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Effectiveness of Higher Education Loan Scheme in Financing Tertiary Education in Bayelsa State, Nigeria

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Abstract:

This study highlights the effectiveness of Higher Education Loan Scheme in financing tertiary education in Bayelsa State. The research work was anchored by the human capital model and cost-sharing model. The study adopted Raosoft calculator to determine the size of the sample from the population of study and a sample size of 377 respondents was arrived at using the calculator and were distributed amongst students of Bayelsa state origin in higher institutions of learning and retrieved 100 copies. Due to the COVID-19 pandemic shortfall in the total number of retrieved questionnaires had been observed. The distribution of sponsorship across students of Bayelsa state origin reveal that 63% per cent were sponsored by Parent/Guardians, 3% per cent were by Bayelsa Higher Education Students Loan Scheme, 2% per cent are on scholarship while 33% per cent are self-sponsored. The data obtained from the survey were analyzed with SPSS. The Board should relax its policy on provision of guarantors to access loan and concentrate on withholding certificates as collateral. This recommendation is made because majority of the respondents are afraid of their inability to provide guarantors that are willing to guarantee them to access the loan; thereby, moving about with loan forms in search of guarantor until the time frame to access loan for registration would elapse, and that would require them to suspend their studies even with the presence scheme.

Keywords: Bayelsa, BHESLS, education, human capital model, Raosoft

1. Introduction

1.1. Background to the Study

In Bayelsa State, the importance of education and manpower development has drawn the attention of governments over the years. Education loan is a special type of loan which incurs costs in the present, but gives benefits in the future.

Being at schools, students' expense consists of both direct costs (tuition, books) and opportunity costs. In Bayelsa State, the significance of education and manpower development for the growth and development is critical to successive governments as exhibited in governments' policies and programmes, particularly in the educational sector. As a matter of fact, in Bayelsa State, the government alone cannot continue to shoulder the burden of funding education.

Therefore, Higher Education Students' Loan Board was established to provide loans for higher education in Bayelsa State. The Board was established to offer financial assistance to financially challenged students of Bayelsa State origin enrolled in various higher institutions nationwide. The Board has several functions: to supervise, coordinate, administer and monitor the management of the Students' Loan Scheme in the State; develop requirements, guidelines, criteria and modalities for qualification, disbursement and repayment of loans; control, monitor and coordinate the students loan account/fund and ensure compliance in respect of disbursement and repayment; monitor and maintain information on academic records, year of graduation, national service and employment in order to ensure that they commence repayment of the loan as and when due; liaise with the employer of the guarantors and conclude documentation with employers to ensure that the required sum to be deducted from the guarantors salary and remitted to the student loan fund/account as directed by the board; exercise all legal rights towards recovering all loans and enforce the provisions of the law; issue a report to the House of Assembly and the Governor on the performance of the students loan on quarterly basis; notwithstanding any provisions of the law or any other legislation applicable in the state, provide rules and guidelines, including methods of application, qualification, criteria and proof of identification to prevent multiple allocation to an individual impersonator to non-existing person and similar vices; enter into any negotiation, agreement, contractual relationship, such as may be necessary or expedient for the discharge of the functions of the Board; and to conduct studies, researches, and investigations that may further the attainment of the goal and development of the Students' Loan Scheme in the state.

The Board has as objectives among others to: increase equitable access to technical and higher education in the state, facilitate the mobilization of funds to provide interest free revolving loans to state indigenes studying in institutions of higher learning in the country for the payment of tuition fees and other related expenses, ensure constant and sustainable supply of loans to qualified students' applicants for the purpose of providing qualitative education, provide opportunities for qualified students of Bayelsa State origin who may not be able to afford higher education on their own, ensure a balance in discipline and competence diversity in higher education in the state, develop and support course critical to the development of the state and to ensure quality education to indigenous students through quality assurance and supervision, and to create a pool and guaranteed supply of competent manpower in Bayelsa State.

1.2. Statement of the Problem

The Higher Education Students' Loan Scheme was established to provide loans to ease the financial stress of indigent students of Bayelsa State. It is found that about 568 students of the state-owned Niger Delta University; 100 students from the Federal University Otuoke; about 378 from the African University, Toru-orua; 174 from Bayelsa State Medical University; and none from the state-owned College of Education at Sagbama have benefited from the scheme. But the question that is mind bugging is that, has the board been effective in achieving its primary objectives to increase equitable access to loans in payment of money for pursuing higher education? Are Bayelsans aware of the scheme? Answers to these questions shall enable us measure the effectiveness of the scheme in Bayelsa State.

