



PROPRIETORSHIP AND FUNDING PRACTICES OF PRIVATE SECONDARY SCHOOLS IN NIGERIA: CHALLENGES AND WAY FORWARD

¹ **Chinyelugo Fidelia Agada**
fidelia.agada@esut.edu.ng

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² **Thecla Amaogechukwu Eze**
thecla.eze@esut.edu.ng

^{1&2} Department of Educational Management
Faculty of Education
Enugu State University of Science and Technology, (ESUT),
Agbani. Enugu State. Nigeria.

Abstract

This paper focused on the proprietorship and funding practices of private secondary schools in Nigeria: challenges and way forward. It examined the brief history of the development of private secondary schools in Nigeria tracing the time of its establishment. The paper also examined proprietorship of private schools in Nigeria, concept of private schools, funding practices of private secondary schools in Nigeria, and finally the challenges of funding private secondary schools and the way forward. The researchers made the following suggestions: government agencies should intensify their efforts in the supervision of the activities of the private school providers in their establishment of schools to ensure strict compliance to rules and regulations guiding the establishment of schools, government should partner with private sectors in the investment in educational advancement, government should reduce high and multiple taxation imposed on the private school providers as that makes them to hike school fees, private school providers should ensure provision of qualitative education, private school providers should ensure that their schools are adequately funded to enhance provision of suitable infrastructural facilities for attainment of quality education, private school providers should desist from establishing schools with the sole aim of improving their economic or financial circumstances and social status.

Key words: Proprietorship, funding practices, private schools, challenges

Introduction

Education is an indispensable tool for national and individual development and plays a fundamental role in the transformation of national economy and overall development of the country. Education is an investment in the future and is a gateway to full participation in society. It contributes to both social, development and human capital formation. Education does not only open the land in terms of resource development, it also opens people's mind for freedom. Government and individuals thus develop a given proportion of their resources to the provision and consumption of education services. This gave the government and private individuals the impetus to engage in the management of schools; public and private schools respectively.

Brief Historical Development of Private Secondary Schools in Nigeria

Historically in Nigeria, secondary schools were initially owned, managed and funded by religious entities until 1872 when first government subsidy of thirty pounds to the schools in Lagos



colony was made (Ikediugwu, 2007). These mission-owned private secondary schools were non-governmental because the colonial Government did not show interest in education until the year 1872 when it gave the first grants-in-aid to the mission Schools. Fafunwa in Olomola (2014) in support of this said that the idea of grants-in-aids to voluntary agencies did not begin until 1872 and the grants only totaled to two hundred pounds (£200) to each of the three missionary bodies that founded different private secondary Schools; namely: the Anglican Christian Missionary Society (CMS), the Wesley Methodist Church and the Roman Catholic Mission (RCM). Olomola (2014) stated that the assistance was later increased to six hundred pounds (£600) per annum. However, the author reiterated that the availability of funds determines the success of planning and management of education in Nigeria to enable the implementation of policies. The author further pointed out that the financing of education has been a controversial issue since the inception of modern education in Nigerian. Continuing, the author said that Nigeria government has only met between 8 -11% allocation to education within the last years. However, even the money allocated is concentrated to public or government owned schools which was not the case when education started in Nigeria.

Secondary education began in Nigeria in 1842 with the activities of the Christian missionaries. Though this was limited to the elementary level, it was not until 1859 that the Church Missionary Society (CMS) established the first secondary school, the CMS Grammar school Lagos. By 1905, the government established its first secondary school, the Kings College, Lagos. Since then, there has been a steady increase in number of public secondary schools in Nigeria.

According to Adebowa in Abolade and Oyelade (2018), the introduction of western education started in the south coast of Nigeria when the Portuguese merchants who established trading posts at Lagos, Benin and Brass invited their catholic home mission to establish schools for the sons of Obas, chiefs and influential citizens in the palaces of the Obas of the above mentioned towns. The author continued by stating that this first attempt at introducing western education in Nigeria did not reach the interior and it was later abandoned because of inter-tribal wars and trans - Atlantic slave trade. The period of this first attempt was between 1515 and 1552.

