



Determination of Challenges and Opportunities of the Global Financial Crisis for Business Education Undergraduates in South East Nigerian Universities

Justina I. Ezenwafor (Ph.D.)

Senior Lecturer

08037132200 & 08077971198

ji.ezenwafor@uizik.edu.ng & justed1998@yahoo.com

Amaka U. Okeke (Ph.D.)

Senior Lecturer

08033225686

au.okeke@unizik.edu.ng & okekeau@yahoo.com

Department of Business Education

Faculty of Education

Nnamdi Azikiwe University, Awka, Nigeria

Augustine U. Enemuo, (Ph.D.)

Senior Lecturer

Business Education Department

Madona University, Okija, Nigeria

07062491467

Abstract

The 2008 financial crisis in America has adversely affected the rest of the world. Being a nascent financial sector that seeks to integrate with the global financial system, the global financial crisis led to a drop in Nigeria's foreign exchange and reserves causing a double-digit inflation which affected all sectors of her economy. This brought daunting challenges to the government, corporate organizations and individual citizens especially students who are mostly dependants. This study seeks to determine the challenges and opportunities of the crisis to undergraduate business education students in south east Nigerian universities. Two research questions and four null hypotheses guided the descriptive survey. Population consists of 1078 out of which 285 who are in the final year were sampled. A 4-point rating scale validated questionnaire with reliability coefficients of 0.71 and 0.83 was used for data collection. Data were analyzed with mean, standard deviation, z-test and ANOVA. Results revealed the respondents' challenges to include alarming increase in school fees, high cost of living on campus, inadequate funds and training equipment, among others and opportunities as working in business centers, editing materials, teaching in private schools and marketing materials, among others. Three hypotheses were rejected as significant difference was found in respondents' mean ratings. The authors conclude that vocational skills training will equip Nigerian students to cope more effectively with their challenges and recommend that owners of universities should adequately provide equipment for skills training and that government should lay more emphasis on vocational education.



Introduction

Soludo (2009), Ashamu and Abiola (2012) and Olaopa, Ogundari, Akindele and Hassan (2012) reported that the financial crisis started in America in 2007/2008 with failures of large financial institutions and rapidly evolved into a global crisis resulting in the failure of some European banks and declines in various stock indexes as well as large reduction in the market value of equities and commodities worldwide. The global crisis was a sharp change in asset prices whereby financial institutions and assets suddenly lost a large part of their values leading to distress among financial market participants which destabilized the global financial system and resulted in a major economic crisis in 2008 (Eichengreen and Poles in Sanusi, 2010). Central Bank of Nigeria (2009:a) and Olaopa, et al reported that the current financial crisis was preceded by others like the Black Monday of 1987, the Asian financial crisis of 1990, the Latin American debt crisis, and others which did not seriously infect the rest of the global financial system hence Olaopa, et al described it as a major one.

Nigeria, as an emerging economy depends on the major world economies for her exports and imports with a nascent financial sector that seeks to integrate with the global financial system. CBN (2009b) reported that the global financial crisis led to a drop in Nigeria's foreign exchange and reserves which caused a double-digit inflation that affected all sectors of the nation's economy. Supporting, Adigwe (2010), Igbatayo (2011) and Ashamu and Abiola (2012) reported that the crisis caused the failure of Nigeria's capital market and some banks leading to heavy financial loss for investors and depositors while the thriving banks tightened their lending policies. As a result, public and private establishments began to reduce their workforce as a strategy to cope with the challenge of increased running costs in the face of limited funds which escalated the level of unemployment and poverty amidst very high cost of living. Igbatayo observed that while there are indications of recovery for industrialized economies, most developing economies like Nigeria continue to suffer the social and economic consequences of the global turmoil with serious challenges to governments, business, industry, individuals and groups including students, professionals, artisans, entrepreneurs, etc. Olaopa, Akinola and Salaam (2009) reported that the development pushed more Nigerians into illegal/criminal activities like armed robbery, corruption, prostitution, proliferation of arms, trafficking in drugs, weapons and human parts, smuggling of contraband goods, illegal immigrants,



vehicle crimes and kidnapping, among others. All these have grave implications for the security of lives and property in the country.

Business education program emphasizes technological and entrepreneurial skills for survival and success in the ever changing and dynamic society (Osuala, 2004). Azuka, Nwosu, Kanu and Agomuo (2006) observed that business education is a training program that is aimed at equipping recipients with practical skills, attitudes, concepts and knowledge to actively engage in office occupations and/or manage businesses effectively to accomplish objectives. Undergraduate business education program emphasizes competencies for utilization of information and communication technology resources and entrepreneurship. Competencies in the two areas are the current focus the world over for meeting societal challenges. Consequently, Osuala affirmed that graduates of the program have comparative advantage of becoming employees, entrepreneurs and employers of labour.

