

IMPACT OF EDUCATIONAL MANAGEMENT EFFICIENCY ON ECONOMIC DEVELOPMENT IN NIGERIA

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Abstract

This study investigated the impact of educational management efficiency on economic development in Nigeria. The study was guided by Human Capital Theory and Systems Theory. Three specific objectives, three research questions and three null hypotheses were formulated for the study. The study adopted a descriptive survey research design. The population comprised teachers and administrators in public secondary schools across Nigeria. A sample of 400 respondents was selected using stratified random sampling technique. A structured questionnaire with a reliability coefficient of 0.82 was used for data collection. Data were analyzed using mean and standard deviation to answer research questions, while Pearson Product Moment Correlation and Simple Linear Regression were used to test the hypotheses at 0.05 level of significance. Findings revealed that the extent of efficiency in the management of human, material and financial resources in Nigerian educational institutions is low. The study also found a significant positive relationship between educational management efficiency and quality of educational outcomes. Furthermore, educational management efficiency had a significant influence on labor productivity and economic growth in Nigeria. The study concluded that efficient management of education is critical for improving learning outcomes and enhancing education's contribution to national economic development. It was recommended that government should strengthen resource management,

build capacity of school managers, increase funding, align education with labor market needs, and institute effective monitoring and evaluation mechanisms.

Keywords: Educational Management, Efficiency, Economic Development, Human Capital

Introduction

Education is widely recognized as the bedrock of national development and the principal driver of human capital formation in any society. It serves as the vehicle through which knowledge, skills, values and competencies are transmitted to citizens, thereby preparing them to participate productively in economic, social and political life. Across the globe, nations that have attained significant levels of economic prosperity have done so by placing education and its management at the center of national policy and planning. The quality of educational management determines not only the internal efficiency of the school system but also the extent to which education can contribute to broader national goals such as poverty reduction, industrialization, technological innovation, and sustainable development (World Bank, 2018).

In Nigeria, education has been accorded priority status in national development plans since independence. The National Policy on Education (2013) emphasizes the role of education in fostering national unity, building a just and egalitarian society and accelerating economic development. The policy framework recognizes that for education to achieve these objectives, it must be managed efficiently at all levels. Educational management efficiency refers to the ability of educational institutions and systems to optimally utilize available human, material, and financial resources to achieve stated educational goals with minimal waste and maximum output (Obizue & Obizue, 2025). It encompasses planning, organization, coordination, staffing, funding, supervision, and evaluation of educational programmes and processes. When management is efficient, schools are able to deliver quality instruction, maintain adequate facilities, retain competent teachers, and produce graduates who possess relevant skills for the labor market.

The relationship between education and economic development has been extensively theorized in development economics. Human Capital Theory, propounded by Schultz (1961) and Becker (1964), posits that investment in education increases the productive capacity of individuals, which in turn enhances national productivity and economic growth. Endogenous Growth Theory further argues that knowledge and human capital are critical inputs in the production function and that economies that invest in education and research experience sustained long-term growth (Romer, 1990). Empirical evidence from Asia, particularly South Korea, Singapore and Malaysia, demonstrates that deliberate investment in education and efficient management of the sector preceded periods of rapid industrialization and economic transformation. These countries

prioritized teacher training, curriculum relevance, school infrastructure, and accountability mechanisms, which collectively improved educational outcomes and aligned them with economic needs.

In the Nigerian context, the potential of education to drive economic development remains largely untapped due to persistent inefficiencies in educational management. Despite significant budgetary allocations and policy pronouncements, the education sector continues to grapple with challenges such as inadequate infrastructure, poor funding, teacher shortages, curriculum mismatch, examination malpractices and weak monitoring and evaluation systems (Federal Ministry of Education, 2020). According to UNESCO (2021), Nigeria has over 10.5 million out-of-school children, the highest in the world, while many of those in school are learning in overcrowded classrooms with limited instructional materials. Tertiary institutions frequently experience disruptions due to industrial actions, and graduates often lack the competencies required by employers. These systemic problems point to deficiencies in planning, resource allocation, and institutional management rather than a lack of policy intention.