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The second attempt and successful introduction of western education was in September 1842. Olawuyi in Abolade and Oyelade) stated that the Wesleyan Methodist society was the first Christian Missions that founded private school in Nigeria.

Just like the primary education was pioneered by the Christian Missions, secondary school education in Nigeria also owed its origins to the activities of the various Christian Missions. Adeyinka in Abolade and Oyelade (2018) stated that it was the persistent clamor for secondary school education by the few Nigerian educated people that led to the establishment of the first secondary Schools in Nigeria - the CMS Grammar school, Lagos found in June, 1859. This was a privately- owned school as it was founded by Church Missionary Society CMS). This was the beginning of secondary school education in Nigeria. Many other missions owned secondary schools were founded later and they formed the first set of private secondary schools in Nigeria. The secondary Schools available then were inadequate, so there were agitations for more secondary schools in the Country.

The second set of private secondary schools in Nigeria then came into existence as a result of continued clamour for establishing enough secondary schools in various localities. These localities were the Communities that felt the missions or government was not doing enough to satisfy its yearnings in the provision of secondary education for the populace (Quadri in Abolade and Oyelade 2018).



The federal government take-over of schools:

The management of both public (government) and private schools remained in the hands of government and private individuals respectively, each doing its best to ensure the attainment of set goals and objectives of education with quality assured until after the Nigerian civil war in 1970 when the federal government took over schools founded by religious groups. Then, education was thought to be a huge government investment and no longer a private enterprise (Atuenyi, 2017). Prior to that time, Nigerian leaders benefitted from the free education offered by the missionaries, which became the bedrock for Nigerian nationalism and independence. Most people argued that the sudden take-over of schools by the government brought about the collapse of education that was hitherto reputed to high standard in learning and morality. The educational policies and practices of the voluntary agencies were condemned as being foreign oriented and irrelevant to Nigerian needs, and divisive in the sense that denominational schools encouraged religious and tribal bigotry and unhealthy rival among the citizens. However, many Nigerians objected to the unilateral seizure and control of church and private schools by the government. People also argued that it was illegal to dispose the voluntary agencies of the schools they built mostly with their own resources without first of all working an agreement with them which include adequate compensation.

After the take-over of schools by federal governments that lasted for over a period of four decades, management of these schools became a serious burden on the government. Many people called on the government to return schools to their original owners in order to ensure efficient management of the institutions and improve on the quality of education in the country. Atoyebi, (2016), said the present state of schools taken over by government in the mid -1970s had shown that government lacked the financial capacity to manage the schools and offer quality education.

The dwindling nature of public schools in Nigeria and their inability to provide quality education to its citizenry led to the decay of these public schools. This decay in public schools and the progressive rise in school enrolment according to (Agada, 2018), gave rise to proliferation of private schools in Nigeria. This therefore made many parents to have more interest in private schools than in public schools as these schools are usually found in every nook and cranny of their environment making it more accessible for parents and students. However, Ehigamuse in (Agada), stated that this proliferation of private institutions throughout the country has endangered the growth and development of quality education in the country as a result of noncompliance to set standards by the proprietors and proprietresses of some of these private schools. Despite that, government is not doing anything to checkmate this noncompliance to set standards by the private sectors in their indiscriminate establishment of private institutions in the country. The author further reiterated that, there has been an emerging era of proliferation of substandard private schools across the country today as one finds many private schools in a room and parlour apartment all over the place. This notwithstanding, the investment in private ownership of schools is still very imperative to relieve government of the problems of funding education that will cater for the teeming population of Nigeria students.

In recent years, the Nigeria government has welcomed a greater participation of private enterprise in education funding and management. Part of the interest in broadening the responsibility for schools beyond the government is to produce greater choice for parents. Also, with more funding from families, governments' obligations to investment would ease .

Proprietorship of Private Schools in Nigeria

Proprietorship refers to ownership of Schools attended by students, that is whether it is established by government, individuals or private organizations.

In Nigeria, government owned schools are referred to as public schools while those established by individuals or private organizations are referred to as private schools (Omachonu & Offorma, 2020).



Proprietorship of private Education came in force when the role of government in the management and funding of education in Nigeria started dwindling. This was as a result of student population explosion in the Nigeria education sector with its attendant need for more provision of school facilities, to aid teaching and learning for the attainment of educational goals and objectives.