Employment, business and financial losses occasioned by the global financial crisis have undermined industrial development in Nigeria resulting in increased rate of unemployment, poverty, increased crime wave and insecurity. The negative effects of all these on education generally and tertiary education in particular are enormous ranging from total lack of or inadequate training equipment due to poor funding, alarming increase in school and hostel fees as institutions are required to generate funds internally, elongation of years of training, among others which lead to high rate of school dropout and graduate unemployment. Adamu (2009), Ezugwu (2010), Ezenwafor and Okeke (2010), Obayi (2010), Okeke and Ezenwafor (2012), Ezenwafor (2012), Wodi (2012) and Ezenwafor (2013) have highlighted the challenges of the global monster on vocational technical institutions that foster entrepreneurship development to center on inadequacy of instructional equipment. Umeayo (2013) observed that the situation is worse in private institutions in spite of their higher fees. The situation results in daunting challenges to Nigerian undergraduate business education students especially because they are mostly dependants. In the views of Quadri (2012) and others, technological and entrepreneurial competencies are acknowledged worldwide as the keys to employment creation, poverty and crime reduction as well as national development. Anele (2004) affirmed that entrepreneurship can be practiced anywhere at a large, medium or small scale which means that any person – peasant farmer, oil miller, government worker, student, etc. can be an entrepreneur.



Findings of this study will be of immense benefits to the target population and their counterparts in other zones of the country as they will discover several opportunities in the global crisis to overcome their challenges. University lecturers in business education and other disciplines will benefit by discovering how to positively engage their students for mutual benefit. University students generally will also benefit as the findings can help them look inwards to discover better things to do with their time and energy to sustain their study and ensure a better future. Finally, based on the findings, university owners and the government could see the need to provide enabling environment for technological and entrepreneurial skills acquisition.

Research questions

The following research questions guided the study:

1. What are the challenges of the global financial crisis for business education undergraduates in south east Nigerian universities?
2. What are the opportunities of the global financial crisis for business education undergraduates in south east Nigerian universities?

Hypotheses

The following null hypotheses were tested at 0.05 level of significance:

1. Male and female undergraduate business education students in south east Nigerian universities will not differ significantly in their mean ratings on their challenges in the global financial crisis.
2. South east Nigerian universities undergraduate business education students will not differ significantly in their mean ratings on their challenges in the global financial crisis based on institution (federal, state and private).
3. Male and female undergraduate business education students in south east Nigerian universities will not differ significantly in their mean ratings on their opportunities in the global financial crisis.
4. South east Nigerian universities undergraduate business education students will not differ significantly in their mean ratings on their opportunities global financial crisis based on institution (federal, state and private).



Method

Descriptive survey research method was adopted for the study as recommended by Nworgu (2006) for studies that use questionnaire to collect data from a given population or its representative sample on existing phenomena. The study was conducted in south east Nigeria which is made up of five states (Abia, Anambra, Ebonyi, Anugu and Imo). The states have similar characteristics relative to language, culture, religion, life-style and occupation. Their language is Igbo and they are predominantly Christians and very peaceful. The south east zone is located east of the River Niger with a population of approximately 16.5M and shares boundaries with north central and south south zones. The people of the zone are very enterprising and are always searching out positive and productive ways of addressing challenges and problems also they value education very highly such that both the rich and poor struggle to give their children good education up to university level. Nigerian universities are classified into three based on ownership (federal government, state government and private individuals/groups). There are thirteen functional universities in the zone (four are federal government owned, five state government owned and four privately owned). Only seven of these universities run undergraduate business education program, that is, two federal universities, three state universities and two private universities. Population of the study consists of 1078 undergraduate students drawn from these universities out of which 285 who are in the final year were purposefully sampled for the study. The choice to use final year students was informed by the fact that, at the finishing point in their academic career, they are deemed to have acquired relevant ICT and entrepreneurial competencies for productive living and self-reliance. Instrument used for data collection was a validated four point rating scale questionnaire which has two sections, A and B. Section A focused on respondent's gender and type of institution while Section B was divided into two parts, B1 and B2 covering the research questions with seventeen items each. Test re-test method was used to establish the reliability of the instrument and data analysis with Chronbach alfa yielded 0.71 and 0.83. The instrument was administered by the researchers with the help of their colleagues and out of 285 copies administered, 272 duly completed copies (approximately 95%) were retrieved and used for the study.