Many studies conducted on the Higher Education Students Loans Scheme (HESLS) have mostly concentrated on its success, sustainability and effectiveness on loans issuance and repayment. This study aims to find the

The study, therefore, seeks to examine the usefulness of Loan Scheme while pursuing Higher Education in tertiary education in Bayelsa State.

2. Theoretical Framework

This study is established on two connecting models. The human capital theory or model and the cost-sharing model.

2.1. Human Capital Model

The human capital theory (Becker, 1962) posits that education is an investment that generates higher expected returns to the individual over his/her lifetime. Hence, student loans are considered investment loans rather than consumption ones where consumers maximize expected utility by the tenets of neoclassical economic theory (see e.g., Schwartz and Finnie, 2002; Oreopoulos and Petronijevic, 2013; Avery and Turner, 2012). Becker (1962) assumes that in deciding to invest in human capital by attending college, a person would conduct a cost-benefits analysis of the investment and follow the investment decision criterion dictated by the standard economic theory of investment – that is invest if the discounted benefits exceed the discounted costs. The benefits are the expected future higher earnings accruing after completing higher education. The costs include the opportunity cost of higher education (earnings foregone while in college) and other direct education costs such tuition fees, transportation, etc. (Becker, 1962; Li, 2013; Avery and Turner, 2012). However, it is widely recognized that determining these costs and benefits and thus making an optimal investment decision is complex due to several factors, including incomplete information which may lead to underestimation or overestimation of costs and benefits, uncertainty about future economic and social conditions which may affect success in college, the cost of college and earning prospects, and behavioral idiosyncrasies such as degree of risk aversion which may affect optimal investment decisions (Oreopoulos and Petronijevic, 2013; Li, 2013).

Financing is part of the decisions to obtain a higher education qualification. All things being equal, people will tend to follow the Pecking Order Model (Myers and Majluf, 1984) that ranks internal financing first in the hierarchy of financing sources. Thus, students would prefer to finance their education, using personal and family sources of income first and would consider taking loans if they face financial constraints. Loan take up and the amount borrowed are influenced by supply and demand factors whose effects are usually difficult to completely delineate (Li, 2013). On the demand side, standard economic theory suggests that students who are not averse to risk, averse to debt and have high discount rates would be more inclined to take up student loans; they will also accumulate high loan debt (Oosterbeek and van den Broek, 2009).

Besides, there are a number of critics towards this theory. The opponents of this theory argue that 'education acts as a screening device, since it calls for a certificate, a Bachelor's degree or any of its kind which allows a person to get well-paid jobs without direct upsetting their efficiency'. Thus, awareness of high level of return on the individual's higher level of education has been one of the bases for the introduction of cost sharing with students in various universities of higher education. Likewise, HCT plays a vital role in evolving the connection between education and economic development of the country.

With this theory on hand, this paper examines the impact of the Higher Education Loan system with regard to students from low-income background based on its fairness and access. Therefore, application of this theory expects the policy makers and actors in Bayelsa to reflect and effectively implement their cost sharing policy through higher education loan for the better allocation to the needy students, particularly those from poor and low-income backgrounds.

2.2. Cost-Sharing Model

The cost-sharing model is associated with Johnstone (2003). Cost sharing refers to the transfer of burden regarding the costs of pursuing higher education from government, or taxpayers to parents and students. As per Johnstone

(2003), the cost can exist in the form of tuitions. In many parts of the world, university systems are facing a financial crisis. Resources available to universities have been eroded due to a combination of a dramatic and continuing expansion of student enrollments unmatched by public expenditure on higher education. Universities have attempted to alleviate these financial pressures through the development and extension of non-government sources of funding. Cost-sharing, (or, greater cost-recovery), where a larger and significant share of the costs of university education is shifted onto the main beneficiaries of university education – students and their families – is the dominant path that is pursued for revenue augmentation. In particular, this has taken the form of the introduction of tuition fees or of raising them to realistic levels; in fewer cases, cost sharing takes the form of charging for hitherto highly subsidized dormitory and living costs.

As per economic, political, and ideological assumptions, there are three main causes. The first need is for other than governmental revenue. The second rationale is for tuition and other forms of cost sharing. A third rationale for cost sharing in higher education is the neoliberal economic notion, the tuition.

Consequently, the cost sharing model is found useful in this study and in the context of Bayelsa State, following its financial austerity measures necessary to contain rising demand for tertiary education in the State amidst dwindling State government finances occasioned by the volatility of international crude oil price.

