

Impact of Inflation on Funding of Business Students' Educational Programme in Colleges of Education in Delta State

¹Orhena Elizabeth Nguemo & ²Ogidan Simpa Joseph

Department of Accounting Education
Federal College of Education (Technical) Asaba,
Delta State

¹Phone: 08032700554, E-mail: lizzy4real.75@gmail.com.

²Phone: 08150429122, E-mail: joesimpa@gmail.com.

DOI: 10.56201/jafm.vol.11.no9.2025.pg147.157

Abstract

This study examined the impact of inflation on the funding of business students' educational programme in Colleges of Education in Delta State. The rising inflation in Nigeria currently has become the common queries of every household today. Although education is considered a child's right, but in reality, it is a luxury, and not all can afford it. Hence, this study focused on the influence of cost of transportation, feeding, accommodation and textbooks on the funding of business students' educational programme in Colleges of Education in Delta State. Four research questions were raised in line with the purpose to guide the study. The population comprised 438 business education students in three Colleges of Education in Delta State. The sample size was 210 respondents from the three selected Colleges of Education in Delta State using Taro Yamane formula. Instrument used for data collection was structured questionnaire. The instrument was validated by two experts from School of Secondary Education (Business), Federal College of Education (Technical) Asaba. The instrument yielded a coefficient of 0.88 when analyzed using Cronbach Alpha to ascertain the reliability. Validated copies of the instruments were distributed to the students with the help of two experienced research assistants. Out of the 210 instruments distributed, 167 were valid for use. The data collected were analyzed using mean and standard deviation. Findings revealed that cost of transportation, feeding, accommodation and textbooks influenced the funding of business students' educational programme in Colleges of Education in Delta State. It was recommended among others that business education students' association in collaboration with students union government should solicit help from government and private sectors to provide subsidized transportation means to reduce the cost of transportation to and off campus.

Keywords: *Inflation, Funding, Business Education*

Introduction

Every nation, industrialized or underdeveloped, aspires to see equitable advancement in the living standards of its people. This advancement encompasses every element of human pursuits. Nonetheless, the country's economic sector serves as the focal point for development. Furthermore, the reality is unavoidable given that many areas of society, like health, agriculture, technology, education, and social services, rely heavily on the market to survive. In other words, all other sectors collapse in tandem with the economic sector. So, one should be suspicious of

economic recessions. The prices of goods and services in Nigeria have continued increase exponentially in response to the economic policy statements of the Tinubu's administration.

The first economic policy statement was related to the president's announcement on May 29, 2023, during his inaugural address, that the petroleum subsidy regime would end (Majeed, 2023). This announcement caused a number of independent petroleum marketers to raise fuel prices at the pump. The second was an attempt by the President to bring all exchange rates into line, which prompted the Central Bank of Nigeria to declare a return to the "willing buyer, willing seller" policy for exchange rates, allowing market forces to determine the naira to dollar exchange rate (Obienyi, 2023).

Consequently, since virtually many goods used by Nigerians including petrol are imported, a free fall of naira as a result of high demand for dollar to import required goods has led to continuous increase in prices of goods being imported or service delivery relying on imported products. Inferring from this, it means a continuous fall in the value of naira would continue to translate to rise in the prices of products leading to inflation. According to Drozdowsk (2022), inflation is the steady growth in the cost of products and services that has an impact on the amount or quality that consumers can pay without also increasing their incoming income. Olubiyi (2022) similarly described inflation as the ongoing increase in product prices that affects the quantity and value that consumers may obtain for the same amount of money that they spent for the same things in the past.

