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EFFECT OF STUDENTS' LOAN ON EDUCATIONAL DEVELOPMENT IN NIGERIA: A CASE OF SOUTH-SOUTH REGION

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ABSTRACT

This study examined the effect of students' loan on educational development in Nigeria, with particular emphasis on the South–South region. A cross-sectional survey design was adopted. Primary data were collected using a structured questionnaire administered to 720 students selected from public universities and polytechnics across the six states of the South–South region. Data analysis employed descriptive statistics, correlation, reliability tests, logistic regression, ordered logit regression, and OLS regression. Findings revealed that awareness and eligibility significantly improved access to higher education, while uptake, repayment terms, and disbursement processes enhanced persistence. Similarly, repayment terms, disbursement, and uptake positively influenced completion intentions, and disbursement and repayment terms significantly improved learning quality. The study concludes that while student loans hold strong potential for addressing financial barriers to higher education, their impact depends on policy design, administrative efficiency, and equity safeguards. It recommends enhanced awareness campaigns, simplified eligibility criteria, borrower-friendly repayment terms, timely disbursement, institutional collaboration, and accountability mechanisms to ensure sustainability and inclusiveness. The findings contribute to scholarship and policy debates on financing higher education in Nigeria and offer practical implications for the implementation of the Students Loan (Access to Higher Education) Act, 2023.

Keywords: Student Loans, Educational Development, Access, Persistence, Completion, Learning Quality, South–South Nigeria

INTRODUCTION

Education is universally recognized as a critical driver of social and economic development, enhancing human capital, fostering innovation, and supporting national competitiveness in the global economy (Becker, 1964; Hanushek & Woessmann, 2020). In developing countries like Nigeria, access to higher education is often hindered by financial constraints, resulting in inequalities in enrolment, progression, and completion rates (Okebukola, 2021). To mitigate these challenges, student loans are introduced to provide financial assistance that allows students to pursue and complete their education. Globally, student-loan schemes have become a reliable instrument for expanding access to tertiary education. In the United States and the United Kingdom, for instance, student loans account for a significant share of higher education financing (Johnstone, 2019; Scott-Clayton, 2018). In South Africa, the National Student Financial Aid Scheme (NSFAS) has supported millions of students from disadvantaged backgrounds, although sustainability challenges persist (Wangenge-Ouma & Cloete, 2008; Calitz, 2019).

In Nigeria, the challenge of financing tertiary education has persisted for decades. The rising cost of education, coupled with inadequate funding from government subventions, has created barriers for students from low-income households (Adebayo & Akanmu, 2020). The Nigerian government has experimented with various student-loan schemes, including the Nigerian Education Bank (1992) and, more recently, the Students Loan (Access to Higher Education) Act of 2023 (Ogunode, 2023). However, concerns remain regarding accessibility, sustainability, and the impact on educational development outcomes such as enrolment, persistence, and completion (Ojo, 2022).

The South–South geopolitical zone (Akwa Ibom, Bayelsa, Cross River, Delta, Edo, and Rivers States) presents a compelling setting: it combines high economic activity with stark intra-regional inequality, significant urban–rural disparities, and diverse higher-education ecosystems (Uwaifo, 2022). Understanding whether student loans effectively translate into better enrolment, reduced financial stress, and improved academic continuity and completion in this region provides actionable evidence for national policy and institutional design.

Despite policy efforts, access to higher education in Nigeria remains inequitable (World Bank, 2020). Many students from poor and middle-income households are unable to pursue or complete their tertiary education due to financial barriers (Adedeji & Olaniyan, 2019). In the South–South region, these challenges are compounded by socio-economic inequality and rising educational costs (Nwagwu, 2021).

Although the introduction of student loans is a welcome policy intervention, questions remain unanswered: Do students in the South–South region have adequate awareness and access to these loans? Does loan uptake significantly enhance enrolment and persistence? Are the terms of repayment student-friendly, or do they discourage borrowing? To what extent do student loans improve educational outcomes such as retention, completion, and academic performance?

