

# Insurance Policy Integration for Curbing Educational Waste in Public Secondary Schools in Rivers State

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**Abstract:-**The study investigated insurance policy integration for curbing educational waste in Rivers State. To carry out this study, two research questions and one hypothesis were raised to guide the study. A mean, standard, rank order and percentage was used to answer research questions and a null hypothesis was tested at 0.5 of Alpha significant level. Descriptive survey design was adopted and a population of 494 was randomly selected from the secondary schools present in the 23 Local Government Areas of Rivers State, Nigeria, using stratified random sampling technique. A research questionnaire tagged "Educational Insurance Policy Integration Questionnaire (EIPQ)", with reliability coefficient of 0.72 obtained through a test-retest was formulated and tested for validity and reliability. The study identified family income insurance, child deferred assurance, school fees policy, long term disability insurance, health insurance policy as the insurance policies that can be integrated to curb educational waste. The study concluded that since education is an investment, it therefore entails that there will be need to find insurance policy that would curb investment waste. Based on the conclusion, the study recommended that all the educational stakeholders and the principals in particular must collaborate with insurance institutions to design insurance policy that would curb educational waste.

**Keywords:** Insurance, Policy integration, Education wastage, Secondary, Secondary schools.

## I. INTRODUCTION

Insurance is a business trend that has historical relevance to trade and any other organisation including the school. Its relevance has been resultant in the rising tendencies of risk in business organisations. It has since transcended into a financial institution whose pure form is a social good which can also be classified as a kind of public good that generates positive externalities (Lester, 2009). In the idea of Lester, insurance appears to add an upbeat value to the business environment with prospects of enjoining continuity and sustainability. After all the resources that has been invested in education, there has been an unprecedented cases of dropout due to inability of a learner's financier to continue to foot the user bills of the learner. There has also been cases where there is abrupt discontinuity on the part of the learner from a preferred school to a less preferred school due to death of sponsor of discontinuity of free education policy, leaving the beneficiaries with no options but to drop out from school or go for a school with a lesser in teaching, as indicated by poor learning facilities, unqualified staff and low staff strength. In fact, this endless instance of educational waste has led to a higher figure in the national secondary educational dropout

statistics. Notwithstanding, this is because, the future of the educational system is left to chances and possibly only for the survival of the fittest. Those who may have had half education, repetition of levels or classes, death of sponsor, or even change in government policy that may not favour status quo of either free or subsidized education are meant to drop out, hence leading to waste already. Since there is no wisdom in waste of our scarce resources, policy benchmark should be drawn to curb educational wastage as it is done in the health sector; hence a fair argument for insurance policy integration. By fair justification, one would conclude to an extent that integration of insurance in education is barely considered and many benefits that would have been tapped directly are also shaded aside. Notwithstanding, insurance is an aspect of financial institution, whose potentials remains fully untapped. This may be because the key players of the educational sector; namely, the educational administrators, government, private individuals, corporate bodies, educational planners, educational economist and a host of others have failed to see the wasteful tendencies of education in the developing countries, West Africa, Nigeria and Rivers State particularly. Another perception that bothers within the question of what value insurance can be to education is basically limiting the scope of insurance rather than giving it an all round embrace and application to education at all level and other places with possible risk tendencies that may lead to devastating damage in either financial or educational context. It is however needful to identify the ways insurance can be integrated to cut back waste in the secondary schools, since its relevance cannot at anytime be overemphasized.

### *Objectives of the study*

Generally, the study investigated insurance policy integration for curbing educational waste in public secondary schools in Rivers State. However, the study would specifically:

1. Find out the ways insurance policy can be integrated to curb educational waste in public secondary schools in Rivers State.
2. Establish the extent male and female school administrator in public senior secondary school rank insurance policy integration in Rivers State.

### *Research questions*

The research questions for the study include:

1. What is the ways insurance policy can be integrated to curb educational waste in public secondary schools in Rivers State?
2. To what extent does a male and female school administrator in public senior secondary school rank insurance policy integration in Rivers State?

### *Hypotheses*

The following hypothesis was formulated to guide the study:

1. There is no significant difference between mean ratings of male and female school administrators on insurance policy integration in public senior secondary schools in Rivers State.