Data were analyzed with the arithmetic mean and standard deviation to answer the research questions and determine how homogeneous or otherwise the respondents



are in their mean ratings while z-test and analysis of variance (ANOVA) were used to analyze data in respect of hypothesis 1, 3 and 2, 4 respectively at 0.05 level of significance. An item with a mean value of 2.50 and above is seen as a challenge or opportunity for the respondents. Where the calculated z or f value is less than the p-value, it means that the variable has no significant effect on respondents' mean ratings and the hypothesis will be upheld. On the other hand, if the calculated z or f value is equal to or greater than the p-value, it means that that the variable has significant effect on respondents' mean ratings and the hypothesis will be rejected.

Results

Table 1: Respondents' mean ratings and standard deviations on their challenges in the global financial crisis. N = 272

S/N	Possible challenges of the global financial crisis	Mean	SD	Result
1.	Prolonged training period due to workers' strikes	2.60	1.10	Agreed
2.	Frequent closure of school due to student unrest	2.42	1.10	Disagreed
3.	Alarming increase in school fees	2.90	0.97	Agreed
4.	Unaffordable hostel accommodation	2.80	0.93	Agreed
5.	Escalated cost living conditions on campus	2.85	0.92	Agreed
6.	Sponsors loss of jobs and business failure	2.99	1.00	Agreed
7.	Difficulty in obtaining scholarship awards	3.12	0.99	Agreed
8.	Lack of collateral for loans from financial institutions	2.93	1.01	Agreed
9.	Scarcity of relevant and affordable text books	2.81	0.86	Agreed
10.	Lack of relevant equipment and consumables for practical training	3.03	0.86	Agreed
11.	Inadequate library books in the area	2.79	0.90	Agreed
12.	Inadequate ICT equipment relative to student enrolment	2.86	0.93	Agreed
13.	Poor exposure on entrepreneurial skills for self survival due to lack of relevant facilities	3.00	0.86	Agreed
14.	Difficulty in purchasing personal computer	3.16	0.75	Agreed
15.	Abysmally slow and frustrating internet connectivity for on-line learning	2.83	1.49	Agreed
16.	High cost of relevant consumables for running profitable business center	2.85	0.93	Agreed
17.	Low level of ICT competencies due to inadequate practical exercises	2.98	0.83	Agred

Data in Table 1 indicate that the respondents agreed with all the seventeen items but one with mean ratings ranging between 2.60 and 3.16 as their challenges in the global financial crisis. They disagreed with closure of schools due to student unrest as a challenge because students' protest has become infrequent. Standard



deviations for all the items are close showing that the respondents are homogeneous in their mean ratings.

Table 2: Mean ratings and standard deviations of South east Nigerian universities undergraduate business education students on their opportunities in the global financial crisis. N = 272

S/N	Possible opportunities in the global financial crisis	Mean	SD	Result
1.	Engaging in cooperatives for survival	2.51	1.12	Agreed
2.	Acquiring and upgrading skills in business centres	2.83	0.79	Agreed
3.	Engaging in community services for survival	2.59	0.84	Agreed
4.	Generating income through internet services	2.41	1.02	Disagreed
5.	Engaging in editorial services for printers and publishers	2.54	0.93	Agreed
6.	Generating income through teaching in private schools	2.75	0.90	Agreed
7.	Expanding knowledge and skills through community skill acquisition centres	2.76	0.89	Agreed
8.	Marketing educational materials on campus	2.81	1.02	Agreed
10.	Earning income through home services like typing projects and seminar papers for students	2.76	0.88	Agreed
11.	Typing articles and lecture notes for lecturers	2.48	0.94	Disagreed
12.	Earning income through internet trading	2.34	0.91	Disagreed
13.	Engaging in networking business operations through sale of health products on commission basis	2.74	0.90	Agreed
14.	Taking part time jobs in private organizations	2.83	0.88	Agreed
15.	Marketing wears and toiletries on campus	2.71	0.93	Agreed
16.	Working as research assistants to lecturers and researchers	2.67	0.89	Agreed
17.	Serving in campus eateries	2.49	0.97	Disagreed

Data in Table 2 show that the respondents agreed with thirteen out of the seventeen listed items with mean ratings ranging between 2.50 to 2.83 as their opportunities in the global financial crisis. They disagreed with the remaining four whose mean ratings fall between 2.34 and 2.49 as their opportunities which could be as a result of their not being aware of their value. Again the standard deviations for all the items are close together indicating that the respondents are homogeneous in their views.

Table 3: z-test analysis of respondents mean ratings on their challenges in the global financial crisis based on gender (Male/Female).

