

Managing Tertiary Educational System for Economic Growth and Sustainable Development in an Underdeveloped Economy

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Abstract

Tertiary education, the pinnacle of educational attainment plays a crucial role in driving economic growth and sustainable development in any economy. Given the significance of tertiary education as the highest level of education, it is imperative to strategically align tertiary education with economic growth and sustainable development objectives, particularly in underdeveloped economies. This paper therefore explored the management of tertiary educational systems as a catalyst for economic growth and sustainable development in underdeveloped economies. The paper examined the interplay between tertiary education, economic growth, and sustainable development, highlighting the critical role of education in fostering economic progress. The study concluded that by prioritizing efficient resource management and accountability, tertiary educational institutions can play a pivotal role in fostering economic growth and sustainable development in underdeveloped economies.

Key words: *Economic Growth, Tertiary Education, Sustainable Development, Underdeveloped Economy*

Introduction

Globally, education is a cornerstone of growth and development, serving as a vital tool for individuals and nations to achieve their goals, particularly in underdeveloped economies (Ebirim et al., 2023). Education garners significant attention across various aspects of life, fostering self-improvement and national advancement, development, and enhanced standards of living. By laying the groundwork for innovation, scientific progress, and technological advancements, education enables resource utilization, industrialization, and participation in the global knowledge economy (Ebirim & Duruchukwu, 2024). As a valuable investment in human capital, education enhances economic growth and development. According to Mbaji and Ebirim (2013), education builds people's capacities to learn, develop skills, and acquire values and knowledge, promoting a global culture of sustainable development. By cultivating comprehensive

competencies, knowledge, social skills, and personality attributes, education produces economic value in human capital. The significance of education as a human investment instrument has driven the adoption of economic methods and approaches in planning, managing, and governing tertiary education systems to foster economic growth and sustainable development in economies, including underdeveloped ones.

Economic growth and development refer to the sustained increase and improvement in an economy's standard of living over time. This process involves the persistent growth and optimization of a nation's resources, including human capital and material resources, to enhance the lives and activities of its citizens. Human capital encompasses the workforce, their skills, and potential, while material resources comprise assets such as equipment, facilities, infrastructure, and funds (Ebirim et al., 2023; Mbaji & Ebirim, 2015). Other resources include natural deposits, which can be fixed or renewable, to meet the economy's needs. Notably, economic growth and development are distinct concepts: economic growth focuses on output increases with limited emphasis on welfare, whereas economic development prioritizes overall welfare through equitable distribution of goods and services (Anyanwuocha, 2013). While economic growth can ultimately lead to economic development, the former enables improvements in various sectors, including tertiary education, by increasing the production of educational goods and services. To achieve economic growth and development, particularly in underdeveloped economies, it is crucial to enhance planning and management of human capital, learning environments, and facilities, as well as upgrade outdated and dilapidated infrastructure.

Underdeveloped economy

An economy refers to the system, environment, and resources within a specific region, encompassing a nation's wealth, natural endowments, technological advancements, and human capital (Ebirim, 2023). It involves the allocation and utilization of resources, including fiscal and material assets, within a geographical boundary (Nwaru, 2004). An underdeveloped economy, on the other hand, is characterized by a low level of development, often resulting from inadequate resource utilization or scarcity (Mwalenga, 2012). According to Ilueme and Ebirim (2016), underdeveloped economies fall short of their full potential, lagging behind advanced nations in terms of development attainment. This can be attributed to suboptimal availability, allocation, and utilization of productive resources and population. An underdeveloped economy is often the result of a complex interplay between internal and external factors, including inadequate educational systems, such as insufficient infrastructure, unqualified personnel, and underutilization of skilled workers (Ilueme & Ebirim, 2016; Mwalenga, 2012). Additional contributing factors include high poverty levels, unequal resource allocation, rapid population growth, limited technological and human capital development, unstable political conditions, high unemployment rates, and significant debt burdens. These challenges hinder economic growth and development, perpetuating a cycle of underdevelopment.

Sustainable development

Sustainable development carries the connotation of lasting change. It involves the liberation of nations from hindrances that affect their ability to develop and sustain their economy. Sustainable development refers to the ability of a nation to improve on her economy with a view to increasing her productive capacity for the satisfaction of the basic needs of individuals in such economy (Ilueme & Ebirim, 2016). As described by Enwere and Ugwu (2013), sustainable development is a pattern of economic growth in which resources' use aims to satisfy human

needs while preserving the environment so that these needs can be met not only in the present but for generations to come. Sustainable development involves all round improvement that takes place in all sectors of a nation's economy that meets the needs of both present and the future population. No wonder Mbaji and Ebirim (2013) further put in plain words that sustainable development entails collective improvement and justifiable circulation of resources in all sectors of the economy such as the education sector to improve the living standard of the masses both the present and in the future. It involves individuals taking absolute control of their resources, initiating their own growth and finding lasting solution to educational problems and economic challenges in totality. This goes a long way in minimizing resources wastage thereby creating opportunities for resource optimization in the educational system to trigger economic growth.