### *Statement of problem*

School administrators at all level are often seen collaborating with corporate bodies, especially the financial institutions to push the development of the school further, so as to ensure that there is achievement of secondary educational goals. Such collaborations are evident in the sponsorship of school events, programmes and servicing the schools needs by organizations, particularly the financial institutions. Furthermore, competitions are hosted among schools by these institutions as a means of encouraging students at all level to hold firm to education and curb incidence of dropout. Apart from that, scholarships and educational grants are on the spree to support education. Notwithstanding, little has been done towards curbing the rising problems of educational waste resulting from the issues which is palpable and obvious from increased rate of dropout, repetition of class and level, premature withdrawal, misguided type of education. Researches have shown that the resultant effect of a rise on these phenomenons is massive damage to the educational system in any country where it is found and prevalent. However, such effect is as a result of not harnessing all the financial tool and policy that can be fine-tuned by way of systematic modification to fit in the education as an investment. Education has unraveled itself going by its nature and peculiarities and with rapid changes in global trend to meet the criteria of being referred to as investment. Apart from that, current trend of searching for economic relevance to wherever resources are allocated to, have greatly pushed education to take the face of business while it tries to meet its teaching learning objective. Educational waste therefore, is in the wrong direction of reference when resources are known to be scarce. Since it has been greatly proven by scholars and researchers that education can operate a business model, it is therefore not mistaken to state that it is bound to face avoidable risk in form of waste. It is based on this backdrop that the researcher intend to find out ways whereby insurance policy can be integrated to curb educational waste in secondary schools in Rivers State.

## II. REVIEW OF RELATED LITERATURE

Education is the most viable option for national redress. It is also a laboratory where political, religious and socio-economic analyses are carried out. It is seen as the bedrock of

modern development (Agabi, 1999, Meenyinikor, Kemjika, & Chijioke, 2014; Asodike & Obasi., 2014; Anietie & Zipamoh; 2017). These submissions are evident on some changes that has been procedurally effected into the education system as a tactical and timely response to the agitation and vibrations discernable from the society (Agabi, 1999, Meenyinikor et al, 2013). Based on the high expectations from the educational sector all round the world and Rivers State in particular, government and other stakeholders, within the country and in Diasporas has sunk in resources in different forms and magnitude to push the system further in the achievement of secondary educational goals (Anietie & Zipamoh, 2017; Boon, 2005). These funds come in form of aids, grants and even movement of resource personnel to man certain aspect of education. Despite the huge fund allocated to the educational sector, the educational economists and other researchers with interest in education, has done little or nothing concerning the sustainability of secondary education, and ultimately place the issue of educational waste which is manifesting in virtually all the educational structures and level in the Third World countries, with strong grip in West Africa, Nigeria and Rivers State (Durosaro & Johnson, 2012; & Akinsolu, 2019). It's hard to talk about waste when resources are scarce. Research has shown also that every business is a form of risk, and scholars like Hanushek (2013), Ebong(2006), and Asodike and Adieme (2014) has considered certain characteristic in education and vehemently conclude that education is an investment and could operate within a business model since it is a fact that education is an investment in human capital (Asodike, 2014 & Ebong, 2006). A clear analysis of different businesses at different capacity have shown that no investment outgrows risk, and it has placed a huge task on every firm to sought out ways that can cover the risk so as to place their business in a stable and sustainable path (Lester, 2009).

### *Insurance*

Most of the response to the risk in business is directed to insurance policies designed to suit the peculiarity of their firm or line of production. Apart from damages and loss as covered by a policy, it is a means of building fall back for their business. Educationally, the teachers are the producer who through a clearly defined and guided process transforms the students through a predetermined aims and objectives into finished good (graduate) for the consumption (in form of skills and services) in the society. Hence, education bears such characteristic of a firm and it's bound to face risk. In the academic connotation, risk appears in form of educational waste occurring as a result of incidence of dropouts, repeaters, premature withdrawals, misguided type of education, non employment of school leavers and even brain ruin (Durosaro in Johnson, 2012). By implication, a more efficient educational system is one which is able to curb the aforementioned variables to the barest minimum. It could as well be clearly seen that curbing such educational risk would entail adopting business frameworks and financial

policies that are designed to cover risk and draw up funds. Furthermore, insurance is one financial structure that stresses the need to cover risks and draw up pool of fund from insured entities in order to pay relatively uncommon but severely devastating losses which can be undergone by these entities.

