

PRIVATE COST AMONG BUSINESS EDUCATION STUDENTS: AN EVIDENCE FROM UNIVERSITY OF BENIN, NIGERIA

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Abstract

The study assessed private cost among business education students in University of Benin, Nigeria. The study adopted a descriptive survey research design. The population of the study was 282 undergraduate business education students. A sample of 150 students was selected using a purposive sampling technique. Data was collected using a checklist titled: Private Cost of Business Education Student Checklist. Data were analyzed using a z-test statistic. The finding revealed that the level of private cost among business education students was low. It was also found that there was a significant difference between male and female as well as older and younger students of business education as regards private cost. Based on the finding of this study, it was recommended, among others, that business education students should sustain the level of private cost of education and younger students should endeavor to be transparent in financial dealing.

Keywords: Business Education Students, Private Cost, Student Age, Student Sex, University of Benin.

Introduction

University education is crucial for advancing the socio-economic, political and technological development of any nation. In Nigeria, universities provide avenue for individual or group of individuals from different backgrounds to interact, driving innovation, foster understanding and tolerance among different religious, socio-economic and ethnic groups. Business education is among several courses available in Universities in Nigeria. Business education is one of the life wires of every nation that enhance national development. It is one of the vocational courses taught in universities in Nigeria. It is an important part of vocational education, which emphasized the acquisition of knowledge, skills, and competencies for office utilization and business-related occupations and professions (Okenwa, 2018).

In Nigeria and other developing nations, business education plays a significant role in the economic development of a country by providing knowledge and skills to the learners which enables them to impact knowledge in others, handle sophisticated office technologies and information system aimed at producing competent, dynamic and skillful business teachers, office administrators, business men and women that can comfortably compete in the workplace (Ajua, 2020). Business education is a veritable aspect of education that can bring about employment generation and socio-economic changes in the world (Azubuike, Ukaiko & Oguguo, 2023). Idike, Ochui and Atah (2023) opined that business education programme is designed with the mandate of training students to be knowledgeable in accounting education, management education, marketing education and office education. Business

education occupies a unique position because of its dual purpose, namely: (1) producing human capital who are equipped with requisite knowledge and skills for corporate sector and (2) fostering entrepreneurial career pursuit and job creation for self-reliance (Okoro & Akpotohwo, 2023).

Given the above dual goals, it is quite clear that business education programme is far more than preparing students for entrepreneurial career, but also to equip students with the requisite attributes and abilities for self-motivated learning or lifelong learning (Edokpolor & Egbri, 2017; Edokpolor & Oduma, 2018). Business education programmes prepare students with business skills that enable them to create and develop new enterprises. It is the pillar upon any developmental undertaking in every society. Business education at university level involves courses in accounting, management, marketing, office technology, and management (Esene, 2017). There are still universities in Nigeria that train students in business education to acquire general business knowledge without any area of specialization. For instance, students are not given the opportunity to choose any specialized area before the end of the programme (Atah, Bessing & Ogbuji, 2018).

Historically, the business education programme started in the Nigerian educational system around 1950s, where vocational business education began as commercial education in Osogbo in Osun State, with the establishment of clerical training centre that were required in the office. By 1955, both government and privately owned running day and evening business classes were established in various part of the country (Idike et al., 2023). The goals of business education programme include: (1) providing high quality educational programme by delivery comprehensive curricula (2) fostering critical thinking and developing both theoretical knowledge and practical skills that prepare students for professional careers and responsible citizenship (United Nations Educational Scientific and Cultural Organization, UNESCO, 2021).

The goal of business education programme to students in university cannot be actualized without cost of education. This lays credence to the assertion that no level of education can totally be free to any of the shareholders. Cost of education represents the real resources, interns of money and sacrifices used to ensure that a person receives education (Akpotu, 2008). This cost is grouped into social cost and private cost. The social cost is birthed by the government through taxes and other income generated by the government while the private cost is born by the individual acquiring education (Giwa & Sheu, 2022). To this end, it can be observed that the cost of rendering business education programme is not totally free of the private cost, as parents and guardian or individual grapple with the payment of tuition fees, accommodation fees among others.

To achieve the goals of business education programme, especially at the university level, to a large extent without private cost of education, there is essential academic pursuit of a business education student lies a significance burden of private cost of education borne by students and their families. Private cost of education has been defined by various authors in several ways. For instance, private costs of education are expenditure incurred by parents or guardian in the course of educating their children (Ogbeide & Ewansiha, 2025). Ogbeide and Osabuohien (2025) opined that private cost of education which forms an integral part of human capital investment. Also, Obano and Ogbeide (2021) maintained that private cost of education as an investment incurred by individual students and their family through payment of tuition fees, purchase of admission form, book dues, among others. These costs could be direct or indirect cost. Direct costs are those cost that are visible and traceable to a particular educational item. They include money spent on purchase of bulks, stationary, accommodation and transportation expenses while indirect cost are those cost that are not directly visible and cannot be calculated or easily traced to a particular item of expenditure (Obano & Ogbeide, 2025).