Economic growth

Economic growth refers to the amount of goods and services provided per head of the population over period of time. Investorword (2014) explains economic growth as a positive change in the level of production of goods and services by a country over a period of time. Economic growth emphasizes increase in the output and services per individual person (Ogwumike et al., 2014). Economic growth explains an increase in a country's productivity as measured by comparing Gross National Product (GNP). Economic growth (EG) is measured by estimating the total national income (TNI) over the number of individuals in the economy ($EG = TNI/n$). Economic growth is obtained when the total national income (TNI) is divided by the number of individuals in the economy (n). Economic growth occurs when there is an increase in per capita income. Economic growth emphasizes increase in real Gross National Product (GNP) indicating increase in both national output and national income. In a narrow view, economic growth refers to a process whereby more goods and services are available to satisfy the needs and desires of a nation. Economic growth is caused by an increase in the aggregate demand and supply respectively. The ultimate goals of economic growth, as noted by Akobundu (2021) and Ebong (2006), include reducing unemployment, increasing living standards, improving tax revenue, and creating new jobs, ultimately contributing to poverty reduction and enhanced welfare for developing nations.

Tertiary education

Tertiary education is an educational system that involves the processes and practices of higher learning. It is a system of education that involves the acquisition of higher and sustainable knowledge, ideas, skills, values and attributes that guide individuals and nations of varying economy in carrying out both economic and non economic activities for micro and macro economic development. Ebirim and Duruchukwu (2024) believed that tertiary education is the most important means through which a nation has to develop human resources, impart relevant skills for self, national and continental development as well as transmit required knowledge and positive attitudes to her citizens. Tertiary education leads individuals into sustainable discoveries of their full potentials and capacities as well as exposes individuals and nations to utilize the discoveries made for self and sustainable development of the economy in general. As a tool, tertiary education provides an echelon of stability for individuals to involve in the advancement, development and improvement of self in particular and the economy in general. It increases the propensity for better employment opportunities which allows individuals to live a healthy and quality lifestyle with a high standard of living (Ozturk, 2001). Through the activities of institutions of higher learning, individuals are exposed with various advanced skills and training

that enable them become more productively engaged to generate better income for growth and sustainable development of self and that of the economy at large.

Managing tertiary educational system for economic growth and sustainable development in an underdeveloped economy

Education is a pivotal driver of economic growth and sustainable development. A nation's ability to increase its wealth over time hinges on its capacity to manage and acquire relevant skills, as well as adapt to technological advancements and global economic challenges. The primary objective of education is to equip individuals with the skills necessary to function effectively and efficiently in the economy, while also providing opportunities for them to stay abreast of rapid technological changes. However, the skills acquired in educational institutions often lack relevance due to inflexibility in adapting to innovations, making it challenging for inexperienced professionals to familiarize themselves with new developments in their fields.

While education is a costly investment, its long-term benefits for economic growth and development are undeniable. However, its impact may vary in underdeveloped economies compared to more developed ones, raising questions about the returns on investment in education in different contexts. Research has shown that education enhances productivity and creativity (Ozturk, 2001), fosters entrepreneurship, and drives technological advancements, ultimately unlocking individual potential and national wealth. Studies have also confirmed that education directly influences the quality and magnitude of a nation's development (Ebirim & Duruchukwu, 2024). By acquiring relevant skills and leveraging adequate resources, education can improve lives, yield broad social benefits, and drive national progress. Effective resource allocation, efficient utilization, regular evaluation, and continuous improvement are crucial to maximizing the benefits of education.

Resources play a vital role in achieving goals across various sectors of an economy. In underdeveloped economies, the tertiary education system requires adequate and well-managed resources to function optimally and drive economic growth and sustainable development. Educational resources are essential for effective teaching, learning, and institutional development, enabling educational activities to thrive (Ebirim et al., 2023a). However, without sufficient resources and effective management, underdeveloped economies' tertiary education systems face significant challenges in achieving their objectives. Research has shown that managing educational resources is fraught with challenges, including corruption, poor planning, inadequate maintenance, insufficient trained personnel, non-compliance with capacity standards, ineffective supervision, and poor funding (Akpan & Etor, 2015). These issues hinder the effective management of tertiary education, ultimately impacting economic growth and sustainable development. Addressing these challenges is crucial to unlocking the full potential of tertiary education in driving national progress.