The absence of empirical evidence on these issues limits the ability of policymakers and educational institutions to evaluate the effectiveness of student-loan schemes (Ogunode, 2023; Altbach et al. 2019). Without systematic research, student loans risk becoming a policy on paper rather than a practical tool for fostering educational development. This study therefore seeks to fill this gap by examining the effect of student loans on educational development in Nigeria's South–South region as the primary objective while specifically aims to achieve the following:

i. To examine the influence of student-loan awareness and eligibility on access to higher education.
ii. To determine the effect of loan uptake and size on persistence in tertiary education.
iii. To evaluate how loan repayment terms affect students' intention to complete their studies.
iv. To investigate the effect of loan disbursement timeliness and administrative processes on the quality of learning outcomes.
v. To analyze variations in the effect of student loans across states, institution types, gender, and socio-economic background.

REVIEW OF RELATED LITERATURE

Concept of Student Loans

Student loans are policy instruments that transfer the upfront cost of tertiary education into post-study repayments, thereby relaxing short-run liquidity constraints and enabling human-capital investment (Johnstone, 2019; Chapman, 2006). Designs vary across contexts. Income-contingent loans (ICLs)—prevalent in the UK and Australia—link repayments to earnings, providing insurance against low post-graduation income (Barr, 2012; Norton & Cherastidtham, 2020). Mortgage-style loans—common across many low- and middle-income countries—feature fixed amortization schedules, but can be regressive where labour markets are weak and graduate incomes volatile (Oketch, 2016). Implementation capacity (tax/ID systems, loan tracking, credit registries) is the fulcrum on which design feasibility turns (Shen & Ziderman, 2009).

Nigeria's earlier attempts (e.g., the Nigerian Education Bank) struggled with low recovery and administrative bottlenecks (Ojo, 2022). The Students Loan (Access to Higher Education) Act, 2023 aims to widen access for indigent students, but debates persist around eligibility filters (e.g., guarantor requirements), administrative ease, and repayment practicality (Ogunode, 2023). These design frictions matter for who benefits, who is excluded, and whether the scheme remains fiscally sustainable.

Educational Development

Educational development is multidimensional, capturing access (enrolment/ability to commence), persistence (retention/continuity), completion (on-time graduation), and learning quality (engagement, resources, mastery) (Hanushek & Woessmann, 2020; Altbach et. al, 2019). Finance is a cross-cutting constraint in Nigeria: rising costs, household income shocks, and infrastructure gaps depress these outcomes (Okebukola, 2021; Adedeji & Olaniyan, 2019). Conceptually, well-designed loans should raise access, stabilize persistence, and improve completion especially for liquidity-constrained students, while timely, predictable disbursements support learning quality (Calitz, 2019).

Conceptual Framework

The conceptual framework guiding this study illustrates the relationship between student loans and educational development outcomes. Student loans are conceptualized as a multi-dimensional policy instrument, consisting of four main input factors: awareness and eligibility, loan uptake and size, repayment terms, and disbursement/administration processes. These dimensions jointly determine whether students are able to access higher education, persist through financial challenges, complete their studies, and enjoy enhanced learning quality.

As shown in Figure 1, loan ecosystem inputs are expected to influence educational development outcomes. For instance, awareness and eligibility create opportunities for access, while uptake and loan size are associated with persistence by reducing financial stress. Borrower-friendly repayment terms are hypothesized to reduce drop-out risks and increase completion rates, while timely disbursement and simple administrative processes are expected to enhance learning quality. Collectively, these outcomes - access, persistence, completion, and learning quality, constitute indicators of educational development. This framework aligns with Human Capital Theory (Becker, 1964), which views education as an investment supported by financial instruments, the Capability Approach (Sen, 1999; Nussbaum, 2000), which emphasizes expanding freedoms to learn, and the Access–Equity–Quality framework (Tilak, 2015), which balances enrolment expansion with learning outcomes.