Ogunode and Ukozor (2023) discovered that inflation has led to an increment in the operational cost of running universities, an increment in the cost of infrastructure facilities provision, an increment in the cost of teaching program implementation, an increment in the cost of research programme implementation and an increment in cost of community programme implementation, increment in universities fees and increment in students drop out. Akeredolu (2022) conducted an online survey to assess how inflation affects tertiary education students. The survey was shared with over 700 undergraduate students from more than 10 Nigerian universities. 80% of the students were from federal universities while 10% were from private universities and 10% were from state universities. From the responses gathered, 52.5% confirmed that their institution increased tuition fees by 10-30% in the past year and their room and board fees increased by 10-30% in the same period, 47.5% confirmed that the cost of transportation increased by 10-30% while 35% confirmed a 40-90% increase in transportation cost. 45% of the students confirmed that the increase in feeding cost has mildly affected their school schedules, 22.5% confirmed that it has greatly affected their school calendars and 2.5% confirmed that it has extremely affected their school calendars.

Inflation in Nigeria has persisted, as at June, 2022, the National Bureau of Statistics (NBS) pegged Nigeria's inflation rate on the basis of Consumer Price Index (CPI) at 18.60%, however year on year, by June, 2023, CPI has rose above 22% at 22.79% (NBS, 2023) while as at June 2024, National Bureau of Statistics (NBS) reported that the Consumer Price Index (CPI) for Nigeria was 22.48%. This reflects a decrease from the previous year's high inflation rate but still indicates significant inflationary pressures in the economy. The CPI measures the average change over time in the prices paid by consumers for a basket of goods and services, and the rate highlights ongoing challenges related to cost of living and economic stability. The increase in the prices of goods and services including educational goods, and services, is really telling on consumers, business education students not exclusive.

Business education is a programme that prepares learners with multiple skills to teach or work in industry and equally set up a business as an entrepreneur and employ others (Ibrahim,

2017). According to Azuka and Nwosu (2018), business education is an aspect of vocational education that concerned with preparation of skilled manpower. It is seen as an area of study that prepares students for occupation in business or business related field or teaching career in the academic. Business education has been seen as education about business or training in relevant skills in office occupation. Business education is also, seen as a study that assists individuals to acquire skills, which they can apply to solve problems in business and office occupations. Okeke and Nzekwe (2019), affirmed that business education is a skill drilling and acquisition course which is capable of making its students employable or self-employed on graduation in order to help facilitate economic activities in the country. It is the wish of every student to get job or start up a business after graduation. Students studying business education at universities or colleges of education typically incur extra cost on their accommodation, textbooks, feeding and transportation due to inflation.

Extent studies on how inflation affects students' accommodation, textbooks, feeding and transport are many. Seltzer (2022) reported that inflation on basic educational expenditures such accommodation, textbooks, food and transportation to lectures affect students' punctuality and regular attendance to classes. Drozdowski (2022) reported that with the inflation experienced across the world, students especially those off campus are finding it difficult to borne the rising cost of house rent, transportation, food and other support services. Salako (2021) reported that the brunt of rising inflation was felt by students from low and middle income levels thereby affecting their ability to afford three square meal, purchase textbooks, pay for rent off campus and transport to their institutions for learning if not on campus. In same vein, Ozoemena (2016) reported that transportation cost is the highest incurred by vocational students studying from home and has direct link to their regular attendance of programme. Sequeira (2021) reported that rising prices of transportation, textbooks, accommodation and feeding posed serious and adverse consequences on students' nutrition, ability to live off campus and ability to attend lectures regularly. The accumulation of the adverse effect of inflation affects the academic performance of business education students.

The cost of textbooks has become a significant factor influencing the funding of business students' educational programs in Colleges of Education. This issue has garnered attention from researchers and educators alike due to its impact on student finances and academic performance. The rising cost of textbooks has been a growing concern in higher education, including for business students in Colleges of Education. According to a study by the U.S. Public Interest Research Group (PIRG), textbook costs have risen at more than four times the rate of inflation over the past decade (Senack, 2014). This disproportionate increase has placed a substantial financial burden on students, particularly those from low-income backgrounds. Prather (2017) found that business textbooks were among the most expensive across various disciplines, with new editions being released more frequently than in other fields.