2.3. Empirical Literature

Several studies have been carried out to evaluate the nexus between higher education loan and access, impact as well as perception of higher education in both the developed and developing countries. Some of the empirical findings of these studies are presented in this study.

Xue and Chao (2015) investigated non-borrowing students' perceptions of student loans and strategies of paying for College in Japan. The study explored 30 lower- or lower-middle-class non-borrowing students' lived experiences surrounding student loans from a qualitative phenomenological research lens. Through semi-structured interviews, data were collected. This study highlighted four major reasons: parental influence, fear of economic burden, underestimation of the value of college education, and lack of information about the loan system. Peer debriefing was used to ensure the trustworthiness. It was recommended that high school counselors and college financial aid administrators should implement outreach programmes to help loan-averse students and their parents become familiar with the financial aid programmes and to encourage them to consider all sources for financial assistance for postsecondary education, including student loans.

Doan, Kang and Zhu (2020) examined the potential of reforming the higher education student loan in Vietnam. This study showed that Vietnam supports a negligible number of credit-constrained students amidst rising tuition fees. This country also creates excessive repayment burden to debtors. Arora and Kaur (2016) investigated the status of higher education and education loan in India with special reference to Punjab. India's higher education system is the third largest in the world and has rapidly grown over the years. But unfortunately, there are several issues and challenges like access, equity, efficiency and excellence in higher education which has to be tackled efficiently. Out of these, access can be achieved only if higher education is affordable to all. Data shows that higher education institutions and enrolments are increasing with time and in line with this, percentage of education loan is also growing.

Dewan, Goel and Malhotra (2013) carried out a study in the Palwal and Faridabad District of Haryana, India, regarding the student perception about education loan and to compare male and female students with respect to various loan features like value addition, mortgage, effectiveness, eligibility criteria, procedure or convenience, disbursement and rate of interest regarding education loan. The education loan is to provide financial support to deserving students for pursuing education loan in India and abroad. The research was conducted on undergraduates and graduate students. Data has been collected through personal survey. Descriptive statistical tool like mean, standard deviation, co-variance and t-test were used for data analysis. The results revealed a number of issues including high rate of interest which retarded student participation, mortgage was not flexible, and eligibility criterion was not based on merit, distorted loan disbursement procedure and thus low value addition. The study thus recommended that the Authorities should address these problems to improve value addition in the student loan scheme and enhance access to higher education in the District.

In Africa, Per Capita Gross Domestic Product (GDP) and enrolment found to be significantly associated with each other (Yusuf and Yussuf, 2010). Data were obtained from Ghana from 1988-2008, using the autoregressive distributed lag (ARDL) framework. Sadiq (2015) sought to ascertain whether the student loan trust fund (SLTF) has helped improve access to tertiary education in Ghana, using Kwame Nkrumah University of Science and Technology (KNUST) as a case study. Using a systematic random sampling method, 285 students already on the SLTF were sampled and questionnaires were administered to them. Using descriptive statistics to analyze the data, the study revealed that the SLTF has improved access to tertiary education in Ghana. The study further revealed the SLTF is managed well to meet its purpose of enhancing accessibility. However, the amount paid as loan per academic year to students was not enough to meet all the needs of the students. Despite methodological and generality limitations, the study provided important findings relevant to improving the SLTF in Ghana. As such, the study recommended that the loan amount be increased and loans paid on time to help students on the scheme.

Nyahende (2013) did a Tanzania based study to find out the factors causing success of students' loans. Using cross sectional survey in Tanzania, the study found that students loans in financing higher education in Tanzania helps to increase the enrollment of students in higher learning institutions. The study also revealed that Higher Education Students' Loans Board (HESLB) is showing enough efforts to recover loans granted to loans beneficiaries since 1994.

Kyaligonza (2017) scrutinized the recital of the student loan scheme in Uganda. This work identifies gaps in the performance of the scheme. These were in the areas of application procedures; disbursement; and structures for recovery. Decentralization of some of the operations was suggested through this work.

Another study by Onen, Ajuaba, Oceng and Ndaruhutse (2015) highlighted the management of students' loan schemes for Ghana, Kenya and South Africa. Strengths as well as weakness of various loan schemes have been highlighted.

Kossey and Ishengoma (2012) investigated the challenges confronting student financing systems in Africa, with specific reference to Tanzania's Higher Education Students' Loans Board (HESLB). The study shows that the major challenges include limited resources, unemployment among loan beneficiaries, increased loans applications, the lack of a national identification system, emigration of loan beneficiaries, poor policy and legal frameworks, and corruption among HESLB staff and loan beneficiaries. The study recommended that the HESLB should diversify its sources of funding to reduce dependence on government; enforce loan repayment through legislation that enables direct reimbursement from beneficiaries' salaries; charge interest higher than the inflation rate; and embark on aggressive public education campaigns on the importance and benefits of the loan scheme and loan repayments.