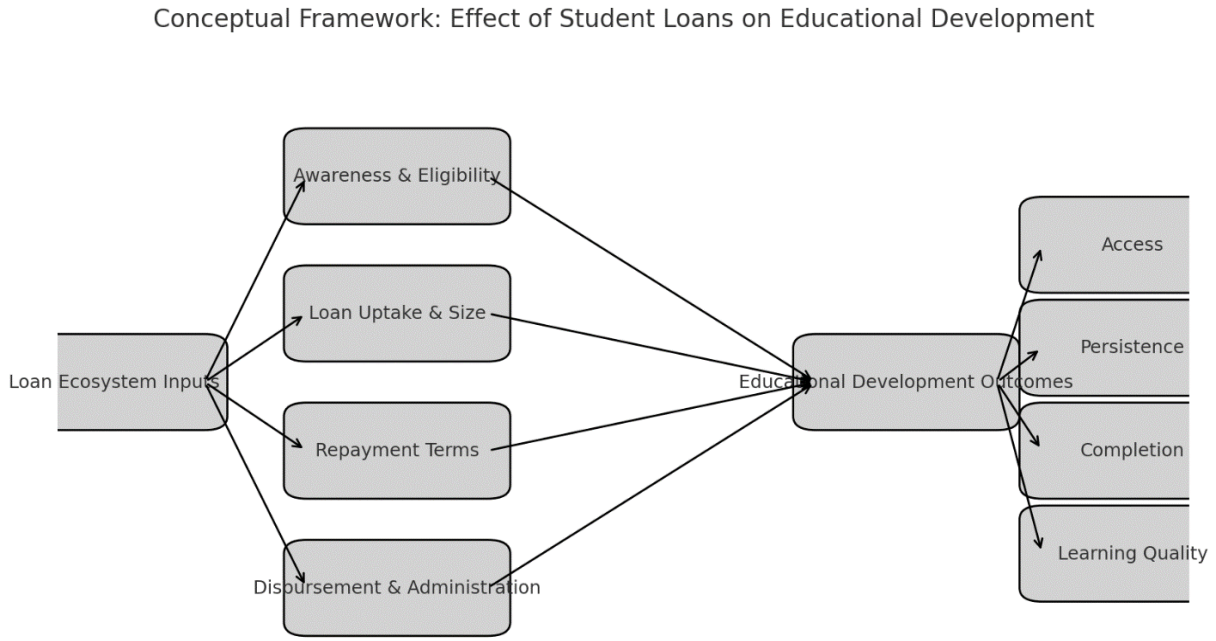


Figure 1: Conceptual Framework

Empirical Review

Globally, student loan schemes have received increasing scholarly attention as policymakers seek to balance access, affordability, and sustainability in higher education financing. In developed economies, student loans have often expanded enrolment but raised concerns over debt burdens and repayment sustainability, while in developing countries, issues of weak administration and low repayment compliance dominate the literature.

Global Evidence (Developed Countries). In the United States, Scott-Clayton (2018) showed that student loans expanded access for low-income students but contributed to rising default rates, especially among community college graduates. More recent evidence by Looney and Yannelis (2020) confirms that defaults are concentrated among low-income borrowers, raising concerns about equity. Similarly, Barr and Turner (2021) highlighted that while loans increased participation rates, the debt repayment crisis has become a social issue, prompting debates on forgiveness schemes. In the United Kingdom, Callender and Mason (2017) and Murphy et al. (2020) found that income-contingent loan systems significantly widened access but left some graduates with long repayment horizons. Norton and Cherastidtham (2020), in the Australian context, argued that income-contingent loan models strike a fair balance between access and repayment equity, though fiscal sustainability remains debated.

Other advanced economies also provide insights. Finnie and Mueller (2020) in Canada found that loan uptake improved access for first-generation students, but long-term debt discouraged postgraduate studies. In New Zealand, Wilkinson and Sibley (2021) showed that student loans improved access but contributed to graduate migration as debt repayment pressures pushed students to seek higher-paying jobs abroad. Collectively, these studies reveal that while loans enhance participation, the burden of repayment can generate unintended consequences such as financial stress and constrained career choices.