#### *Educational waste*

Wastage in education covers the wastage of time, effort and energy. It refers to the total number of pupil-years spent by repeaters and dropouts. It is the premature withdrawal of children from schools at any stage before completion of the courses. Any student who receives education at any stage is expected to complete his education within the stipulated period, therefore, if any one withdraws from the course or school before the prescribed time, such individual is considered to be sheer wastage of time, money and energy expended on him or her. Studies conducted on the subject show that 65% of wastage is due to poverty or death of benefactor. Therefore, education, with such vulnerable characteristics occasioned with dropout and repeaters in the mist of meager allocation, however, appears to be in need of insurance policies intervention at a massive scale through appropriate integration into the national educational policy. This would insure the future of a child's education. According to Oluoma (2014), certain insurance policies which have been in operation, though not quite acceptable has been offered to suit the need of the educational system. Some of these policies among others include:

*Family income benefit:* This policy operates a very cost effective programme designed for the protection of family. The sum assured is payable as tax free income accruing from the date of death to the end of the selected term. A parent can acquire a policy for his family if the survival of the family and children education is dependent on his or her income. The policy provides a sum payable on death within the term (Oluoma, 2014). However, on the event of death of the policy holder, the benefit is payable to the family of the policy holder. These benefits can cover children's tuition, depending on the riders chosen along with policy. Such rider has the ability to finance the education of the children with clear benefit of preventing premature withdrawal of children from school due to death of benefactor or major income earner.

*Childs deferred assurance:* This policy is affected by a parent or grandparent to provide a cash sum (with profit or without profit) when the child reaches the age of 18 or 21. In lieu of the cash sum valuable options are available to the child to affect a new whole life or endowment with insurer on advantageous terms and without medical evidence or as case may be (Oluoma, 2014). The essence of the policy ensures a future for the child's education without presence of the parents. The child's educational future at a selected time can be enforced at selected date of policy maturation. The contracts are relatively cheap, where the child avails himself of the conversion option because of his relatively young age.

The policy may be combined with options of covering a particular level of education.

*School fees policy:* School fees policy is a contract made to cover the education of a child. It may be selected to cover a particular level of education. it covers the risk of dropout and premature withdrawal that are not occasioned by relocation of parents or family of the child to a different location, far from the school, but by death of a parent. A firm or any organization that awards a scholarship to students may take a policy that covers the scholarship scheme, and cash sum will be paid to the institution for continuity of scholarship programme on the event of liquidation of such organization. However, other insurance policy includes:

*Long term disability insurance:* In long term disability insurance, Onuoha (2015) reported that the prospect of long-time disability is so frightening that some people simply choose to ignore it. While we all hope that "nothing will happen to us" relying on hopes to protect the future earning power is simply not a good idea. Choosing a disability policy would be able to provide enough coverage to the policy holder on the event of disability or death, the parent who is on such policy would be able to continue to fund their children's education despite their current inability to be active in work or work enough hours to cover tuition and other financial engagement.

*Health insurance policy:* The current rise in cost of medical care is a thing of concern and therefore makes health insurance a necessity to everyone. This is because getting quality health service will usually affect the family purse adversely especially in critical health conditions that demands special attentions. In this case, a health insurance policy holder would be able to cover such expensive in the event of such occurrence. Such policy can be provided to cover a student(s) by parent or government to ensure that such expenses does not lead to bankruptcy of parents, leading to the premature withdrawal of student.

There are lined up policies to suit education, however, some of the policy is dependent on the sum assured and the workability of the payout. Various modifications can be done to suit a policy holder depending on whether they are to pay a sum assured that applies regardless of how long the premium contribution have been made before an incidence or before death of policy holder. It is from this backdrop, that the school administrators are required to find out and be aware of the advantages of each educational policy and how it will best protect the interest of the school by ensuring that such educational policy addresses the issue of educational waste. Furthermore, the school administrator through collaborations and consultation can work out modality that meets the need of the school with the insurer. Policy can be design to cover a particular class, level of education etc.

