore, students' and teachers' experiences of life within an enterprise can be enhanced. Students' and teachers' participation in the renewal and adaptation of teaching and training programmes to suit productive work can also be promoted through this platform.

In the past few years and with the recent establishment of private, state and federal owned tertiary institutions, the number of institutions offering vocational and technical courses, in the area of Business Education, in the country has tremendously grown. This development has put educational financial resources and quality under increased

pressure. These glaring truths prompted the introduction of training programmes such as the Student Industrial Work Experience Scheme (SIWES) by the Nigerian government, into the tertiary education school curricula, as an innovative phenomenon in human resource development and training. This led to the establishment of the Industrial Training Fund (ITF).

The ITF, which was established in 1971, was charged with the responsibility of human resource development and training. Following its establishment, SIWES commenced in 1974 with the aim of making education more relevant and in bridging the yawning gap between the theory and practice of most courses including Business Education, in tertiary institutions in Nigeria. This dynamism was in response to the need to help integrate Nigerian undergraduates into the world of works and for a better educational quality due to the rapid technological development all over the world. With this development, while very few institutions of higher education have put in place series of inter-instituted collaboration policies and projects with workplaces such as the Small and Medium Scale Enterprise, many other institutions particularly the government-owned tertiary institutions have nothing of such in place. This has brought about limited benefits for students' learning achievements, from the limited resources available within these institutions.

Small and Medium Scale Enterprise (SME) is an enterprise that has asset base (excluding land) of between N5million –N500 million and labour force of between 11 and 300 (Resourcedat, 2015). Tertiary education, as stated in the National Policy of Education, is the education given in Universities, Colleges of Education, Polytechnics, and Monotechnics, after secondary education, including those institutions offering correspondence courses (Olujuwon, 2000 and Ibara, 2011). Therefore, tertiary institutions

include Universities, Colleges of Education, Polytechnics, and Monotechnics. In this study, only universities are considered. Partnership represents external linkages between organizations. Partnership between educational institutions and small and medium scale business workplaces in Business Education training is basically one of knowledge-sharing with collaborative teams (Louis, 2006; Mohammadi, Yeganeh, and Rad, 2010). This collaboration often reflects the attitude, competence, and culture behind each participant institute and team member. Collaborative work-educational programmes often involve institutions of higher learning, industries, the federal government of Nigeria, Industrial Training Fund (ITF), National Universities Commission (NUC), National Board for Technical Education (NBTE), and National Commission for Colleges of Education (NCCE) in Nigeria. From cursory observations of countries where partnerships or collaborations between educational institutions and business enterprises have been and are still existing, governments' action through her various agencies, are normally designed to provide an indispensable effective framework for such partnerships or collaborations.

The roles of tertiary institutions through their various agencies and small and medium scale enterprises in Nigeria in partnering for Business Education training is highly dependent on the internal and external culture of educational and business institutions. According to Goh, (2002) and Gurteen (1999) these cultures include team members' cognition and emotional intelligence, communication mechanisms in team work and knowledge application to organizational missions. Unfortunately, the status of tertiary institutions and small and medium scale enterprises in Nigeria appear to be one constrained in their roles towards the training of business educators, as a result of limited number of available training places. Where sufficiently available space exists, students are

often exploited as cheap labour for work with no relevance to skills improvements. In most cases, remunerations do not even cover the students' transport costs much less their feeding and accommodation expenses.

Business Education as a practical subject in tertiary education curriculum plays significant role in preparing students for the challenges in their immediate environment. The Business Education programme in tertiary institutions produce business educators for future business labour markets and so, activity-based training of business educators in vocational and technical skills is significant in finding solutions to the many problems in our contemporary society. The importance attached to activity-based instructional methods in Business Education is underscored by Eison (2010), Walsh and Prendergast (2013) research findings, which reported that engagements of students in activity-based instructional learning produced dramatic student gains in conceptual and problem-solving situations. Thus, it is universally acknowledged that identifying partnership constraints between educational institutions and business enterprises is a very significant strategy for tackling the current pitfalls in Business Education training for national development.