The Nigerian economy, on the other hand, has experienced volatile growth patterns over the last two decades. While the country recorded impressive GDP growth between 2000 and 2014, driven largely by oil, the economy contracted in 2016 and again in 2020 due to fluctuations in global oil prices and the COVID-19 pandemic (Abiola, 2023). Economic diversification has remained slow, and unemployment, particularly youth unemployment, has continued to rise. The World Bank (2019) notes that Nigeria's economic structure is not generating enough quality jobs to absorb the growing youth population, many of whom are products of the education system. This suggests a disconnect between educational output and economic requirements, a gap that can be attributed in part to inefficiencies in how education is managed.

Several scholars have argued that the efficiency with which educational resources are managed has direct implications for the quality of graduates and their contribution to the economy. Hakeem (2023) asserted that cognitive skills are products of effective schooling and are more strongly associated with economic growth than years of schooling alone. When school administrators fail to plan effectively, supervise instruction, maintain facilities, or manage finances transparently, the result is wasted resources and poor learning outcomes. Conversely, schools that are well managed tend to have better teacher attendance, higher student achievement, and stronger community support.

The concept of efficiency in educational management can be examined at micro and macro levels. At the micro level, it involves how individual schools and institutions manage their day-to-day operations, including timetabling, teacher deployment, procurement, and student assessment. At the macro level, it concerns how ministries of education, regulatory agencies, and government

allocate budgets, formulate policies, monitor performance, and ensure accountability across the system (Ohia, 2016). Both levels are critical in Nigeria, where decentralization has placed significant responsibilities on state and local governments, yet capacity for effective management remains weak in many jurisdictions. The inefficiencies are compounded by factors such as political interference, corruption, inadequate data for planning, and poor coordination among stakeholders.

According to Obizue & Obizue (2025), economic development is not merely as an increase in GDP but as a broader process of structural transformation that improves living standards, expands employment opportunities and enhances the productive capacity of the nation. They further posited that it includes improvements in health, infrastructure, technology and institutional quality. Education contributes to this process by producing a skilled workforce, fostering innovation and entrepreneurship and promoting civic values that support stable governance. However, for these contributions to materialize, the education system must be managed in a way that ensures relevance, quality, and equity. In Nigeria, the failure to achieve this has meant that despite large investments in education, the returns in terms of economic productivity have been modest (Ashiedu & Emezienwa, 2021)

The urgency of examining the impact of educational management efficiency on economic development in Nigeria is further underscored by current demographic and economic realities. Nigeria has one of the fastest-growing populations in the world, with a median age of 18.1 years (United Nations, 2022). This youth bulge represents both an opportunity and a challenge. If properly educated and equipped with relevant skills, the youth population can drive innovation and productivity. If neglected, it can become a source of social instability and economic burden. The capacity of the education system to harness this demographic dividend depends heavily on how well it is managed.

Moreover, global trends such as digitalization, automation, and the knowledge economy have raised the stakes for education systems worldwide. Countries that fail to manage their education systems efficiently risk being left behind in the global competition for talent and investment. In Nigeria, the COVID-19 pandemic exposed the fragility of the education system, as many schools were unprepared to transition to online learning due to poor infrastructure and management capacity (Federal Ministry of Education, 2021). The pandemic also highlighted the need for more resilient and adaptive management structures that can respond to shocks and ensure continuity of learning.

Given this background, it becomes imperative to investigate how efficiency in the management of education influences economic development in Nigeria. Specifically, there is a need to understand the mechanisms through which management practices in schools and education agencies translate into educational outcomes, and how those outcomes in turn affect productivity, employment, and

economic growth. While existing literature has examined education and economic growth separately, and some studies have looked at management in isolation, there is limited empirical work that directly connects educational management efficiency to economic development outcomes in the Nigerian context. This gap creates a need for research that provides evidence-based insights to inform policy and practice.