3. Methodology

Studies of this nature is always guided by research questions which requires to be answered. Methodology is the techniques required in a research. The appropriate data has to be collected using the most efficient method which relies on the study method. This requires a system of models, procedures and techniques used to find the results of a research problem (Panneerselvam, 2001).

The study adopted a closed ended survey questionnaire to collect primary data which will help in analyzing the data qualitatively for a holistic and narrative understanding of the challenges associated with the students' loan in Bayelsa state.

A pilot study was done to ascertain the designed questionnaire was appropriate and basically, to know its weaknesses in collection of suitable data such that it can be improved on with the help of the targeted respondents and it was found to be appropriate and it was adopted without any changes made on it.

3.1. Data Sample/ Study Period

The data sample represents a judgmental sample of respondents' awareness and supportiveness of the loan scheme to address the inability of students seeking higher education. The sampling covers the various higher institutions within the state and extended to those outside the state.

The study adopted Raosoft calculator to determine the size of the sample from the population of study. A sample size of 377 respondents was arrived at using the calculator and the questionnaires were distributed amongst students of Bayelsa state origin in the various higher institutions of learning. One hundred questionnaires were retrieved from the distributed questionnaires. This shortfall in the total number of retrieved questionnaires was as a result of the lockdown period due to the Covid-19 pandemic. From the data, the researchers will know the aptness of current funding model of higher education that should be applied in Bayelsa State. The study period considered for this research is 2019 and the first quarter of 2020. The Bayelsa State Higher Education Students Loan Board was established as a result of the state governments' declaration of state of emergency on education. The scheme is to make sure that Bayelsa youths have quality education without facing any financial challenges while in school.

3.2. Data Analysis

The collected data were analyzed using Excel and Microsoft Word as these applications have features for analyzing the collected data with both graphs and charts for the illustration purpose and understanding of the end users of the report. Depending on the questions asked and answers obtained, the researchers underwent the processes of editing the raw data to remove errors and ambiguities. Tables were also used in the analysis for good understanding of the research report. The data collected from the survey using questionnaires were analyzed with SPSS to find frequencies. This helped in explaining the findings logically.

3.3. Validity and Reliability of Research Results

The study questions were fully answered since the survey method, which employed use of questionnaire, used to collect data was reliable. Triangulation is also a vital test on reliability of study findings (Mathison, 1988) as different methods are used in collecting data and analyzing them. The findings from this study can be generalized to different wider groups and the trustworthiness of the source of information increases the validity of the study results.

The questionnaire was carefully designed by the researchers to ensure research was perfectly carried out. The study gaps identified in the literature that molded the research questions for this study have to be narrowed since the findings from this study came up with some answers and recommendations.

Patton (2002) argues that reliability and validity of a study are paramount as the audience needs to be convinced of the research findings and the argument here is that the researcher has to trust his sources of information for the qualitative study. The source of information for this study is trusted and hence the results are reliable.

4. Results and Discussion

4.1. Data Presentation

The structured research questionnaire used for data collection for this study was administered to three hundred and seventy-seven (377) respondents made up of students of Bayelsa State origin in higher institutions. The institutions include the state own pioneer Niger Delta University (NDU), Federal University Otueke (FUO), University of Africa, Toruorua (UAT), Bayelsa Medical University (BMU), College of Education (COES), Sagbama and others. Out of the three hundred and seventy-seven (377) questionnaires issued, only one hundred were returned while three hundred and sixty-six were not returned. The low turn up was largely due to the lockdown in the state arising from the Coronavirus pandemic ravaging the entire world. Irrespective of this, the reliability of the responses got from the one hundred respondents from the various institutions remained undisputable. The outcome of the administered questionnaire and responses are showed on Table 1 below:

Institution	Questionnaire Distributed	Questionnaire Returned	Questionnaire Not Returned	Response Rate
NDU	160	85	75	22.55%
FUO	60	7	53	1.86%
UAT	51	2	49	0.53%
BMU	35	0	35	0%
COE	35	0	35	0%
OTHERS	36	6	30	1.59%
Total	377	100	277	26.53%

