FACTORS AFFECTING REVENUE GENERATION IN TERTIARY INSTITUTIONS IN BORNO STATE NIGERIA

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ABSTRACT

The study was carried out to determine some of the factors affecting revenue generation in Borno state colleges of education. 639 respondents comprising of both academic and non-academic staff of the three colleges of education were sample in this study. Frequency counts and simple percentages were used to answer the research question while one way analysis of variance was used to test the hypothesis. The findings of this study revealed that inadequate entrepreneurial knowledge, ineffective managerial strategies and power tussle among management members are some of the factor militating against effective revenue generation in colleges of education. Also there was no significant difference in terms of factors affecting revenue generation in the three colleges of education (p-value=0.598, $\alpha = 0.05$). Therefore, it is recommended that tertiary institutions should establish School Revenue Development Unit (SRDU) that will bring all the revenue generating centres and all other revenue yielding project under one strong management so as to become more entrepreneurial and proactive, seeking both the resources and the autonomy that will allow them to thrive in spite of the vicissitudes of public funding.

Keywords: Revenue generation, tertiary institutions**,** managerial strategies

INTRODUCTION

The records of Tertiary Institution funding in Nigeria is dated back to the period of establishment of tertiary institutions. Since then and up until now, there is low level of tertiary education funding and it is often a problem among stakeholders with its consequences on satisfactory of tertiary education in Nigeria (Oduleye, 1995). Most of the tertiary establishments embarked on alternative sources of revenue generation to complement authorities funding. Despite that, there are many challenges faced via the tertiary institutions in the process of revenue generation. Some of this troubles are related with the workforce contain in the income producing unit. Problem such as lack of entrepreneurial knowledge, corruption, negative managerial services, Poor mindset towards public businesses and low public patronage are stated to be some of the elements affecting revenue era in tertiary institutions.

According to Baurer (2005), failure to deal with corrupt tax administration employees can create problems for the business community. Bird (2010) argues that weaknesses in revenue collections occasion inadequate tax collections. Developing countries according to the

scholar faces a problem of inefficient tax administration. The foregoing problem is attributed to with insufficient administrative staff with requisite skills, and high level of illiteracy among taxpayers and tax collectors. Kayaga (2007) further notes that financial constraints have led to the hiring of tax officials who lack understanding of the tax laws they are administering, and the concept of the concepts of accounting that are requisite to analysing returns. The scholar further posits that the problem of inexperienced and unqualified personnel is aggravated by lack of training facilities and opportunities.

Franzen's (2007) study conducted in Dar es Salaam, Tanzania indicated that public officials are more effective as revenue collectors that their private counterparts. Fjeldstad and Haggstad (2012) suggested that measures are required to improve the accountability of revenue collectors and elected officials. Kayaga (2007) in her study of tax policy challenges in Uganda as one of developing countries opined that new technology alone is not sufficient if the government does not recognize the need for skilled tax officials. And also qualified tax personnel with requisite skills to maintain these systems and operate them to their fullest potential are needed.

Tax officers some time accept bribes when offered so as to reduce tax the liability of tax to some individual and sometimes even demand for bribes which is situation that is greatly affecting revenue generation Simiyu (2010). According to Pashev (2005), turnover tax was hampered by illegal practices like reduction of deductions and collusion of County Government revenue collectors. Pashev had observed that, indeed, tax administrators colluded with taxpayers to reduce charges in exchange for illegal payments.

OBJECTIVES OF THE STUDY

The objectives of the study are to:

1. Determine the factors affecting revenue generation in colleges of education in Borno state

2. Determine whether there is difference in the three colleges of education in terms of the factors affecting revenue generation

RESEARCH QUESTION

What are the factors affecting revenue generation in colleges of education in Borno state?