With the recent rise in cost of living due to inflation, most business education students finds it difficult to cope with their accommodation, feeding and transportation as these basic amenities has skyrocketed, it is on based on this background that this study is carried out to investigate the impact of inflation on the funding of business students educational program in Colleges of Education in Delta State.

Statement of the Problem

Business Education students especially those living off campus on daily basis, incur certain expenses relating to accommodation, textbooks, feeding and transportation in order to continue

their studies and attain their learning goal. Presently, the prices of house rent, transportation and food are increasing on monthly basis in Delta State and Nigeria at large, the prices of food on campuses have also doubled what it used to be before, and house rent, and utility bills have also risen. The situations of things has lead to unbearable hardship been experienced by students (business education students inclusive). In fact, many students now complain of being hungry and tired, and some are always absent at lectures. Thus, having adverse consequences for learners' studies and attainment of learning goals, hence, the need to investigate how inflation in relation to housing, feeding, textbooks and transportation affects funding of business education students' in colleges of education in Delta State.

Purpose of the Study

The main purpose of the study is to investigate the impact of inflation on the funding of business students educational program in Colleges of Education in Delta State. Specifically, the study sought to determine the;

1. influence of cost of transportation on the funding of business students educational programme in Colleges of Education in Delta State.
2. influence of cost of feeding on the funding of business students educational programme in Colleges of Education in Delta State.
3. influence of cost of accommodation on the funding of business students educational programme in Colleges of Education in Delta State.
4. influence of cost of textbooks on the funding of business students educational programme in Colleges of Education in Delta State.

Research Questions

The following research questions guided the study:

1. To what extent does cost of transportation influence funding of business students' educational programme in Colleges of Education in Delta State?
2. To what extent does cost of feeding influence funding of business students' educational programme in Colleges of Education in Delta State?
3. To what extent does cost of accommodation influence funding of business students' educational programme in Colleges of Education in Delta State?
4. To what extent does cost of textbooks influence funding of business students' educational programme in Colleges of Education in Delta State?

Method

The study adopted descriptive survey research design. According to Uzoagulu (2017), descriptive survey can be used for a study that uses questionnaire to seek the opinion of a given population or sample. It is suitable for this study, since it sought for opinion of business education students in Colleges of Education in Delta State. The population comprised 438 business education students in three Colleges of Education in Delta State (College of Education Warri, College of Education Mosogar and Federal College of Education (Technical) Asaba, Delta State). The sample size was 210 respondents from the three selected Colleges of Education in Delta State using Taro Yamane formula.

The Taro Yamane formula for determining sample size using 5% margin ($e = 0.05$) is:

$$n = \frac{N}{1 + N.e^2}$$

Where:

- n is the sample size,
- N is the population size,
- e is the margin of error (expressed as a decimal).

$$n = \frac{438}{1 + 438 \times (0.05)^2}$$

$$n = \frac{438}{1 + 438 \times 0.0025}$$

$$n = \frac{438}{1 + 1.095}$$

$$n = \frac{438}{2.095}$$

$$n = 209.6$$

$$n = 210$$

Instrument used for data collection was structured questionnaire titled “Impact of Inflation and Funding of Business Education Students’ Questionnaire” (IIFBESQ). The instrument has two sections: A and B. Section A comprised personal data of the respondents while section B comprised of questionnaire items. The instrument has a four-point Likert rating scale, ranging from Very High Extent (VHE – 4points), High Extent (HE – 3points), Low Extent (LE – 2points) and Very Low Extent (VLE – 1point). Drafted copies of the instruments were submitted to two experts from School of Secondary Education (Business), Federal College of Education (Technical) Asaba. They were requested to examine the instrument as regards to its appropriate content, construct and face validation of the instrument. After scrutinizing the instrument, the experts offered useful suggestions that led to modification of some items in the instrument before final copy was produced. The reliability of the instrument was obtained using test re-test method. 20 copies of the validated copies of questionnaire were administered to 20 students in Nwafor Orizu College of Education, Nsugbe in Anambra State and after two weeks the same number of instruments was administered to the same people. The data collected was analyzed using Cronbach Alpha to ascertain the reliability of the instrument. The instrument yielded a coefficient of 0.88 which showed that the instrument was reliable. Validated copies of the instruments were distributed to the students with the help of two experienced research assistants. Out of the 210 instruments distributed, 167 were valid for use. Some of the instruments were not properly filled as such tagged invalid, while some of the instruments were not filled due to absent of some students. The data collected were analyzed using mean and standard deviation. For decision to be reached regarding the mean, the upper and lower class limits of the mean were adopted. The cut-off point value was set at 2.50, such that any item with mean value of 2.50 and above was interpreted as “High Extent” while items with mean values less than 2.50 were interpreted as “Very Low Extent”.