Table 1: Administration of Questionnaire and Response Rate

Source: Authors' computation from field survey May, 2020

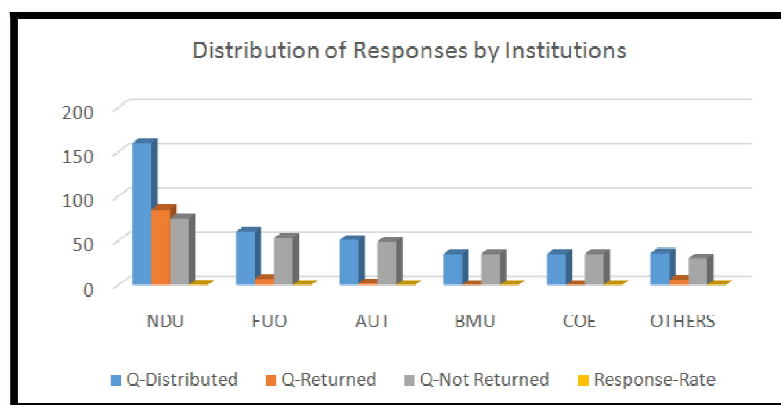


Figure 1: Multiple Bar Charts of Responses from Bayelsa State Students in Higher Education

Source: Authors Computation Using Table 1

Figure 1 reflects the data in Table 1 using multiple bar chart for total questionnaire distributed, returned, not returned and the response rate.

4.2. Undergraduate Category and Response Rate

Out of the one hundred (100) students that we retrieved their responses, a total of eighty-six (86) were undergraduate students. Of this number, four (4) were in 100 level, 17 in 200 level, 27 in 300 level, 32 in 400 level and 6 in 500 level. No ordinary diploma (OND) and higher diploma (HND) students responded to our questionnaire. Table 2 shows the distribution of undergraduate students' level of study and their respective response rate.

Undergraduate Study Level	Responses	Response Rate
100	4	4.64%
200	17	19.77%
300	27	31.40%
400	32	37.21%
500	6	6.98%
OND	0	0%
HND	0	0%
Total	86	100%

Table 2: Undergraduate Category and Response Rate

Source: Authors' Computation from Field Survey May, 2020

Table 2 further revealed that only 4.64 percent of 100 level student responded, 19.77 percent of the 86 students were in 200 level, 31 percent in 300 level, four hundred level students had the peak of 37.21 percent and 6.98 percent in 500 level were the second least next to 100 level students. This distribution is further given a pictorial presentation using bar chart as seen in Figure 2 below;

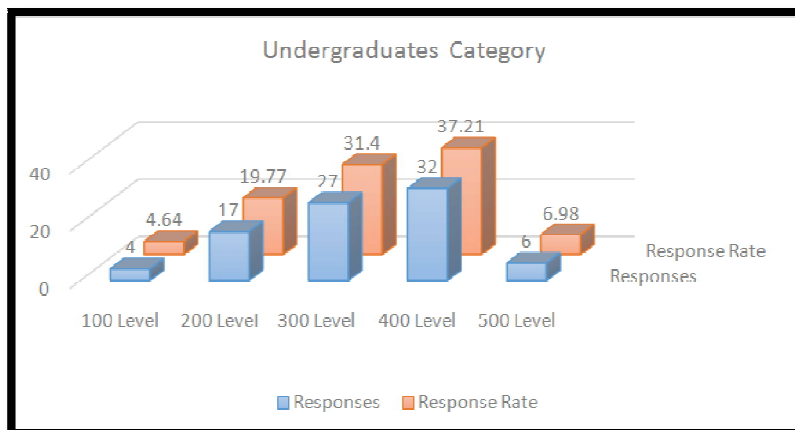


Figure 2: Chart of Bayelsa State Undergraduate Students Response Rate
Source: Authors Computation Using Table 2

4.3. Postgraduate Students Categories and Response Rate

The second segment of the one hundred (100) respondents in this study were postgraduate students of Bayelsa State origin. This group of respondents were fourteen (14) in number and were made up of two (2) Postgraduate Diploma (PGD) students which constituted 14.29 percent in this category, four (4) Master of Science (M.Sc.) students which made up 28.57 percent and eight (8) Doctor of Philosophy (Ph.D.) students which constituted 57.14 percent in this category. This is shown on Table 3 below;

Postgraduate Category	Reponses	Response Rate
PGD	2	14.29%
M.Sc.	4	28.57%
Ph.D.	8	57.14%
Total	14	100%

Table 3: Categories of Postgraduate Students of Bayelsa State Origin
Source: Authors' computation from Field Survey May, 2020

The distribution of the responses of postgraduate students of Bayelsa State origin from the various institutions of learning are as shown in Figure 3.