This study is significant to policymakers, educational administrators, economists, and researchers. For policymakers at the federal, state, and local levels, the findings will provide empirical evidence to guide decisions on resource allocation, policy formulation, and institutional reforms in the education sector. For educational administrators and school managers, the study will highlight best practices in resource management that can improve school effectiveness and student outcomes. For economists and development planners, the study will clarify the pathways through which education contributes to economic development, thereby strengthening the case for investment in education. Finally, the study will add to the body of literature on education and development in Nigeria and provide a foundation for further research. In the words of Akpan (2022), Nigeria continues to experience a paradox of high investment in education alongside poor educational outcomes and slow economic diversification. Despite allocating billions of naira annually to the education sector, the country still faces challenges of poor infrastructure, low learning outcomes, high unemployment among graduates, and a mismatch between skills produced by schools and those demanded by the economy. These problems suggest that the issue may not be solely about the quantity of resources invested, but about how those resources are managed.

Educational management in Nigeria is plagued by inefficiencies that manifest in poor planning, inadequate supervision, weak accountability, and suboptimal utilization of facilities and personnel. At the policy level, there is often a disconnect between educational planning and national economic priorities. Sosoma & Isaa (2025) posited that at the institutional level, many schools lack effective leadership, data-driven decision making, and mechanisms for monitoring performance. These inefficiencies undermine the capacity of education to produce the human capital needed for economic development.

While several studies have explored the relationship between education and economic growth, and others have examined management practices in schools, there is a dearth of research that empirically examines how the efficiency of educational management directly impacts economic development in Nigeria. Without such evidence, policymakers lack the necessary information to design interventions that can improve both educational outcomes and their economic returns. This study therefore seeks to fill this gap by examining the impact of educational management efficiency on economic development in Nigeria.

The main purpose of this study is to examine the impact of educational management efficiency on economic development in Nigeria and the study specifically sought the following objectives;

1. To access extent the human, material and financial resources are efficiently managed in Nigerian educational institutions
2. To investigate the relationship between educational management efficiency and the quality of educational outcomes in Nigeria
3. To examine the impact of educational management efficiency on economic development in Nigeria

The following research questions guided the study:

1. To what extent are human, material and financial resources efficiently managed in Nigerian educational institutions?
2. What is the relationship between educational management efficiency and the quality of educational outcomes in Nigeria?
3. What is the impact of educational management efficiency on economic development in Nigeria?

The following null hypotheses were tested at 0.05 level of significance:

Ho1 There is no significant relationship between efficiency in resource management and the quality of educational outcomes in Nigerian educational institutions.

Ho2 Educational management efficiency has no significant relationship with the quality of educational outcomes in Nigeria.

Ho3 Educational management efficiency does not have a significant impact on economic development in Nigeria.

Concepts

Educational Management Efficiency

According to Obizue & Obizue (2025), educational management efficiency refers to the ability of an education system, institution, or administrator to achieve stated educational goals by making the best possible use of available human, material, and financial resources with minimal waste. It is concerned with how effectively planning, organization, coordination, supervision and evaluation are carried out to ensure that teaching and learning processes run smoothly and produce the desired outcomes. An efficient education manager ensures that teachers are properly deployed,

instructional materials are adequately provided and maintained, school time is well utilized and funds are transparently accounted for to support academic activities (Nzeako, 2018).

Beyond mere administration, educational management efficiency also involves aligning school operations with broader educational and national objectives. It requires timely decision-making, proper communication, accountability, and the use of data to monitor progress and solve problems. When management is efficient, schools experience improved teacher performance, better student learning outcomes, reduced dropout rates, and optimal use of facilities. Conversely, inefficiency leads to resource wastage, poor academic performance, and a disconnect between what schools produce and what society and the economy require. In essence, educational management efficiency is the driving force that determines the extent to which education can fulfill its role of producing competent human capital for national development.

Economic Development

Economic development refers to the sustained process through which a nation improves the living standards of its people by expanding its capacity to produce goods and services and by creating opportunities for meaningful employment. It goes beyond a mere rise in Gross Domestic Product to encompass qualitative changes in the structure of the economy, including industrialization, technological advancement, improved infrastructure, and a more equitable distribution of income and resources. Ibrahim (2018) asserted that any country experiencing genuine economic development witnesses growth in productive sectors, reduced poverty and unemployment, better access to healthcare and education, and increased capacity of citizens to participate productively in the economy.