The rationale behind government involvement in the ownership and control of educational institutions is to make education available and affordable to a greater majority of the populace (Ayodele & Abiodun- Oyeboji, 2008). The present demand for education has obviously outstripped government ability and capacity to provide infrastructure at all levels of education. This however, has affected the quality of education service provided at the various levels. As a result of this, many parents and guardians are therefore very eager to patronize private schools where they believe that their children and wards would be able to obtain quality education.

According to Omachonu and Offorma (2020), Nigeria has been experiencing what can be termed a dramatic revolution in education provision. There has been an explosion of private schooling at both primary and higher levels. The authors further stated that despite the availability of non- fee charging and low fee paying in government schools, some parents still prefer to send their children to high fee paying private schools. Their choices and quest for patronizing private schools could be their assumptions that private school offer more quality education than public schools.

The transformation in education sector has generated many concerns among which equity issue has been raised to the fore. But the unprecedented growth of the sub-standard private schools has also raised question regarding the role of these institutions in the delivery of education, the question of parental choice as well as the future of government educational policy.

Concept of Private Schools

Private schools are those schools that are not administered by local, state or federal government which retains the right to select their student body and are found in whole or in part by charging their students tuition rather than relying on taxation through public funds. From (Wikipedia, 2015), it is said that private schools also known as independent schools are schools that are not dependent upon national or local government to provide their financial endowment. Unless privately owned, they typically have a board of governance that ensures their independent operations. For Omede (2015), private schools have the following characteristics:

Private schools are supported by private organizations or individuals rather than the state, they are independent schools that are supported wholly by the payment of fees, they are schools that are not administered by local, state or federal government. The schools retain the right to select their students.

Furthermore, some private schools are associated with a particular religious denomination or religion such as Roman Catholicism, various branches of Protestantism or Judaism. Private schools are privately funded either by individuals or organizations. Since private schools receive private funding. They are likely to make profits by charging higher school fees and other fees more than public schools. Through this, they can pay their workers' salaries and take care of other sundry expenses yet make profits which is their sole aim for establishing these schools (Omede in Agada, 2018).

Private school is an alternative to government system in which schools can be managed and run under different types of arrangements and may be owned and managed by a wide variety of actors including nongovernmental organizations (NGOs), communities, and commercially oriented private entrepreneurs. Each of these has different motives for their involvement in education.

Private secondary schools are schools owned by individuals or faith based organizations. They are also known as independent schools, non –government schools, which are privately funded. Moreover, their school programme are usually structured based on the availability of fund. By charging their students high tuition and other levies, they are able to raise money with which they fund their schools. Schools established by missionaries, individuals and organizations belong to this group. These



institutions may be run or operated by non- governmental organizations (NGOs) or business enterprises.

Due to high school fees charged by many private schools, only the children of the rich and highly placed individuals attend private schools in the past. But due to its wild spread these days, most people can access it even if it means attending the lowest grade provided it is a private school (Agada, 2018). On this Bryan (2014) rightly pointed out that formerly, only the children of the elites may have gone to private schools, but now there has been massive proliferation of private schools especially in Asia and Africa. This is exactly what is happening in Nigeria these days

Private schools can be categorized according to fee regimes, as low fee paying (LFP) and high fee paying (HFP) .The fee regimes are directly determined by owners' defined standards and characteristics and not subject to government regulations. Fee payment determines access and sometimes quality of programmes in each school ESSPIN in Wyclif (2017)

Funding Practices of Private Secondary Schools in Nigeria

Funding refers to the financial support that is provided to the students for their education. These funds are given by both private and government agencies and can also be allocated for long term and short term purposes. Oche,(2009) defined funding as the act of providing financial resources usually in the form of money or other values such as efforts or time to finance a need, program or project usually by government or organization. For Alzmc and Al-kubisi in Varouga (2022) is the ability to provide sufficient financial resources to meet the needs of an activity to achieve its goals and provide alternatives to renew its resources.

The sole aim of funding education is to provide for the infrastructural facilities needed for proper teaching and learning in schools. It is the duty of the proprietors or proprietresses to ensure that schools are properly equipped with adequate infrastructure to aid the teaching and learning in order to achieve the educational goal and objectives.