Combating corruption in the educational system is crucial for effective management of resources and activities in tertiary education, ultimately driving economic growth and sustainable development in underdeveloped economies. Corruption can manifest in various ways, including negative attitudes towards education policies, mismanagement of resources, and misappropriation of funds. The mismanagement of resources is a significant problem in tertiary education, exacerbating funding shortages and hindering goal achievement. Research has shown that corrupt practices, such as fund embezzlement and diversion, further strain already limited resources (Akpan & Etor, 2015). Furthermore, funds allocated to tertiary education are often not managed prudently, with authorities diverting them to unintended purposes. Meanwhile,

governments invest substantial amounts in education, with varying consideration for economic returns on such investments (Abiodun & Iyiola, 2011). Addressing corruption and ensuring prudent resource management are essential for optimizing the impact of education on economic growth and development.

Enhancing the standard of living and sustaining economic growth requires adequate funding and judicious management of tertiary educational programs. Effective implementation of these programs hinges on increased funding, prudent disbursement, and careful management of resources. In underdeveloped economies, governments and agencies must prioritize funding and resource allocation for tertiary education to drive economic growth and sustainable development. Financial resources are the lifeblood of educational institutions, and their effective management is crucial for development (Akinsolu, 2012). To achieve this, educational managers need expertise in financial management, planning, and communication, including strategies such as budgeting, auditing, and financial accountability. By adopting these practices, tertiary educational institutions can optimize resource utilization, drive economic growth, and foster sustainable development.

Accountability is crucial for effective management of tertiary education, driving economic growth and sustainable development. According to Ebirim et al. (2023b), accountability in education implies responsibility and acceptance towards achieving institutional objectives and educational goals. It involves a willingness to receive feedback, criticism, and advice, and to adapt practices accordingly to realize specific objectives. Accountability encompasses various aspects, including responsibility, answerability, control, productivity, performance, and evaluation (Okunamiri & Ajoku, 2010). It also involves transparent stewardship of resources, accurate record-keeping, and timely reporting to relevant authorities and stakeholders (Akpan & Etor, 2015). Furthermore, accountability requires educational managers and administrators to uphold morality, integrity, transparency, and trust in their ethics and behavior, particularly in resource management (Abraham et al., 2021). By prioritizing accountability, tertiary educational institutions can ensure efficient resource utilization, drive economic growth, and achieve sustainable development.

Educational managers and administrators have the responsibility to manage the available educational resources required for economic growth and sustainable development in an underdeveloped economy. They have to carry out this function by developing a spending plan and reporting as the proposed and actual use of the resources went. They also have the responsibility to ensure that the inflow and outflow of all the financial transaction in terms of receipts and payments made in the institutions to accomplish the specific objectives of tertiary educational institutions and goals of education in general are carried out in line with the policies of tertiary educational system. They also have the responsibility to ensure and encourage proper and regular professional development of educational personnel in the system. By so doing, the personnel will be adequately equipped with knowledge, skills and expertise in the education production process that will trigger growth and development in all rounds. Ogamba (2021) noted that educational personnel form the most vital resource of the educational institutions. In other words, encouraging proper improvements of educational personnel will enable them achieve set objectives of tertiary education system for economic growth and sustainable development.

Conclusion

Effective management of human, material, and financial resources in tertiary educational institutions is crucial for driving economic growth and sustainable development in

underdeveloped economies. Therefore acquiring relevant skills and ensuring optimal resource allocation, utilization, and maintenance is important to achieve these goals. By prioritizing efficient resource management and accountability, tertiary educational institutions can play a pivotal role in fostering economic growth and sustainable development in underdeveloped economies.

The way forward

1. Governments should implement policies that align school curricula with economic growth needs, given the long-term impact of education investment. Additionally, they should equip tertiary education systems to adapt to technological changes. And encourage collaboration between institutions to optimize resource sharing.
2. Private organizations should collaborate with the Ministry of Education to fund tertiary education programs and ensure effective implementation. Alternatively, governments should ensure prudent management of allocated funds by tertiary education authorities. They should also ensure funds are allocated based on institutional needs, attract private investors to supplement government funding, and regularly review and improve financial management practices.
3. Governments should hold principal officers of tertiary institutions accountable for resource mismanagement, and corrupt officials should face penalties, including demotion or removal from office, to ensure prudent management of resources. They should also ensure thorough and transparent investigations into allegations of mismanagement or corruption and implement measures to recover misappropriated funds and assets, in addition, enhance oversight mechanisms to mismanagement and corruption.
4. Governments and educational stakeholders prevent future cases of should ensure adequate provision and allocation of quality educational resources, while creating favorable conditions for tertiary educational institutions to effectively utilize resources. They should also ensure resources are allocated based on institutional needs and priorities furthermore implement quality control measures to maintain high standards.
5. Educational managers should ensure adequate staffing with suitable skills and capacity to support economic growth. Staff should receive regular professional training to stay updated on innovative practices and enhance system growth. They should always conduct regular assessments to identify staff training needs in addition to establish mentorship programs to support staff development and assess the impact of training on staff performance and system growth.

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