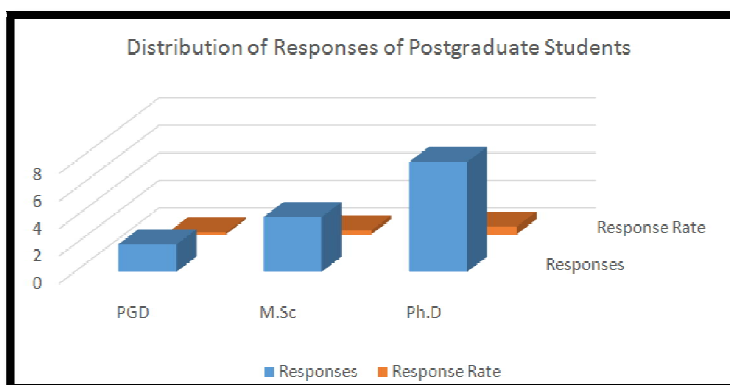


Figure 3: Chart of Bayelsa State Postgraduate Students Response Rate
Source: Authors Computation Using Table 3

4.4. Socio- Demographic Data

4.4.1. Gender Distribution

The distribution of gender in the current study revealed that of the 100 respondents, forty-nine (49) were males and fifty-one (51) were females across the various higher institutions of learning. Table 4 and figure 4.4 below show the gender distribution in this study.

Gender	Responses	Response Rate
Male	49	49%
Female	51	51%
Total	100	100%

Table 4: Gender Distribution
 Source: Authors' Computation from Field Survey May, 2020

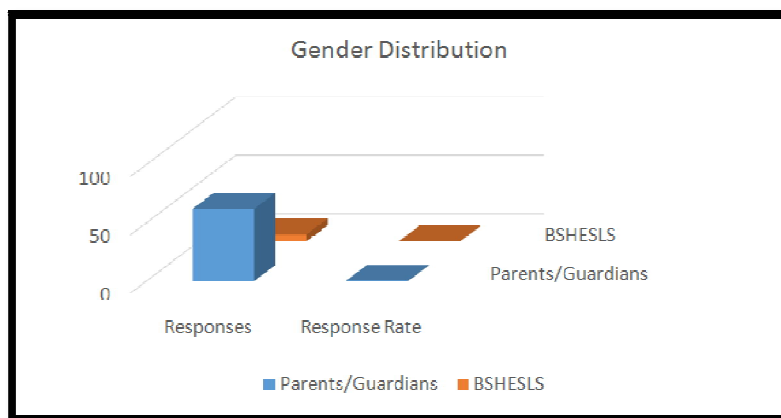


Figure 4: Gender Distribution
 Source: Authors Computation Using Table 4

4.4.2. Distribution of Sponsorship

A survey of the distribution of funding sources from students in higher institutions of learning of Bayelsa State origin revealed that 63 of the 100 respondents representing 62% are sponsored by parents/guardians, 3 representing 3% are entirely been sponsored by the Bayelsa State Higher Education Student Loan Scheme (BSHELS), none representing 2% was on scholarship while 32 representing 32% were self-sponsored. Table 5 and Figure 5 show the distribution as seen below;

Sponsorship	Responses	Response Rate
Parents/Guardian	63	63%
BSHELS	3	3%
Scholarship	2	2%
Self-Sponsor	32	32%
Total	100	100%

Table 5: Distribution of Sponsorship of Bayelsa State Students in Higher Education
 Source: Authors' Computation from Field Survey May, 2020

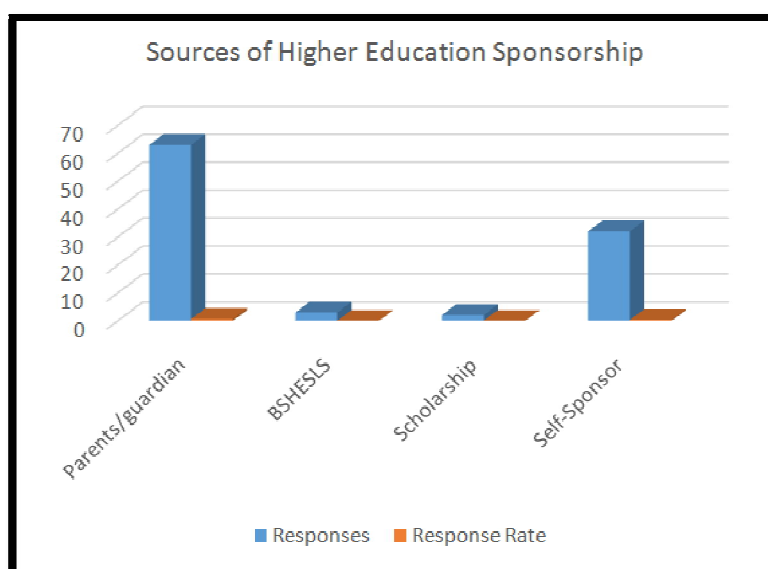


Figure 5: Chart Showing Distribution of Higher Education Sponsorship
 Source: Authors' Computation Using Table 5