Funding is considered all over the world as the life wire that propels the education sector towards her objectives (Nwafor, Uchendu & Akanu, 2015). For Aloyin (2019), funding of school is very crucial in the sense that erecting and renovating of school buildings, purchase of equipment depends on the available financial resources. Jaiyeoba and Atanda (2003) in their own contributions stated that expansion of student enrolment has necessitated the need for more funding. This is because more enrolment means more facilities to meet up with the teeming population. This is usually not put into considerations by the proprietors and proprietresses of private school owners where many schools are largely found in an environment not conducive for teaching and learning. To buttress this, Ehigamusoe (2012) stated that there has been an emerging era of proliferation of substandard schools across the country today as one finds many private schools in a room and palour apartment all over the place. The author further stated that government is not doing much to checkmate this non-compliance to set standard by the private sectors in their indiscriminate establishment of private institutions in the country. The reason for the establishment of substandard private schools may be due to lack of fund by the private sectors to provide adequate infrastructural facilities for the attainment of educational goals and objectives.

The Sources of funds in privately run schools in Nigeria may vary from place to place depending on the size of the schools and on the motive for which such schools were established. There are private schools owned by individuals, there are some owned by religious groups or the missionaries and there are yet some owned by non-governmental organizations (NGOs) and Philanthropists.

Generally, private schools do not depend on government for funding. Their funding comes from tuition and other fees paid by students like Parents Teachers Association fees, Developmental levies and the likes. Private schools owners can also get funds for running their schools through donations by the old students associations of some private schools and some wealthy parents. Sometimes, proprietors and proprietresses of some private schools appeal to the parents of their students and other members of



the communities whose children are not even students of their schools for support. This is usually done during the schools' prize giving day celebrations, school founders' day celebration or during inter-house sports competitions

Speaking on how and where private schools owners source for fund to run their schools, Alabi in Ikediugwu and Ukeji (2020) stated that both public and private schools can source for fund from private entities, foreign grants and external aids, donations or endowment from private individuals, alumni association, old boys and girls associations, individual organizations, religious organizations and philanthropist, financial institutions and so on.

Private schools ownership and management may look the same from the outside, however, there are a number of different structures that exist for the ownership and operation of a school. Most private branded schools are operated under either a lease, management contract of a franchise or a combination of these options (Blog, 2022). Private school owners ensure that their schools are adequately funded to attract more children enrolment. Hence, they explore many avenues to source for funds for the management of their schools. To buttress this Olarewaju (2023) reported that private school owners have the opportunity of getting loan from First Bank. On this, the author said that the First Edu Loan is available to private school owners who require extra funds for the smooth running of their schools business. This Loan is available to all private schools duly registered with Corporate Affairs Commission (CAC) either government approved or not. The maximum Loan amount is #25million.

Report from Premium Times (2001) stated that Polaris Bank can also support private school owners in Nigeria with credit line. The Polaris Education Loan offers both new and existing private primary, secondary and tertiary institutions' customers of the Bank access to borrow money to run their schools. In some circumstances, private school owners therefore run their schools in such a way that they will make huge profits to pay back the loan and at the same time have something in their pockets, thereby exploiting parents who deem it necessary to favour private schooling instead of low paying or free public schools within their environment..

Private individuals and groups establish their own schools, albeit on competitive basis and manage them within the framework of the National Policy on Education (NPE). Private schools charge their own fees, formulate their own admission policy, recruit their own teachers and of course have their own career guidelines. Private schools and education are almost entirely exclusive, those who pursue education in those institutions must pay for the services they enjoy... It seems parents are favouring privately run schools as viable alternatives to the crumbling school structure.

Challenges of funding private secondary schools in Nigeria:

Funding has always been seen as one of the problems that face proper management of private schools (Anukenyi, Modebelu & Mama 2018). These authors maintained that for any organization to function well. It must be financially viable. This is because finance is required for the establishment of infrastructural equipment, salaries etc. Going further, they said that most private schools are poorly funded, poorly accommodated and maintained and so school heads cannot perform their best in such situations. Adesina in (Anukenyi et al), indicated that the success of any school depends upon the resources available to it. In this case, money is very important because, it is with money that other vital elements in the school can be purchased such as school buildings, equipment, teachers' salaries and allowances and other running expenses.