Statement of the Problem

Unfortunately, the roles of tertiary institutions and small and medium scale enterprises in Nigeria in training students is being moderated byob servable obstacles in the Nigerian political arena, which have consistently shown weaknesses in the capacity of various governmental agencies in strengthening ties between her educational sector and the organized business world involved in training. There exist little or no co-operations in political decision-making and hence, the reluctance of organized business enterprises to co-operate at the training level. Discussions often centre on present and future blue helmet activities, with developmental policies of no

essence. On the other hand, business enterprises such as small and medium scale enterprises are profit-maximizing entities and as such, are often very reluctant in training students because of the attention it would take from their experienced staff, and students making use of costly machines as inexperienced personnel and thus, slowing down production processes.

While these SMEs are concerned about the inadequate qualification of students, the enterprises participation in curriculum development has remained very low thus, making the mismatch of curricula in Business Education with the needs of the business enterprises to persist. Furthermore, the relevance and appropriateness of the Business Education curricula for preparing students for the world of work is undermined by educational institutions' reluctance to revise their curricula. They tend to stick to their old traditional teaching methods and materials.

In the light of the above and against this background, this study examined the factors constraining the partnership between tertiary institutions and small and medium scale enterprises for Business Education training in Nigeria.

Purpose of the Study

The purpose of the study is to examine the factors that constrain the partnership between tertiary institutions and small and medium scale enterprises for Business Education training in Nigeria. Specifically, the study attempts to:

1. Identify factors constraining partnership between tertiary institutions and small and medium scale enterprises for Business Education training
2. Identify ways of strengthening collaborations between tertiary institutions and small and medium scale enterprises for Business Education training.

Research Questions

The following research questions are answered based on the specific purpose of the study:

1. What are the factors constraining partnership between tertiary institutions and small and medium scale enterprises for Business Education training?
2. What are the ways of strengthening collaborations between tertiary institutions and small and medium scale enterprises for Business Education training?

Hypothesis

The following null hypothesis guided the study:

There is no significant difference in the ways of strengthening collaborations between tertiary institutions and small and medium scale enterprises for Business Education training.

Methodology

The study was carried out in South-South Nigeria. Descriptive survey design was employed in the study. The population was 2285, consisting of 1428 small and medium scale business owners and 857 heads of academic departments and principal officers in the universities. Convenience random sampling technique was adopted to select a sample of 800 (representing 35% of the population), consisting of 500 small and medium scale business owners and 300 heads of academic departments and principal officers in the universities in the study area.

Two research questions and a null hypothesis guided the study. The instrument for data collection used was a 30-item structured questionnaire in two clusters; each cluster for each research question. The questionnaire was called "Factors Constraining Partnership between Universities and SMEs Questionnaire" (FCPbUSMEsQ), structured on a 4-point rating scale of Strongly Agree (SA) = 4, Agree (A) = 3, Disagree (D) = 2, Strongly Disagree (SD) = 1. The FCPbUSMEsQ was face-validated by three experts; two from Department of Technical

and Business Education, and one from Department of Measurement and Evaluation, both in Delta State University, Abraka, Delta State. Cronbach Alpha was used to determine the reliability index of 0.81 for the research instrument, which made the instrument highly reliable and acceptable for the research.

With the assistance of trained research assistants, the 800 copies of questionnaire administered, were completed retrieved, representing 100% rate of return. The data was factor analyzed using mean and standard

deviation to answer the research questions and t-test for the hypothesis. These responses factor analyzed to ascertain the important factors. Variables with coefficient of 0.40 or more were regarded to have high loading. Also where the mean score is 2.50 and above the result was considered as significant, and on the other hand, where it was 2.50, the result was considered as insignificant. Also for hypothesis testing, where the t-calculated value was greater than the t-critical value, the null hypothesis was rejected in favour of the alternative.