This research makes use of primary data obtained from questionnaires distributed to 377 respondents. However, not all the questionnaires were retrieved as efforts made to retrieve the questionnaires from majority of the respondents

was futile due to the Covid-19 pandemic as order to stay at home was strictly obeyed. As a result, one hundred (100) questionnaires were retrieved and were used for the analysis. This chapter, therefore, concerns itself with the analyzing the descriptive data of the respondents, analyzing the inferences of the study, discussion of the results obtained and interpretation of results.

The questionnaire had a question seeking to view from the respondents, on who is responsible for funding their education. The variables of concern were parents/guardian, the BSHELSL, Scholarship and self-sponsored.

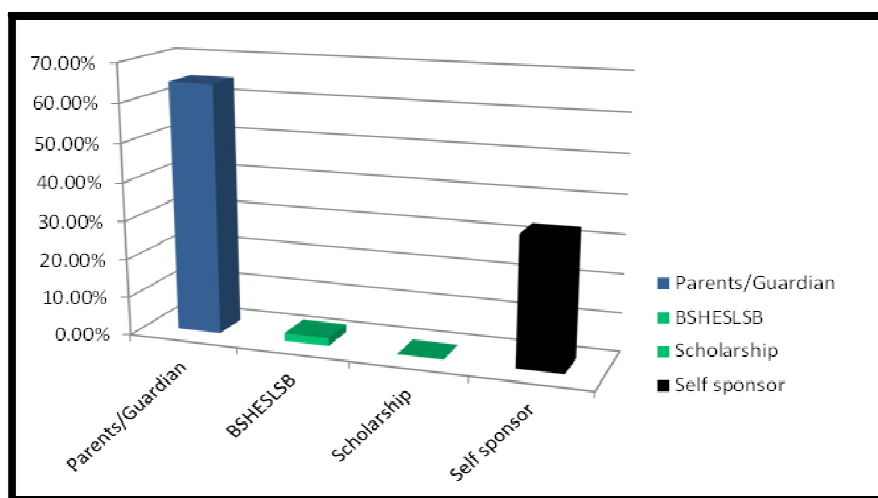


Figure 6: Bar Chart Illustration of Responses from BSHELSL
Source: Authors' Computation

Figure 1 shows that a total number of 62 respondents representing 64.58% are been sponsored by their parents or guardians and this implies that attaining a higher academic qualification through tuition fee payment possess a great challenge in the state as majority of the indigenes depends on salary. 33.33% of the respondents are self-sponsored, none of the respondents are beneficiaries of scholarships and only 2.08% representing 2 respondents agreed that they are being sponsored by the BSHELSL.

4.5. How Long Did It Take to Get A Loan?

The bar chart is showing respondents who applied for the loan. It indicates that 25 percent (10) of the respondents got their school fees processed by the board within one to three weeks while 27.50 percent got theirs in a month. The chart further indicates that 19 respondents which represents 47.50 percent got their school fees processed within two months. The time frame each of the respondents got their loan application is not farther. Comparing the entire respondents' responses, it can be deduced that the board is quite effective in processing applicants' loan form without prejudice.

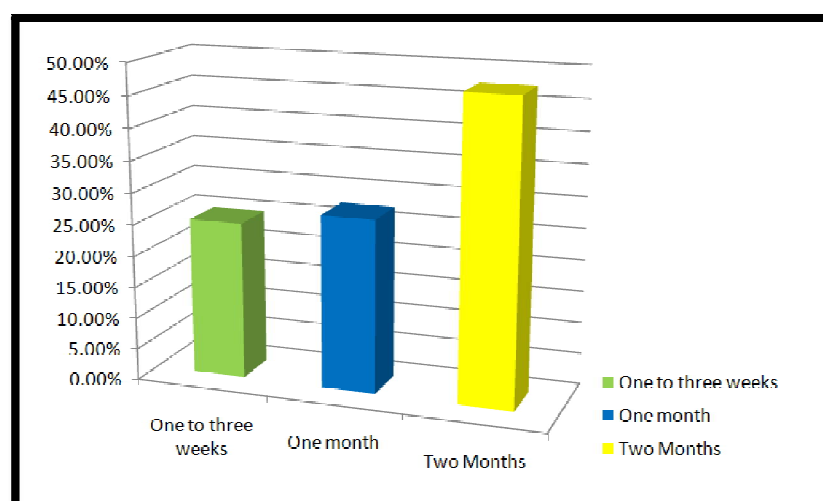


Figure 7: Bar Chart Showing Respondents Time Duration When Their Loan Applications Were Processed
Source: Authors Field Work, 2020