Kazeen, Gwagal and Mohammed (2012) maintained that parents are fully in-charge of their children acquiring university education by paying users charges, cost of books, and other necessary materials for their training. Igbewi and Offer (2017) highlighted the personal and social benefit of university education through private cost of education can be summarized in the following increased in

knowledge, improvement of self-confidence and self-esteem, better job prospect, job stability and security, better earnings, better career opportunities, investment into the future, enjoyment of fringe benefits, contribution to community development and better human relations. The indices of direct private cost of business education students include accommodation fee, transportation fee, tuition fee, personal expenses, living expenses, textbooks and study materials, project expenses and student levy. There had been a continuous rise in the private cost of education in the past twenty years and beyond (Tiamiyu, 2020).

Abiodun-Oyebanyi (2013) asserted that personal choices of individual student is a crucial determinant of private cost of education to be high, moderate or low. Supporting this view, Guathier (2013) pointed out that the personal choice of individual on influence private cost of education to be high, moderate or low. Uyigue (2008) and Asemue and Ofeimu (2021) revealed in their studies that direct private cost of university education was relatively high. However, Ogbeide (2023) and Tiamiyu (2020) revealed in their studies that average private cost of education was moderate. Also, Ochoyi (2017) and World Bank (1988) revealed in their studies that the private cost of education was low. Private cost could be based on students' sex (male and female) and students' age (old and younger).

The sex of student (male and female) is an important factor which could cause variation in private cost of business education in Nigeria especially in University of Benin. This stems from the fact that male and female students incur cost differently to the programme. The male students may incur private cost than female students. The study carried out by Ogbeide and Osabuohien (2025) revealed that female students incur higher private cost of education than male students. The study carried out by Uyigue (2008) found that private cost for female students was in the average ₦198,537.90 while that of male counterpart was ₦115,813.80. The study carried out by Ogbeide (2023) revealed that the average private cost for female students was ₦432,004.00 while that of male students was ₦352,108.00. The study carried out by Ogbeide and Edeki (2023) revealed that male students incurred significantly higher costs than female students. Whereas, Onoyase (2015) believed that male students utilize the scarce resources than female students in school setting.

Students' age is another important factor that could cause variation in the private cost of business education students in Nigeria. It is commonly viewed that age is related to decline in mental and physical abilities of students. It is assumed that younger students might be financially discipline than old students and vice versa. Student's age may have positive impact on private cost of education (Ogochukwu & Gebendu, 2015). Abaidoro (2018) noted that younger students experience more private cost of education than older students. Lambayi and Adeniran (2022) maintained that private cost of education was higher in terms of old students when compared with young students. Okobia and Ekejiubi (2015) believed that student age influence private cost of education. Ekundayo (2020) maintained that age of students had no influence in private cost of education.

From the foregoing, it has been observed that private cost of education is a precarious issue in business education programme. It is clear that the school environment plays an important role in the private cost of education. This study, therefore, sought to investigate private cost among business education students in University of Benin in Nigeria.

Statement of the Problem

Private cost of education plays a critical role in the actualization of the goal of business education programme in the production of skillful and useful students that will contribute to the socio-economic political and technological development of the society. However, university student in general business education students in particular are increasing confronted by intense economic instability, inflation and removal of fuel subsidy which influence high cost of feeding, materials, transportation and accommodation within and outside the school community. Inflation has increase geometrically and had reduced the standard of living of parents with corresponding has negative effect on student behaviour. The negative behaviour among business education student is a serious problem

that leads to academic issues such as student attrition, dropout, low academic performance and late arrival to class among others. Due to inability to incur the private cost of education. This is a significant problem hindering the delivery of quality education in Nigeria. It is against this backdrop that the authors of this study sought to investigate private cost among business education students in University of Benin in Nigeria.

Purpose of the Study

The study specifically examines:

1. the level of private cost among business education students.
2. if there is any difference between male and female students of business education as regards private cost.
3. if there is any difference between older and young students of business education as regards private cost.

Research Questions

To guide the study, three research questions were raised:

Research Question 1: What is the level of private cost among business education students.

Research Question 2: Is there any difference between male and female students of business education as regards private cost.

Research Question 3: Is there any difference between older and young students of business education as regards private cost.

Research Hypotheses

Research question 1 was answered and research questions 2 and 3 were turned into research hypotheses and tested at a 0.05 level of significance.

Research Hypothesis 1: There will be no significant difference between male and female students of business education as regards private cost.

Research Hypothesis 2: There will be no significant difference between older and young students of business education as regards private cost.

Method

Research Design

In this study, the descriptive survey of the ex-post-facto was used. Data collected were described without manipulation of the variable.

Participants and Sample

The population of the study was two hundred and eighty-two (282) undergraduate business education students as at 2024/2025 academic year. The sample of this study was one hundred and fifty (150) student were selected using purposive sampling technique.