Results and Discussions

Table 1: Factor Analysis of Partnership Constraints of Tertiary Institutions and Small and Medium Scale Enterprises for Business Education Training

S/N	Constraints	Factor 1 Unfavourable Economic Environment	Factor 2 Reluctance by Small and Medium Scale Enterprises	Factor 3 Government Administrative and Policy Inadequacies
1	Fear of job insecurity	0.21	0.72	0.05
2	Lack of students' interest in Business Education training activities	0.34	0.31	0.06
3	High risk and uncertainty in training students	0.23	0.22	0.04
4	Insufficient business trained personnel	0.33	0.35	0.10
5	Reluctance on the part of tertiary educational institutions to pay for training services	0.56	0.14	0.12
6	Administrative and bureaucratic bottlenecks in educational and labour policy implementations	0.21	0.13	0.57
7	Trainees' poor economic background	0.51	0.13	0.11
8	Difficulty in attaching monetary value to training services	0.64	0.32	0.13
9	High level of training required	0.11		<i>Ekwere A. U.</i>
10	Political instability		0.51	0.61
11	Unequal access to training facilities by educational institutions	0.65	0.33	0.13

12	Exploitation by training service providers	0.51	0.13	0.14
13	Un-favourable government policies on education and labour	0.12	0.32	0.43
14	Ineffective time management by trainees	0.03	0.42	0.11
15	Poor logistic support from partners and advisors	0.10	0.32	0.62
16	Inadequate government legislation to backup education and labour matters	0.07	0.32	0.62
17	Inadequate government guarantees, regulations and control over excesses and abuses of micro-businesses in the area	0.06	0.34	0.62
18	Tendency to focus more attention on trainees by competent hands in the business thereby neglecting the profit oriented goal of the organization		0.63	0.01
19	Corruption and nepotism among training staff	0.60	0.01	0.02

Data in Table 1 show the factor analysis of partnership constraints of tertiary institutions and small and medium scale enterprises for Business Education training. Based on the item loadings, factor 1 was named “unfavourable economic environment”. Factor 2 was named “reluctance by small and medium scale enterprise”, while factor 3 was named “government administrative and policy inadequacies”.

Specific constraints highlighting “unfavourable economic environment” as a factor constraining tertiary institutions and small and medium scale enterprises partnership for Business Education training include: reluctance on the part of tertiary institutions to pay for training services (0.56), trainees’ poor economic background (0.51), difficulty in attaching monetary value to training services (0.64), unequal access to training facilities by educational institutions

(0.65), exploitation by training service providers (0.51), and corruption and nepotism among training staff (0.60).

These constraints are critical to the effective partnership between tertiary institutions and small and medium scale enterprises for Business Education training. According to European Training Foundation(2013), most obvious shortcoming in partnership between tertiary institutions and business enterprises hinge on finance.

Specific constraints, which amplify “reluctance by small and medium scale enterprises” as a factor constraining tertiary institutions and small and medium scale enterprises partnership for Business Education training include: fear of job insecurity (0.72), ineffective time management by trainees (0.42) and tendency to focus more attention on trainees by competent hands in the business

thereby neglecting the profit oriented goal of the organization (0.63).

Restructuring in privatized and commercialized enterprises usually brings about the fear of layoffs and job losses among staff particularly staff members that are ineffective in any area. Similarly, the need to make profit and remain in business may force private business service providers to withdraw from undertaking training agreements with tertiary institutions.

Specific issues highlighting “government administrative and policy inadequacies” as a factor constraining tertiary institutions and small and medium scale enterprises partnership for Business Education training include: administrative and bureaucratic bottlenecks in educational and labour policy

implementations (0.57), political instability (0.61), un-favourable government policies on education and labour (0.43), poor logistic support from partners and advisors (0.62), inadequate government legislation to backup education and labour matters (0.62), inadequate government guarantees, regulations and control over excesses and abuses of micro-businesses in the area (0.62).

Delays in bureaucratic procedures usually slow progress in the implementation of government policies and programmes aimed at fostering education and labour. This is partly derived from the non-preparation of government for many of the difficulties encountered in programme implementation (Odii, 2001).