### III. METHODOLOGY

The study adopted the descriptive analytical survey research design. This is because variables in the study were explained in the normal state without manipulation. The population of the study consists of all the 494 approved public senior secondary schools in the 23 Local Government Areas of Rivers State. Stratified random sampling technique was used to determine a sample size of 247 principals, representing 50% of the entire population. Among the 247 school administrators, 145 of them were male and 102 were also female. The selection was done to ensure a fair representation of the entire population. The instrument for data collection was a self developed research questionnaire titled "Educational Insurance Policy Integration Questionnaire

(EIQ)" which was validated by an expert from the department of educational management and also a lecturer from the department of test and measurement in the University of Port Harcourt, Faculty of Education. The instrument was tested to have a reliability coefficient of 0.72 through a test-retest procedure. To ensure the high retrieval of the instrument, the researcher administered the instrument with the help of two trained research assistants. All the questionnaires were retrieved, collated and mean, standard deviation were used to answer the research questions and z-test was used in analyzing the hypotheses at 0.05 alpha level of significance.

### IV. RESULTS

Table 1: Integration of educational policies in school

S/N	Names of insurance policies	Male N=145 1	S.D <sub>1</sub>	Female N=102 1	S.D <sub>2</sub>	Mean Set	Rank order	Decision
1.	Family income insurance	3.2	1.7	3.5	1.8	3.55	1 <sup>st</sup>	Accepted
2.	School fees policy	2.0	1.4	3.1	1.7	2.55	5 <sup>th</sup>	Accepted
3.	Long term disability policy	2.5	1.5	2.8	1.3	2.66	3 <sup>th</sup>	Accepted
4.	Health insurance policy	2.7	1.6	2.5	1.5	2.60	4 <sup>th</sup>	Accepted
5.	House owners insurance	3.4	1.8	3.0	1.9	3.20	2 <sup>nd</sup>	Accepted
		<b>2.76</b>	<b>1.60</b>	<b>2.78</b>	<b>1.64</b>	<b>2.9</b>		

#### Criterion mean

Above 2.5 (Accept)

Below 2.5 (Reject)

In table 1, family income benefit, school fees policy, long term disability insurance and health insurance policy falls above the mean criterion of 2.5 and therefore are accepted to

be the insurance policy that can be integrated to curb educational waste in Rivers State.

Table 2: School administrator's awareness of the insurance educational policy integration in public secondary schools in Rivers State

S/N	Names of insurance policies	(f)	% of level of awareness	Rank order
1.	Family income insurance	240	97.1	1 <sup>st</sup> A
2.	School fees policy	210	85.0	4 <sup>th</sup> A
3.	Long term disability policy	178	72.0	5 <sup>th</sup> A
4.	Health insurance policy	211	85.4	3 <sup>rd</sup> A
5.	House owners insurance	234	94.7	2 <sup>nd</sup> A

N = 247; School administrators are taken to be Aware (A) when f or % is greater than average of 50%.

All the items in table 2 exceeded the 50% benchmark and are informed that the school administrators are aware of family income benefit, child deferred assurance, school fees policy,

long term disability insurance and health insurance policy as the insurance policy that can be integrated to curb educational waste in public secondary schools in Rivers State.

Table 3: Mean, standard deviation and z-test of the difference in the mean ratings of male and female principals on the principalson insurance policy integration in public secondary schools in Rivers State

Variables	N	Df	Mean	SD	z-calculated	z-critical	Remark
Male	145	245	13.8	8	-0.24	1.96	Accept
Female	102		13.9	8.2			

Table 3 showed that the calculated z-value of -0.24 which is less than the critical z-value of 0.96 at 0.05 level of significance, the null hypothesis is therefore not rejected.

#### V. CONCLUSION

The increased drive for innovations and modifications borne out of research has moved individuals and investors from development of organizations that are given to chances to one which are more sustainable. This is because, everyone desires continuity and further expansion investment through employing viable tools from across sectors to better gain control of their business. Therefore, education which is kept operational with lot of financial engagement from government and private individuals which are funded individually or collectively are evident on public private partnership in education. Despite the huge resources invested in education, the types of educational waste prevalent have been identified and ways which insurance policy can be integrated has been identified.

#### Recommendations

Based on the conclusions, the study recommends that:

1. All educational stake holders and the school administrators particularly should collaborate with insurance firms that will design and offer insurance policies that will curb waste in public secondary schools in Rivers State.
2. The school administrators should be educated and made to be aware of the relevance of insurance in curbing educational waste in public secondary schools in Rivers State.

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