HYPOTHESIS

H_{01}: There is no significant difference in the factors affecting revenue generation in the three colleges of education in Borno state

MATERIALS AND METHOD

The sample for this study comprised of the staff of the three Colleges of Education namely: Kashim Ibrahim College of Education Maiduguri, College of Education Waka Biu and Umar Ibn Ibrahim El-kanemi College of Education Science and Technology Bama comprising of both academic and non academic staff from all the existing units of the three colleges of education; Regular Programme, Distance Education, Professional Training Programmes Unit and Staff Model School which represents as supervision areas A, B, C and D respectively. Stratified sampling technique was used to select the sample of 1200. The sample was strata as academic and non-academic staff. A self developed questionnaire was distributed to the

ISSN: 2186-845X ISSN: 2186-8441 Print
www.ajmse. leena-luna.co.jp

Leena and Luna International, Chikusei-shi, Japan.
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respondents in all the three colleges of educations. Frequency counts, percentages, charts and one way analysis of variance was used to analyze the data.

RESULTS

Research Question: What are the factors affecting revenue generation in colleges of education in Borno state?

Table 1: Factors militating against revenue generation in Borno state colleges of education

S/N	Statement	Responses			
		SA	AG	DA	SD
1	Inadequate entrepreneurial knowledge by staff involved in revenue generation deters the target revenue	121 (18.94%)	305 (47.73%)	157 (24.57%)	56 (8.76%)
2	Corruption in public service is a factor that militates against revenue generation	168 (26.29%)	367 (57.43%)	61 (9.546%)	43 (6.73%)
3	Poor remuneration of staff is another hindrance to revenue generation	86 (13.46%)	412 (64.48%)	103 (16.12%)	38 (5.95%)
4	Inability of management to initiate effective managerial strategies in achieving the stated goals also affect revenue generation	114 (17.84%)	216 (33.80%)	196 (30.67%)	113 (17.68%)
5	Stringent school financial policies also deter revenue generation	203 (31.77%)	312 (48.83%)	67 (10.49%)	57 (8.92%)
6	Power tussle among management members is also a problem of revenue generation	78 (12.21%)	397 (62.13%)	122 (19.09%)	42 (6.573%)
7	Poor attitude toward public enterprises and low public patronage are other factors affecting revenue generation	102 (15.96	414 (64.79%)	72 (11.27%)	51 (7.98%)

Source: Field survey, 2017

Results from table one above revealed that 66.67% of the respondents agreed that one of the factors responsible for the ineffective revenue generation in the colleges of educations was inadequate entrepreneurial knowledge by staff involved in revenue generation while 33.33% of the respondents disagreed. 83.73% of the respondents agreed that corruption is another factor responsible for the ineffective revenue generation in the colleges of education. 77.73% of the respondents agreed that poor remuneration of staff is another hindrance to revenue generation in the colleges of education while 22.07% disagreed. Majority (80.60%) of the respondents agreed that stringent school financial policies also affect revenue generation and 80.75% of the respondents agreed that poor attitude toward public enterprises and low public patronage are other factors affecting revenue generation in colleges of education.

Hypothesis: There is no significant difference in the factors affecting revenue generation in the three colleges of education in Maiduguri, Borno state

Table 2: Summary of the one way analysis of variance on the factors affecting revenue generation based on schools

Sources of variation	*df*	Sum of squares	Mean square	F	p-value
Between Groups	2	8.573	4.287	0.515	0.598
Within group	636	5296.509	8.328		
Total	638	5305.083			

Results from table 2 above revealed that there was no significant difference in the factors affecting revenue generation in the three colleges of education because the p-value (0.598) is greather than the level of significant ($\alpha = 0.05$), therefore, the null hypothesis is rejected.

CONCLUSION AND RECOMMENDATION

The results of this study revealed that some of the factors affecting revenue generation inadequate include; lack of entrepreneurial knowledge by some of the staff involved, ineffective managerial strategies, stringent school financial policies and power tussle among management members are factors militating against effective revenue generation in tertiary institutions. Also the study revealed that corruption in public service is another factor that militates against revenue generation in tertiary institutions. This is in line with the findings of Joseph, Sturninas and Chrysostom (2013) who concluded that factors influencing revenue generation includes; institutional capacity, political factors, conflict of interests among others.

In the light of the above, the study recommended that tertiary institutions should establish School Revenue Development Unit (SRDU) that will bring all the revenue generating centers and all other revenue yielding project under one strong management so as to become more entrepreneurial and proactive, seeking both the resources and the autonomy that will allow them to thrive in spite of the vicissitudes of public funding.

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ISSN: 2186-845X ISSN: 2186-8441 Print
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