Results

Research Question One: To what extent does cost of transportation influence funding of business students' educational programme in Colleges of Education in Delta State?

Table 1: Mean response on influence of cost of transportation on the funding of business students' educational programme (N = 167)

S/N	STATEMENT	\bar{x}	S.D	DECISION
1	Transportation costs significantly impact my ability to afford necessary educational materials.	3.10	0.98	High Extent
2	High transportation costs lead to a reduction in the amount of money I can allocate towards my tuition fees.	3.18	0.85	High Extent
3	I often need to cut back on other essential expenses due to the high cost of transportation.	2.32	0.81	Low Extent
4	The cost of transportation affects the frequency with which I can attend classes and academic events.	2.91	0.75	High Extent
5	The financial burden of transportation costs influences my decision to participate in extracurricular academic activities.	2.12	0.85	Low Extent
6	The cost of transportation is a major factor in determining my choice of College of Education.	2.27	0.84	Low Extent
7	Increased transportation costs have caused me to seek additional financial support or loans to cover educational expenses.	3.09	0.84	High Extent
Grand Mean		2.71	0.85	High Extent

The result in table 1 revealed that the mean values of the respondents on items 1, 2, 4 and 7 are all greater than the cut-off point value of 2.50 on 4-point rating scale. This indicated that the respondents rated the items high extent. Items 3, 5 and 6 scored below 2.50 of the cut of point indicating low extent. The grand mean of 2.71 was above 2.50 of the cut of mark, this simply implied that cost of transportation influenced the funding of business students educational programme in Colleges of Education in Delta State. The standard deviation values ranged between 0.75 to 0.98 which suggests that the responses of the respondents are close to the mean and one another.

Research Question Two: To what extent does cost of feeding influence funding of business students' educational programme in Colleges of Education in Delta State?

Table 2: Mean response on influence of cost of feeding on the funding of business students educational programme (N = 167)

S/N	STATEMENT	\bar{x}	S.D	DECISION
8	Feeding costs are a significant barrier to maintaining my overall academic performance.	2.56	0.76	High Extent
9	If feeding costs were lower, I would be able to invest more in additional educational resources and opportunities.	3.01	0.95	High Extent
10	The expense of feeding affects the frequency with which I can participate in academic activities and events.	3.09	0.84	High Extent
11	High feeding costs impact my ability to afford necessary educational materials and resources.	3.27	0.81	High Extent
12	I often need to cut back on other essential expenses due to the high cost of feeding.	2.17	0.79	Low Extent
13	The cost of feeding impacts the quality of my educational experience by limiting my financial flexibility.	3.02	0.77	High Extent
14	Feeding expenses influence my choice of accommodation and living arrangements while studying.	3.10	0.69	High Extent
Grand Mean		2.89	0.83	High Extent

As revealed in table 2, the mean values of the respondents on items 8, 9, 10, 11, 13 and 14 are all greater than the cut-off point value of 2.50 on 4-point rating scale. This indicated that the respondents rated the items high extent. While items 12 scored below 2.50 of the cut of point indicating low extent. The grand mean of 2.89 was above 2.50 of the cut off mark, this simply mean that cost of feeding influenced the funding of business students educational programme in Colleges of Education in Delta State. The standard deviation values ranged between 0.69 to 0.95 which suggests that the responses of the respondents are close to the mean and one another.