4.6. Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)	Exact Sig. (2-sided)
Pearson Chi-Square	113.445 ^a	3	.000	.000
Likelihood Ratio	124.349	3	.000	.000
Fisher's Exact Test	122.204			.000
N of Valid Cases	311			

Table 6: Effectiveness of the BSHELS

A. 0 Cells (0.0%) Have Expected Count Less Than 5, the Minimum Expected Count Is 25.42

The calculated statistical value of the Chi-square is 113.445 while the table/critical value at 0.05% with degree of freedom as 1 is 3.814. This shows that X^2 of 113.445 is greater than 3.814. The Fisher's exact test is also positive at 5% level of significant. The statistics indicate a positive effectiveness. This is in accordance with the rule that the null hypothesis should be rejected and the alternative be accept. This implies that the Bayelsa State Higher Education Students' Loan Scheme is effective and the continuity of the scheme should be embraced by all and sundry as the scheme will help especially those indigent students attain higher education of learning.

The above result is in connection with the bar chart in fig. 4.1 that the board is effective in discharging their duties.

5. Conclusion and Recommendation

5.1. Conclusion

The study was centered on the perception and effectiveness of the Bayelsa Higher Education Students Loan Scheme in Bayelsa State, Nigeria. Questionnaires were distributed to students of Bayelsa State origin in various higher Institutions, ranging the Niger Delta University (NDU), Federal University Otueke, University of Africa, Toru-Orua, Bayelsa Medical University, College of Education, Sagbama and other Institutions across Nigeria. Three Hundred and Seventy-Seven (377) questionnaires were distributed and one hundred were retrieved, out of which 86 were responses from undergraduates and 14 were from postgraduate students. The distribution of sponsorship across students of Bayelsa State origin reveal that 63% per cent were sponsored by parent/Guardians, 3% per cent were by Bayelsa Higher Education Students Loan Scheme, 2% per cent are on scholarship while 33% per cent are self-sponsored.

From the foregoing, the high parental/guardian and a reasonable number of self-sponsorships coupled with the low tuition payments by students of Bayelsa State origin is an indication that government intervention in the form of higher education students' loan is highly needed to keep students in school and eventual graduation.

From the researchers' empirical findings, however, there is a mixed perception of Bayelsans on the loan scheme. While 70.79% per cent are of the view that the Bayelsa State Higher Education Loan Scheme should be sustained, 29.21% per cent reacted in favour of bursary payment by the government.

With regards to the effectiveness of the scheme, 54.32% per cent were not having hopes of paying their tuition fees and thereby considered suspending studies before the intervention of the scheme. Owing to the fact that a good number of students have not applied for the loan, perhaps, due to the low level of awareness and enlightenment of the scheme, those who are aware and have applied confirmed, based on the results, that they have benefited from the loan scheme in the payment of tuition fees.

The calculated statistical value of the Chi-square is 33.699 while the table/critical value at 0.05% with degree of freedom as 1 is 3.814. This shows that X^2 of 33.699 is greater than 3.814. The continuity correction value too is 34.800 compared to the p value of 0.000. The Fisher's exact test is also positive at 5% level of significance.

Based on the result, we accepted the alternative hypothesis, which says that there is effectiveness of the Loan Scheme in Bayelsa State and reject the null hypothesis which says that there is no significant effectiveness of the Loan Scheme. This is because the calculated value is greater that the critical value. The continuity correction value and the Fisher's exact test is also rejecting the null hypothesis. This further implies that the Bayelsa State Higher Education Students' Loan Scheme is effective.

5.2. Recommendation

Based on the above results and findings, the study recommends that the Board should relax its policy on provision of guarantors to access loan and concentrate on withholding certificates as collateral. This recommendation is made because majority of the respondents are afraid of their inability to provide guarantors that are willing to guarantee them to access the loan; thereby, moving about with loan forms in search of guarantor until the time frame to access loan for registration would elapse, and that would require them to suspend their studies even with the presence scheme.

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