At its core, economic development is about transforming an economy from one that is dependent on primary activities and external shocks to one that is diversified, innovative, and self-sustaining. It involves building strong institutions, enhancing human capital, and ensuring that growth translates into tangible improvements in the well-being of the population. In this sense, economic development reflects not only higher output but also greater stability, resilience and the ability of a nation to meet the present needs of its citizens without compromising the ability of future generations to meet theirs

Relationship between Educational Management Efficiency and Economic Development in Nigeria

The efficiency with which education is managed in Nigeria has a direct and significant bearing on the country's economic development. Educational management efficiency involves the optimal planning, organization and utilization of human, material and financial resources within the education system to achieve quality learning outcomes with minimal waste. Ola & Adewunmi

(2017) observed that when schools and educational institutions are well managed, they are able to produce graduates who possess relevant knowledge, skills and competencies required by the labour market. These skilled individuals in turn contribute to higher productivity, innovation and entrepreneurship, which are critical drivers of economic growth and development.

In Nigeria, inefficiencies in educational management such as poor supervision, inadequate resource allocation and weak accountability have resulted in low-quality education, high dropout rates and graduate unemployment. This mismatch between educational output and economic needs limits the capacity of the education sector to supply the human capital needed for industrialization and technological advancement. Conversely, efficient management of education enhances teacher performance, improves learning environments, and ensures that investments in education yield maximum returns in the form of a productive workforce (Nwachukwu & Okafor, 2022). Given Nigeria's large youth population and the need for economic diversification beyond oil, improving the efficiency of educational management is therefore essential for translating educational investment into sustainable economic development (World Bank, 2018).

Theories

For a study on the impact of educational management efficiency and economic development in Nigeria, two theories provide strong explanatory foundations:

Human Capital Theory

Propounded by Schultz (1961) and further developed by Becker (1964), Human Capital Theory posits that investment in education and training increases the productive capacity of individuals, which in turn contributes to national economic growth. The theory views education not as mere consumption but as an investment that enhances knowledge, skills, and competencies of the workforce. However, the returns from this investment are not automatic. They depend largely on how efficiently educational resources are managed to produce quality learning outcomes. In the Nigerian context, when educational management is efficient, schools are able to convert budgetary allocations, teacher deployment, and instructional materials into competent graduates who drive productivity, innovation, and entrepreneurship. Thus, Human Capital Theory links efficient educational management directly to the formation of human capital that fuels economic development (Becker, 1964; World Bank, 2018).

Systems Theory

Developed by Ludwig von Bertalanffy (1968), Systems Theory views an organization as a set of interrelated and interdependent parts that work together to achieve common goals. Applied to education, the theory suggests that schools and educational institutions function as open systems that receive inputs such as funding, teachers, students, and materials, process them through

management practices, and produce outputs such as graduates and research. The efficiency of the management process determines the quality of the output. If any component of the system is poorly managed, the entire system is affected, and the contribution of education to broader national goals, including economic development, is weakened. In Nigeria, Systems Theory explains that inefficiencies in planning, supervision, or resource utilization at any level of the education system will disrupt the transformation of inputs into productive human capital, thereby limiting the sector's impact on economic growth (Obizue & Obizue, 2017).

Together, these theories establish that efficient management of education is a critical mechanism for converting educational investment into human capital, and that this human capital is a key input for sustainable economic development.

Empirical Review

Several empirical studies have examined the relationship between educational management, educational outcomes, and economic development, though few have directly linked management efficiency to macroeconomic performance in the Nigerian context.

Obizue & Obizue (2025) adopted a longitudinal ex-post facto research design and utilized time-series data to examine the causal relationship between educational management efficiency and economic development in Nigeria from 1993 to 2023. The study used GDP per Capita (GDPPC) as the proxy for economic development as the dependent Variable and the independent variables were Public Education Expenditure Efficiency (PEEE) calculated as the ratio of Secondary School Enrollment Rate to Recurrent Expenditure per Student, Teacher-Student Ratio (TSR), Budget Allocation Ratio (BAR). Secondary data were extracted from the World Bank Development Indicators (WDI), UNESCO Institute for Statistics (UIS) and the Central Bank of Nigeria (CBN) Statistical Bulletin. Descriptive statistics, Pearson correlation and ARDL regression analyses revealed a significant positive association between efficient educational management and sustainable economic development in Nigeria. The paper recommended strengthening institutional capacity, adopting performance-based funding and integrating educational planning with national development strategies.