Research Question Three: To what extent does cost of accommodation influence funding of business students' educational programme in Colleges of Education in Delta State?

Table 3: Mean response on cost of accommodation on the funding of business students educational programme (N = 167)

S/N	STATEMENT	\bar{x}	S.D	DECISION
15	Due to high cost of accommodation, I am unable to get a space outside campus	3.31	0.65	High Extent
16	My educational funding covers a reasonable portion of my accommodation expenses.	2.18	0.85	Low Extent
17	I often have to make financial sacrifices in other areas to cover accommodation costs.	3.12	0.69	High Extent
18	I feel that the current accommodation costs are reasonable given my budget for educational expenses.	2.31	0.65	Low Extent
19	The cost of accommodation significantly affects my ability to fund my educational program.	3.40	0.85	High Extent
20	There is adequate financial support available to cover accommodation costs for business students.	2.40	0.69	Low Extent
21	The high cost of accommodation has affected my choice of educational programs or institutions.	2.87	0.92	High Extent
Grand Mean		2.79	0.75	Expected

The result presented in table 3 revealed that the mean values of the respondents on items 15, 17, 19 and 21 scored above the cut-off point value of 2.50 on 4-point rating scale. This indicated that the respondents rated the items high extent. Items 16, 18 and 20 scored below 2.50 of the cut of point indicating low extent. The grand mean of 2.79 was above 2.50 of the cut of mark, this simply implied that cost of accommodation influenced the funding of business students educational programme in Colleges of Education in Delta State. The standard deviation values ranged between 0.65 to 0.92 which suggests that the responses of the respondents are close to the mean and one another.

Research Question Four: To what extent does cost of textbooks influence funding of business students' educational programme in Colleges of Education in Delta State?

Table 4: Mean response on cost of textbooks on the funding of business students educational programme in Colleges (N = 167)

S/N	STATEMENT	\bar{x}	S.D	DECISION
22	The cost of textbooks significantly impacts my ability to fund my program	2.79	0.91	High Extent
23	I sometimes avoid purchasing required textbooks due to their high cost	3.35	0.67	High Extent
24	The expense of textbooks influences my choice of courses within my business program	2.14	0.95	Low Extent
25	High textbook costs affect my overall academic performance.	3.26	0.87	High Extent
26	The cost of textbooks forces me to reduce spending on other educational needs.	3.31	0.84	High Extent
27	I consider dropping or deferring courses when I cannot afford the required textbooks.	3.13	0.79	High Extent
28	The stress of managing textbook costs negatively affects my study motivation.	2.89	0.88	High Extent
Grand Mean		2.98	0.84	High Extent

The result presented in table 3 revealed that the mean values of the respondents on items 22, 23, 25, 26, 27 and 28 scored above the cut-off point value of 2.50 on 4-point rating scale. This indicated that the respondents rated the items high extent. Items 24 scored below 2.50 of the cut of point indicating low extent. The grand mean of 2.98 was above 2.50 of the cut of mark, this simply implied that cost of textbooks influenced the funding of business students educational programme in Colleges of Education in Delta State. The standard deviation values ranged between 0.67 to 0.95 which suggests that the responses of the respondents are close to the mean and one another.

Discussion of Findings

The results on research question one revealed that cost of transportation influenced the funding of business students' educational programme in Colleges of Education in Delta State. This finding is supported by the finding of Ozoemena (2016) who reported that vocational students are incurring very high transportation cost studying from home and has direct link to their regular attendance of programme. The finding of this study is also supported by the finding of Sequeira (2021) who reported that rising prices of transportation posed serious and adverse consequences on students' ability to live off campus.

Secondly, result from research question two revealed that cost of feeding influenced the funding of business students' educational programme in Colleges of Education in Delta State. This finding is supported by the finding of Sequeira (2021) who reported that rising prices of feeding posing serious and adverse consequences on nutrition and ability to be fit for learning. This finding is also supported by the finding of Salako (2021) who reported that the brunt of rising inflation was felt by students from low and middle income levels thereby affecting their ability to afford three-square meal.