Table 2: Ways of Strengthening Collaborations Between Tertiary Institutions and Small and Medium Scale Enterprises for Business Education Training

Variables	Observed Mean (x)	SD	t-Cal
Partners’ understanding of respective roles	2.40	2.11	0.948
Partners’ understanding of respective expectations	3.75	2.18	2.294*
Partners’ understanding of respective training outcomes	4.63	3.01	5.781*
Increased volumes of employers’ co-funding to support skills development	3.98	2.76	3.478*
Educational institutions’ engagement of workplace employers in governing structures	3.87	2.53	12.885*
Organizing meetings between staff of universities and employers to discuss programme developments	3.79	2.90	4.897*
Engaging in national and international networks	3.12	3.14	3.949*
Engaging in industry liaison	3.06	2.70	4.148*
Engaging in interaction with alumni	3.71	2.15	7.349*
Staff development and training	3.13	2.81	2.633*
Industrialists direct involvement in curriculum development and execution	3.04	2.72	3.971*

* p <.05; critical t-value = 1.966

Results in Table 2 above showed that the calculated t- calculated values are higher than the t-critical value of 1.966 at 0.05 alpha level of significance in respect of partners’ understanding of respective expectations (t =

2.294); partners’ understanding of respective training outcomes (t = 5.781); increased volumes of employers’ co-funding to support skills development (t = 3.478); educational institutions’ engagement of workplace

employers in governing structures ($t = 12.885$); organizing meetings between staff of universities and employers to discuss programme developments ($t = 4.897$); engaging in national and international networks ($t = 3.949$); engaging in industry liaison ($t = 4.148$); engaging in interaction with alumni ($t = 7.349$); staff development and training ($t = 2.633$); industrialists' direct involvement in curriculum development and execution ($t = 3.971$). The null hypothesis was therefore rejected. This implies that there is significant difference in the ways of strengthening collaborations between tertiary institutions and small and medium scale enterprises for Business Education training.

Further observations of the results in Table 2 indicated that the observed mean ways of strengthening collaborations between tertiary institutions and small and medium scale enterprises for Business Education training, was higher for all the variables than the expected mean of 2.50, whereas in the variable on partners' understanding of respective roles, it was lower. Statistical comparison of these observed mean values and the expected mean value of 2.50 using population t-test analysis for single mean, positive and negative values were obtained. By implication, this finding revealed that ways of strengthening collaborations between tertiary institutions and small and medium scale enterprises for Business Education training were significant.

Conclusion

The need for training skilled business educators for the 21st Century has led to the recent emphasis on partnership between tertiary institutions and small and medium scale enterprises for Business Education training. Partnership does not aim at substituting private sector for public educational needs. It essentially aims at a reduction in the level of unemployment in the country and an increased role of private initiatives in educational development.

Many factors are known to pose as challenge to effective partnership between tertiary institutions and small and medium scale enterprises for Business Education training. This study identified three main factors that are associated with this to include: unfavourable economic environment, reluctance by small and medium scale enterprises and government administrative and policy inadequacies. Specific issues highlighting each of these factors were also identified.

These factors are critical to the success of partnership between tertiary institutions and small and medium scale enterprises for Business Education training for national development.

Recommendations

The study therefore recommends that:

1. Adequate attention should be given to the identified three factors before embarking on any partnership arrangement.
2. Tertiary institutions and small and medium scale enterprises should be convinced to undertake a long-term-view on investment in Business Education training.
3. Policy makers, tertiary institutions administrators and captains of small scale business enterprises should carefully note the various constraints towards Business Education training and make adequate provisions for enhanced involvement, for national development

References

- Argote, L. and Ingram, P. (2000). Knowledge Transfer: A Basis for Competitive Advantage in Firms. *Organizational Behaviour and Human Decision Processes*, 82 (1), 150- 169
- Cooper, L., Orell, J., and Bowden, M. (2010). *Work-Integrated Learning: A Guide to Effective Practice*. London, United Kingdom: Routledge.
- Committee for Technikon