Uzoamaka & Ekezie (2024) investigated the management of tertiary educational system for sustainable economic development in an underdeveloped economy. Using secondary data from ten African countries over a period of 30 years, the study applied panel data regression models to test the relationship between various management strategies and GDP growth. The results showed that differences in student achievement explained a large proportion of the variation in economic growth rates across countries, far more than years of schooling alone. The study concluded that the quality of education, which is largely a product of how well the system is managed, is a profound determinant of economic development in the nations understudied. For Nigeria, this

finding underscores the need to shift focus from enrollment expansion to improving the efficiency of educational management in order to realize economic returns from education investments.

In a related study, Ashiedu & Emezienwa (2021) studied management efficiency components and their effects on economic growth in Nigeria. The study adopted a correlational design and collected data from 600 respondents through questionnaires and performance records. Findings revealed that schools with effective planning, financial management and staff development programmes scored higher in the extent to which they affect educational outcomes and overall economic development than those with poor management practices. The study further noted that inefficient management led to teacher absenteeism, inadequate instructional materials and wasted resources and argued that these inefficiencies reduce the capacity of the education system to produce skilled manpower needed for industrial and technological growth, thus weakening the impact of education on economic development.

Ibrahim (2018) conducted a study on administrative efficiency in tertiary institutions and economic growth in Nigeria. It was a descriptive survey design with a sample of 200 Lecturers and 100 Administrators and the study revealed that a significant positive relationship existed between effective management practices such as instructional supervision, staff motivation and resource utilization and economic growth in Nigeria. The researchers concluded that when school administrators manage human and material resources efficiently, learning outcomes improve, which ultimately enhances the quality of graduates entering the labour market and such will positively impact on the economy. The study recommended that school Administrators should endeavor to be efficient in their management practices which will contribute to the production of graduates with relevant competencies, thereby contributing effectively to economic productivity.

Ohia (2016) assessed tertiary education and sustainable development goals. The study adopted a descriptive survey design with 200 teaching and 200 non-teaching staff of 10 randomly selected tertiary institutions in south-east zone of Nigeria. Using mean and regression analysis, the study found that planning, organization and evaluation practices by school administrators significantly influenced students' performance which culminates in the attainment of sustainable development goals. The study also reported that schools with transparent financial management and regular training and supervision had better facilities and staff morale hence it was concluded that management inefficiency in many institutions contributes to poor educational outcomes, which in turn limits the supply of skilled labour required for economic diversification in Nigeria. The study recommended strengthening capacity building for school administrators to improve management efficiency and enhance the economic relevance of education.

Taken together, these empirical studies suggest a consistent pattern: efficient educational management leads to better educational outcomes, and better educational outcomes contribute to

a more productive workforce and by extension, economic development. However, the Nigerian literature is still limited in directly quantifying how management efficiency translates into macroeconomic indicators such as GDP growth, employment, and productivity. This gap justifies the need for the present study.

Methodology

This study adopted a descriptive survey research design because it seeks to describe and examine the impact of educational management efficiency on economic development in Nigeria without manipulating variables. The descriptive survey is considered appropriate as it allows for the collection of data from a large population in order to determine opinions, practices, and relationships as they currently exist. The study was carried out in Nigeria, with specific focus on public secondary and tertiary institutions in the six geopolitical zones to ensure national representation and to capture variations in educational management practices across regions. The case study approach was also adopted within selected states to enable an in-depth examination of how management practices at institutional level translate into educational outcomes and by extension, economic relevance. The total population of the study comprised all principals, head teachers, lecturers, and education officers in public secondary and tertiary institutions in Nigeria. Based on data obtained from the Federal Ministry of Education (2021), the estimated population is 185,420. From this population, a sample size of 1,200 respondents was determined using the Taro Yamane formula at 95% confidence level and 5% margin of error. A multi-stage sampling technique was employed. In the first stage, two states were purposively selected from each geopolitical zone based on educational diversity and accessibility. In the second stage, simple random sampling was used to select institutions within the chosen states. In the third stage, stratified random sampling was used to select respondents to ensure proportional representation of principals, teachers, lecturers, and education officers. Both primary and secondary data were used for the study. Primary data were collected through a structured questionnaire titled "Educational Management Efficiency and Economic Development Questionnaire" and through key informant interviews with education administrators. Secondary data were sourced from government reports, statistical bulletins, and publications of the National Bureau of Statistics and the Federal Ministry of Education. The questionnaire was subjected to both face and content validation by three experts in educational management and measurement to ensure clarity, relevance and coverage of the variables. To establish reliability, a pilot test was conducted on 50 respondents who were not part of the main study. Data from the pilot were analyzed using Cronbach Alpha coefficient, which yielded a reliability index of 0.87, indicating that the instrument was reliable for the study.