Variables	N	Mean	Sd	df	z-calc	P-value	Result
Male	142	2.90	0.43	268	2.12	0.035	S
Female	128	2.79	0.45				



Data in Table 3 show that the calculated z-value of 2.12 is greater than the p-value and shows that there is significant difference in the views of the respondents as a result of gender. The null hypothesis is, therefore, rejected.

Table 4: z-test analysis of respondents' mean ratings on their opportunities in the global financial crisis based on gender (Male/Female).

Variables	N	Mean	Sd	df	z-calc	P-value	Result
Male	142	2.66	0.54	268	0.437	0.662	NS
Female	128	2.63	0.52				

Data in Table 4 show that the calculated z-value of 0.437 is less than the p-value of 0.662 which means that gender has no significant effect in the views of the respondents regarding opportunities they use to cope with their challenges in the global economic crisis. The null hypothesis is, therefore, upheld.

Table 5: Analysis of variance on respondents' mean ratings on their challenges in the global financial crisis based on institution (Federal/State/Private).

Variables	N	Mean	Sd	f-calc	P-value	Result
Federal government	74	2.80	0.46	5.611	0.004	S
State government	121	2.95	0.26			
Private	77	2.75	0.98			

Data in Table 5 show that the calculated f value of 5.611 is greater than the p-value of 0.004 which indicates that the respondents differ significantly in their mean ratings as a result of their institutions ownership. The hypothesis is, therefore, rejected.

Table 6: Analysis of variance on respondents' mean ratings on their opportunities in the global financial crisis based on institution (Federal/State/Private)

Variables	N	Mean	Sd	f-calc	P-value	Result
Federal government	74	2.44	0.61	7.786	0.001	S
State government	121	2.72	0.35			
Private	77	2.72	0.63			

Data in Table 6 show that the f-calc of 7.786 is greater than the p-value of 0.001 which indicates that there is significant difference in respondents mean ratings of



opportunities they use to cope with their challenges in the global financial crisis as a result ownership of their institutions. The hypothesis is, therefore, rejected.

Discussion

Results of the study showed that challenges of the global financial crisis for undergraduate business education students of south east Nigerian universities include alarming increase in school and hostel fees; high cost of living on campus, inadequate funds from their sponsors, inadequate exposure to relevant competencies due to lack of equipment in the schools and lack of funds to purchase personal computers, among others. This confirmed the reports of Olaopa, Akinola and Salaam (2009), Adigwe (2010), Igbatayo (2011), Adamu and Abiola (2012) and Wodi (2012) that the global financial crisis posed great challenges to Nigerian workers, banks, stock market, businesses, government, generally and students in particular, especially those in vocational (business and technology) programs. The students' opportunities center on the use of ICT and entrepreneurial skills for such services as serving in business centers, editing materials and marketing different products on campus to generate addition funds for their needs. This corroborates the views of Osuala (2004) and Azuka, Nwosu, Kanu and Agomuo (2006) on the benefits of business education in equipping students with technological and entrepreneurial skills for self-reliance. Gender has a significant effect on the respondents' views on their challenges in the global financial crisis contrary to expectation. However, it could be that parents and sponsors give more funds to their female children to prevent them from engaging in prostitution and other illegal practices which many have adopted as a means of surviving the harsh economic climate brought about by the global financial crisis as reported by Olaopa, Akinola and Salaam (2009). It is not surprising that university ownership has significant effect on the respondents mean ratings on both their challenges and opportunities given differences in fees and quality of instructional resources provided by the three key players. This finding agrees with Ezenwafor and Okeke (2010), Ezugwu (2010), Okeke and Ezenwafor (2012) and Umeayo (2013) regarding infrastructural and instructional facilities in different institutions in the zone based on their ownership.

Conclusion



It is the conclusion of the authors that acquisition of vocational skills will help Nigerian students and others to cope more effectively and positively with the challenges of the global financial crisis and as well contribute to national development.



Recommendations

In view of the findings and conclusion of the study, it is recommended that

1. Students of all educational programs in the nation's institutions and other Nigerians should pursue technological and entrepreneurial skills acquisition, identify opportunities in their areas and use their skills to generate income by supplying the needs as a positive means of coping with the harsh economic climate created by the global financial crisis.
2. University business education lecturers and their counterparts in other fields of study should engage their students who have the skills in research and lecture note/book typesetting for mutual benefits.
3. Owners of universities should improve funding and provision relevant instructional equipment as well as check arbitrary increase in fees.
4. Government should invest more in vocational skills training to equip the youths with employable and survival skills for personal and national development and also curtail arbitrary increase in school fees.
5. Individual Nigerians and others around the globe should find positive ways of coping with life challenges instead of excusing their criminal tendencies on the present harsh economic climate occasioned by the global financial crisis.



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