- Principals (CTP) (2000). Best Practice in Cooperative Education
- De Lange, G. and Gilbert, P. (1994). *Application of the Integrated Model in the Establishment of a Cooperative Education Management Structure at the Port Elizabeth Technikon*. Port Elizabeth: Port Elizabeth Technikon
- Eison, J. (2010). Using Active Learning Instructional Strategies to Create Excitement and Enhance Learning. Retrieved on 23rd June, 2015 from http://webcache.googleusercontent.com/search?q=cache:pAyN3UOi1rUJ:www.cte.cornell.edu/documents/presentations/Eisen_Handout.pdf+&cd=4&hl=en&ct=clnk&gl=ng
- Engelbrecht, L.V. (2003). *Best Practices of Co-Operative Education*. (NRF project, ref. 15/1/5/2/000 44.)
- European Training Foundation (2013). Work-Based Learning: Benefits and Obstacles; A Literature Review for Policy Makers and Social Partners in ETF Partner Countries. Retrieved on 23rd June, 2015 from http://webcache.googleusercontent.com/search?q=cache:pDd9QiIKDuYJ:www.etf.europa.eu/webatt.nsf/0/576199725ED683BBC1257BE8005DCF99/%24file/Work-based%2520learning_Literature%2520review.pdf+&cd=2&hl=en&ct=clnk&gl=ng
- Goh, S. C. (2002). Managing Effective Knowledge Transfer: An Integrative Framework and Some Practice Implications. *Journal of Knowledge Management*. 6, 23-30.
- Gurteen, D. (1999). Creating a Knowledge Sharing Culture. *Knowledge Management Magazine*, 2 (5), 33-41.
- Gruber, E., Mandl, I. and Oberholzner, T. (2009). *Learning at the Workplace in Cedefop: Modernising Vocational Education and Training: Fourth Report on Vocational Training Research in Europe: Background Report Vol. 2*. Luxembourg: Cedefop
- Ibara, E.C. (2011). Funding higher education in a dwindling fiscal resource allocation: The Nigerian perspective. *Journal of Sustainable Development in Africa*, 13 (3), p. 1
- Jacobs, H. (2000). *A Comparative Study on the Management of Cooperative Education at various Tertiary Institutions*. Bloemfontein: Technikon Free State
- Louis, K. S. (2006). Changing the Culture of Schools: Professional Community, Organizational Learning, and Trust. *Journal of School Leadership*, 16, 477-487.
- Mohammadi, M., Yeganeh, E. M., and Rad, T. D. (2010). The relationship between faculty members' perception of organizational culture types and their preferences for instruction and counselling in Iranian College of Education and Psychology. *Procedia Social and Behavioural Sciences*, 5, 1841-1848
- Oliver, C. (1990). Determinants of Inter-Organizational Relationships: Integration and Future Directions. *Academy of Management Review*. 15, 241-265
- Olujuwon, T (2000). *Education in Nigeria: A Futuristic Perspective*. Central Educational Service, Lagos, Nigeria.
- Oyedele, J.P. (1990). Co-operative work experience programme for youths in business education. *Business Education Journals*, 2,30-53
- Resourcedat (2015). *Definition: Who is an SME (Small and Medium Scale Enterprise) in Nigeria*. Retrieved on 23rd June, 2015 from <http://resourcedat.com/document/who-is-an-sme-small-and-medium-scale-enterprise-in-Nigeria/>
- Smith, R., and Betts, M. (2000). Learning as partners: realizing the potential of work-based learning. *Journal of*

- Vocational Education and Training*, 52(4), 589-604.
doi:10.1080/13636820000200141
- Stiglitz, J. E. (2000). Contribution of the economics of information to twentieth century economics. *Quarterly Journal of Economics*, 115(4), 1441–1478.
- United Nations Educational Scientific and Cultural Organization (2007). *World Declaration on Higher Education for the Twenty-First Century: Vision and Action and Framework for Priority Action for Change and Development in Higher Education*.
Ekwere A. U.
- on Higher Education. Paris: UNESCO
- Walsh, S. and Prendergast, T. (2013). An activity-based approach to the learning and teaching of research methods: measuring student engagement and learning. *Irish Journal of Academic Practice*. 2
- Weert, E.D. (2011). Perspectives on higher education and the labour market. *Review of International Policy Developments, IHEM/ CHEPS Thematic Report*. Retrieved on 23rd June, 2015 from <http://www.utwente.nl/bms/cheps/publications/Publications%202011/C11EW158%20Final%20version%20Themarapport%20onderwijs%20-%20arbeidsmarkt.pdf>