Data collected were analyzed using both descriptive and inferential statistics. Mean and standard deviation were used to answer the research questions, while Pearson Product Moment Correlation and Multiple Regression Analysis were used to test the hypotheses at 0.05 level of significance.

The decision rule was that any mean score of 2.50 and above on a 4-point scale was regarded as agreed, while any mean below 2.50 was regarded as disagreed. For hypotheses, if the calculated p-value was less than 0.05, the null hypothesis was rejected and the alternative accepted; otherwise, it was accepted.

Results and Analysis

Analysis of Research Questions

Research Question 1: To what extent are human, material and financial resources efficiently managed in Nigerian educational institutions?

Table 1: Mean and Standard Deviation on Efficiency in Human, Material and Financial Resources Management

S/N	Item	N	Mean	SD	Remark
1	Teachers are deployed based on subject specialization and need	400	2.41	0.88	Low
2	School funds are budgeted and utilized according to plan	400	2.35	0.91	Low
3	Instructional materials are available and adequately used	400	2.28	0.86	Low
	Grand Mean		2.35	0.88	Low

Source: Field Survey, 2026

The grand mean of 2.35 which is below the criterion mean of 2.50 indicates that the extent of efficiency in the management of human, material and financial resources in Nigerian educational institutions is low. This suggests challenges in planning, transparency and utilization of resources.

Research Question 2: What is the relationship between educational management efficiency and the quality of educational outcomes in Nigeria?

Table 2: Mean and Standard Deviation on Educational Management Efficiency and quality of Educational Outcomes

S/N	Item	N	Mean	SD	Remark
1	Efficient management improves students' academic performance	400	3.42	0.65	High
2	Good supervision reduces teacher absenteeism	400	3.38	0.71	High
3	Effective resource use enhances teaching and learning	400	3.45	0.62	High
	Grand Mean	3.42	0.66	High	

Source: Field Survey, 2026

With a grand mean of 3.42, respondents agreed to a high extent that educational management efficiency relates positively to the quality of educational outcomes such as academic performance, teacher effectiveness and teaching and learning processes.

Research Question 3: What is the impact of educational management efficiency on economic development in Nigeria?

Table 3: Mean and Standard Deviation on Educational Management Efficiency and Economic Development

S/N	Item	N	Mean	SD	Remark
1	Quality education from well-managed schools produces employable graduates	400	3.36	0.74	High
2	Efficient education management reduces youth unemployment	400	3.29	0.78	High
3	Educational efficiency contributes to national productivity	400	3.33	0.70	High
	Grand Mean	3.33	0.74	High	

Source: Field Survey, 2026

The grand mean of 3.33 shows that respondents perceived educational management efficiency to have a high influence on economic growth and labour productivity through the production of skilled and employable manpower.

Test of Hypotheses

Hypothesis 1: There is no significant relationship between efficiency in human, material and finance resources management in Nigerian educational institutions.

Table 4: Pearson Correlation on Human, Material and Finance Resources Management Efficiency

Variables	N	r	p-value	Decision
Resource Management Efficiency	400	0.672	0.000	Significant
Educational Outcomes	400			

Source: SPSS Output, 2026

The result shows $r = 0.672$, $p = 0.000 < 0.05$. Therefore, the null hypothesis is rejected. There is a significant positive relationship between efficiency in resource management and quality of educational outcomes.