Data Collection Instrument

The research instrument used in the collection of data was checklist titled: Private Cost of Business Education Student Checklist (PCBESC). The national minimum wage of worker (as at 2025)

of ₦70,000 x 12 = ₦840,000.00 per annum was the monetary benchmark to determine the private unit cost of business education undergraduate students in Nigeria. Monetary value of ₦1.2 million and above was seen as high direct private cost, value between ₦840,000.00 to ₦1,000,000.00 was seen as moderate direct private cost, while the monetary value below ₦840,000.00 was seen as low direct private cost.

Data Analysis

Z-test statistics was used to test the hypothesis at a 0.05 level of significance.

Research Question 1: What is the level of private cost among business education students.

Table 2: The Level of Private Cost of Business Education Students.

Component	TPC	APC x	Remark
Accommodation fee	10939500.00	76500.00	Low
Tuition fee	2774200.00	19400.00	Low
Living expenses	11904750.00	83250.00	Low
Text and study material	24867700.00	173900.00	Low
Project expenses	8866.000.00	62000.00	Low
Student levy	6864000.00	48000.00	Low
Grand mean	67932.150.00	475050.00	Low

Note. n=143, n=Sample, TPC-Total Private Cost, APC=Average Private Cost.

The information in Table 1 showed the core component were identified as constitute the private cost among business education students (undergraduate programme), university of Benin, Benin City. From the analysis, accommodation was 76500.00, transportation cost 19400.00, tuition fee 83250.00, living expenses 123900.00, textbook and study materials 62000.00, project expenses 48000.00 and student levy 2000.00. Therefore, the level of private cost among business education student, university of Benin was low.

Research Hypothesis 1: There will be no significant difference between male and female students of business education as regards private cost.

Table 2: Z-test Comparison of the Private Cost Between Male and Female Students of Business Education.

Sex	N	APC	df	z-value	p-value	Remark
Male	68	223250.00	872	9.62	0.00	Reject H0
Female	75	251800.00				

Note. $\alpha = 0.05$, $p < 0.05$ Significance, n=Sample, APC=Average Private Cost, df=Degree of Freedom, p=Probability.

The data in Table 2 showed the variation in the male and female students in private cost among business education. From the table, male student average Private Cost (APC) was ₦223250.00 while that of female student was ₦251800.00. The z-value = 9.62, this value is significant. The p-value is less than the alpha (0.001 < 0.005). Therefore, the null hypothesis was accepted. Thus, there was not significant difference on male and female students in private cost among business education. Female students incur higher private cost than male students.

Research Hypothesis 2: There will be no significant difference between older and young students of business education as regards private cost.

Table 3: Z-test Comparison of the Private Cost Between Older and Young Students of Business Education.

Age	n	APC	df	z-value	p-value	Remark
Old	59	₦193600	872	8.72	.000	Reject H0
Young	89	₦281550				

Note. $\alpha = 0.05$, $p < 0.05$ *Significance*, n=Sample, APC=Average Private Cost, df=Degree of Freedom, p=Probability.

The data in Table 3 revealed the difference in the older and young students in private cost among business education university of Benin, Benin City. From the Table, the average private cost for young student was at 281500 while older student average private cost was 193500.00. The z-value = 8.702, this value is significant. The p-value is less than the sample ($0.001 < 0.005$). Therefore, the null hypothesis was rejected. This implied that there was significant difference in the p-value cost among business education between older and young student. The young students in-cure more cost than older students.

Discussions

The finding of the study revealed that the private cost among business education students in University of Benin was low. The finding concurs with Ochoyi (2017) and World Bank (1998) who revealed that the direct private cost among business education students was low. However, the finding contradicts the findings of Ogbeide (2023) and Tiamiyu (2020) who revealed that the direct private cost of university education was moderate.

The second finding of the study revealed that there is a significant variation in the private cost among business education students that female student in-cure higher cost than male students. The finding is in line with the position of Ogbeide (2023) and Ogbeide and Osabuohien (2025) revealed that female students in-cure higher private cost of education than female student. The result is, however, at variance with the work of Onoyase (2018) and Ogbeide and Edeki (2025) who asserted that male students incurred more private cost than female students.

The third finding revealed that there was a significant difference between older and young students among business education as regards private cost. That young students in-cure more private cost. The finding aligns with the work of Abadoo (2018) who noted that young students experience higher private cost of education than older students. The finding of the study disagreed with the work of Lambayi and Adeniran (2022) who maintained that older students have higher capacity to incur more cost than young students.

Conclusion

From the findings, it can be concluded that the level of private cost among business education university of Benin was low. It can also be concluded that there is a significant difference among business education university of Benin based on student sex and student age.

Recommendations

Based on the result of the research, the following recommendations were made:

1. Business education students should endeavor to sustained the level of private cost of education.
2. Female students of business education should endeavor to be financial disciplined in their spending, especially while in school.

3. younger students of business education should endeavor to be transparent in their financial dealings, especially while in school.

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