There are some challenges associated with a move to fund private schools. Some private schools need to be so profit oriented that they will be tempted to cut corners and deprive students of extra-curricular activities, services and enrichment (iproject.com.ng/education).For Sashi (2023),private schools face enormous challenges when the economy rapidly shrink. The challenges of funding education according to Moses in (Nwogu & Moses, 2020) include failure of implementation of schools' budget, over dependence on oil revenue, lack of accountability, indiscipline and corrupt leadership, diversion of funds, inefficient management, inconsistency of administrations, and instability of policy



and strategy. Despite these challenges, Lawal (2023) said that private schools are choking under heavy tax burden imposed on them by various agencies of government across the country which range from business premises, yearly renewal fees, local government levies, emblem for school buses, waste management agency fees, merriment levy, parking fees, radio and television fees, and signage or billboards, among others, all paid yearly to agencies of government sent to enforce, at times with the aid of thugs. The author reported that the President of National Association of Proprietors of Private Schools (NAPPS), Yomi Otubela, lamented that there are so many taxes and levies being paid by members which is taking a toll on them. The NAPPS President however, pleaded with the government to collapse all levies and taxes into one major tax to avoid multiple taxation bearing in mind that they have limited resources to fund their schools. Paul (2021) and Edema,(2024) also wrote on the lamentation of NAPPS members on these multiple taxation which they said are huge burden on their financial resources.

Despite the proliferation of private schools in Nigeria, Onyemachi (2023), opined that the sector faces some significant challenges in the area of funding. These challenges in one way or the other are affecting the management of the schools.

Way Forward:

Private schools in Nigeria despite the myriads of challenges facing it can still have brighter future to improve and contribute greatly to the realization of educational goals and objectives. Private sector stand to benefit from state regulation of education that will enhance their performance necessary for attracting large clients, Moreover, these international agencies eg UNESCO, NGOs, and community based organizations (CBOs) are ready to collaborate with private and public education providers which are in turn ready to lend themselves to best practices (Agi, 2013).

The private education providers can collaborate with the government agencies to form more opportunities to explore. These opportunities can come in the following ways:

- Policy makers need to build consensus on the aims of education reform and actively engage stakeholders especially teachers in formulating and implementing policy responses. Teachers need to active agents and hot just i8n the implementation of reforms but also in their designs. Experienced teachers who have passion for teaching for and compassion on the students should be readily engaged.
- Reforms must be underpinned with solid research and analysis
- Reforms must be backed with sustainable financing and investment to change management skills.
- The focus needs to be on building self -adjusting systems which include feedback to and from all levels, incentives to react to feedbacks and tools to strengthen capacities to deliver better outcomes.
- Reforms to involve partnership for education advancement which identifies opportunities for private school providers

Conclusion

From all indications, it can be seen that the Nigerian government alone cannot manage and fund all the secondary schools in the country. Therefore, there is need for private school providers to lend a helping hand in the management and funding of private secondary schools in Nigeria. But this scenario requires the active involvement of government agencies in the supervision of the activities of the private proprietors and proprietresses of schools to ensure their compliance to the rules and regulations on the establishment of private schools.

The increasing rate for privatization of schools to meet the demands of parents who prefer their children to attend high fee paying private schools than attend low fee paying or free government schools suggests that the private school providers need to expand their horizons in establishing more schools.



This requires more funding of the schools to ensure availability of infrastructural facilities for provision of quality education.

Suggestions:

The researchers made the following suggestions among others:

- Government agencies should intensify their efforts in the supervision of the activities of the private school providers in their establishment of schools to ensure strict compliance to rules and regulations guiding the establishment of schools.
- Government should partner with private sectors in the investment in educational advancement, Government should reduce high and multiple taxation imposed on the private school providers as that makes them to hike school fees.
- private school providers should ensure provision of qualitative education
- private school providers should ensure that their schools are adequately funded to enhance provision of suitable infrastructural facilities for attainment of quality education.
- private school providers should desist from establishing schools with the sole aim of improving their economic or financial circumstances and social status.

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