Also, findings from research question three revealed that cost of accommodation influenced the funding of business students' educational programme in Colleges of Education in Delta State. This finding is supported by the finding of Salako (2021) who reported that the brunt of rising inflation was felt by students from low and middle income levels thereby affecting their ability pay for rent off campus. This finding is also supported by the finding of Drozdowski (2022) who reported that with the inflation experienced across the world, students especially those off campus are finding it difficult to borne the rising cost of house rent.

Finally, finding from research question four revealed that cost of textbooks influenced the funding of business students' educational programme in Colleges of Education in Delta State. In relation, Prather (2017) found that business textbooks were among the most expensive across various disciplines, with new editions being released more frequently than in other fields. This disproportionate increase has placed a substantial financial burden on students, particularly those from low-income backgrounds.

Conclusions

Based on the findings of this study, it can be concluded that inflation on transportation, feeding, accommodation and textbooks influenced the funding of business students' educational programme in Colleges of Education in Delta State. Consequently, it can also be concluded that inflation has negative influence on Business education students' ability to fund their programme, hence active actions need to be taken to reduce the effect.

Recommendations

The following recommendations were suggested;

1. Business education students' association in collaboration with students' union government should solicit help from government and private sectors to provide subsidized transportation means to reduce the cost of transportation to and off campuses.
2. Scholarships should be given to students in form of stipends for lunch and other logistics to help cushion the feeding aspect. Also, food sellers on campus should be empowered in other to help reduce the cost of food items.
3. Government through TETFund intervention should build more befitting hostel accommodations to accommodate more students. This will help reduce accommodation issues. Also the available hostels should be properly maintained to attract students.
4. TETFund should sponsor lecturers in textbooks production as this will go a long way in reducing prices of books for students to afford.

References

- Azuka, B. E. & Nwosu, B.O. (2018). *Foundation of business education*. Nobenpress: Onitsha.
- Drozdowski, M. J. (2022). Inflation impacts college students: blogger. Best Colleges. <https://www.bestcollege.com/news/analysis/2022/05/how-inflation-impact-collegestudents>
- Ibrahim, M.I. (2017). Influence of business education Curriculum on entrepreneurial skills of colleges of education graduate in North – Central zone, Nigeria <http://kubann.Abuedung>
- Majeed, B. (2023). Fuel subsidy is gone – Tinubu declares. Reporter – Premium times. <https://www.premiumtimesng.com/news/top-news/601239-fuel-subsidy-is-gone-tinubudeclares>
- National Bureau of Statistics (NBS) (2023). CPI and inflation report June 2023. <https://nigeriastat.gov.ng/elibrary/read/1241350>
- Obienyi, C. (2023). Economic impact of free-floating exchange rate. Contributor – The Sunnews. <https://sunnewsonline.com/economic-impact-of-free-floating-exchange-rate>
- Okeke, O. & Nzekwe, A.L. (2019). Availability utilization for improved economic development in Anambra state. *Multi-disciplinary Journal of business and general education (BUSGEN)*, (8). 192 – 20.
- Ozoemena, P. O. (2016). Determinants of private costs of non-formal vocational training programmes of national directorate of employment in south-east geo-political zone, Nigeria. *International Journal of Education and Research*, 4 (2). 149 – 162
- Salako, P. (2021). Students bear the brunt of Nigeria's rising inflation. Contributor African business news. <https://african.business/2021/08/finance-services/students-bearthe-brunt-of-nigrians-rising-inflation/>
- Seltzer, R. (2022). Inflation and labour shortage set to squeeze college contributor Moody's says. Blogger: Higher Eddive. <https://www.highereddive.com/news/inflationand-lbour-shortages-set-to-squeeeze-college-budgets-moodys-says/622010/>
- Sequeira, T. N. (2021). Inflation, economic growth and education expenditure. *Economic Modelling*, 99. 21-32