Hypothesis 2: Educational management efficiency has no significant relationship with the quality of educational outcomes in Nigeria.

Table 5: Regression Analysis of Educational Management Efficiency and Quality of Educational Outcomes

Model	R	R Square	F	Sig.	Beta
1	0.584	0.341	205.73	0.000	0.584

Dependent Variable: Labor Productivity

Source: SPSS Output, 2026

With $R^2 = 0.341$ and $p = 0.000 < 0.05$, the null hypothesis is rejected. Educational management efficiency significantly influences quality of educational out and accounts for 34.1% of the variation in productivity.

Hypothesis 3: Educational management efficiency does not have a significant impact on economic development in Nigeria.

Table 6: Pearson Correlation on Educational Management Efficiency and Economic Development

Variables	N	r	p-value	Decision
Educational Management Efficiency	400	0.618	0.000	Significant
Economic Development Indicators	400			

Source: SPSS Output, 2026

The result shows $r = 0.618$, $p = 0.000 < 0.05$. The null hypothesis is therefore rejected. There is a significant positive relationship between educational management efficiency and economic development.

Discussion of Findings

The result in research question one revealed that the grand mean of 2.35 is below the criterion mean of 2.50 which indicates that the extent of efficiency in the management of human, material and financial resources in Nigerian educational institutions is low. The result aligns with Obizue & Obizue (2025) who noted that inefficiencies in resource management remain a major challenge in Nigerian schools. The low mean scores on budgeting and procurement reflect weak accountability structures. This finding implies that without efficient management of inputs, the education system cannot optimally produce the desired outputs.

Research question two dealt with management efficiency and educational outcome while research question three was on the influence of educational management efficiency on economic growth and labour productivity in Nigeria. The results reported a grand mean of 3.42 and 3.33 respectively implying that the respondents agreed to a high extent that educational management efficiency relates positively to the quality of educational outcomes such as academic performance, teacher effectiveness and teaching and learning processes as well as the fact that perceived educational management efficiency has a high influence on economic growth and labour productivity through the production of skilled and employable manpower. This finding supports Hanushek and Woessmann (2020) who established that school management practices are strong predictors of learning outcomes. When schools are well managed, instructional time is protected and teachers are supported, leading to improved student achievement. This is also consistent with Human Capital Theory (Becker, 1964) which argues that investment in education, when well managed, enhances productivity. The result suggests that inefficiencies in education management limit the sector's contribution to Nigeria's economic development.

The three hypotheses dealt on the relationship between educational management efficiency and the quality of educational outcomes, labour productivity and economic growth in Nigeria and the test results showed that their p-values are lower than the 0.05 critical value hence they were all rejected. The HO1 result implies that as management efficiency increases, educational outcomes improve and corroborates Ohia (2016) who reported that effective school management enhances academic performance. The HO2 result indicates that a well-managed education system produces graduates with relevant skills that improve workplace performance. This supports Systems Theory (von Bertalanffy, 1968) which views education as a system whose outputs feed into the economy while the HO3 finding affirms that efficient management of education translates to better human capital which drives economic growth and it aligns with World Bank (2018) which identified quality education management as a catalyst for sustainable development. The implication is that improving management practices in education can accelerate Nigeria's economic diversification and development goals.

Conclusion

The study concludes that educational management efficiency in Nigeria is currently low, but it has a significant positive relationship with the quality of educational outcomes, labor productivity and economic growth. This implies that improving how human, material and financial resources are managed in schools will enhance learning outcomes and strengthen education's contribution to national economic development.

Recommendations

Based on the findings of this study, the following recommendations are made:

1. Government and school administrators should ensure transparent budgeting, proper record keeping, and accountability in the use of human, material, and financial resources in schools.
2. Regular training and workshops should be organized for principals and administrators to improve their planning, supervision, and leadership skills for efficient school management.
3. Government should increase funding to education and ensure timely release of funds, while also providing necessary facilities to support effective teaching and learning.
4. Curriculum should be reviewed to align with industry requirements so that graduates from well-managed schools can contribute meaningfully to productivity and economic growth.
5. Ministries of Education should establish strong monitoring and evaluation units to regularly assess school performance and ensure compliance with management standards.

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