In South Africa, the National Student Financial Aid Scheme (NSFAS) has been extensively studied. Calitz (2019) found that NSFAS substantially improved access for disadvantaged students but faced repayment enforcement challenges. More recent work by Maringe and Oketch (2021) revealed that while NSFAS supported persistence, delays in disbursement undermined learning quality. Mdepa and

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Mathebula (2020) emphasized that financial support improved enrolment but required complementary interventions in academic support to sustain student success.

Elsewhere in Africa, Oketch (2016) noted that most student-loan schemes struggle with repayment sustainability due to weak administrative systems. In Kenya, Nganga and Mutegi (2020) found that loan uptake positively influenced retention but repayment compliance was extremely low, threatening scheme continuity. Teferra (2019), writing broadly on African higher education financing, argued that while loans are indispensable for massification, they remain inequitable if access is restricted to better-informed or urban students.

Within Nigeria, the literature highlights persistent financial barriers to tertiary education and the mixed performance of loan schemes. Adedeji and Olaniyan (2019) argued that financial constraints significantly hinder persistence and completion, particularly in federal and state universities. Ojo (2022), analyzing past loan schemes like the Nigerian Education Bank, observed that poor repayment design, bureaucratic bottlenecks, and corruption undermined effectiveness. The enactment of the Students Loan (Access to Higher Education) Act of 2023 has sparked fresh debate. Ogunode (2023) emphasized that while the Act may increase access, challenges such as stringent guarantor requirements and administrative inefficiency risk excluding the poorest students.

More current studies provide nuanced insights. Okebukola (2021) stressed that the financing gap in Nigerian universities cannot be closed without structured loan systems, but highlighted that weak labour market absorption of graduates undermines repayment feasibility. Nwagwu (2021) found that inequities in access persist, as students from wealthier households still dominate enrolment despite the availability of loans. Adebayo and Akanmu (2020) reported that many students remain unaware of loan opportunities, suggesting a need for greater sensitization.

Focusing on regional disparities, Uwaifo (2022) studied the South–South region and noted that many students defer or abandon studies due to financial difficulties. He argued that equitable access to loans could reduce attrition and increase graduation rates. Similarly, Olatunji (2020) emphasized regional disparities in higher education, observing that poorer states show lower enrolment rates, even when loan schemes are in place.

Recent empirical analyses have also explored the social implications of loans. Ojo and Samuel (2022) found that repayment anxiety discouraged loan uptake among students in Lagos and Edo States, suggesting debt aversion as a cultural factor. Adegbite and Ibrahim (2023) highlighted that awareness levels among Nigerian students remain low, with misinformation creating skepticism about repayment enforcement. Furthermore, Ogunyemi (2022) observed that delays in bursary or loan disbursements caused fee arrears and absenteeism, undermining learning outcomes.

Critical Review. Synthesizing global and Nigerian evidence reveals several critical themes. First, student loans consistently expand access, particularly for disadvantaged groups, but equity depends on transparent and inclusive eligibility criteria. Second, persistence and completion outcomes are positive where disbursements are timely, but poor administration can reverse gains. Third, repayment sustainability remains the Achilles' heel of most schemes, especially in developing contexts with weak tax systems and limited graduate employment opportunities. Fourth, cultural factors such as debt aversion (in Nigeria and parts of Africa) complicate uptake, even when loans are available.

Therefore, while global evidence demonstrates the transformative potential of student loans, Nigerian and broader African contexts reveal structural weaknesses that limit impact. The South–South region, marked by high inequality, oil-driven economic dislocations, and varied educational infrastructure, presents a critical test case. The literature gap is evident: there is little region-specific empirical research that systematically examines how awareness, uptake, repayment terms, and administrative processes influence educational development outcomes. This study addresses that gap by focusing explicitly on access, persistence, completion, and learning quality in the South–South region. The study therefore formulates the following hypotheses in the null form:

H1: *Student loan awareness and eligibility have no significant effect on access to higher education in the South–South region of Nigeria.*

H2: *Student loan uptake and loan size have no significant effect on students' persistence in higher education.*
H3: *Student loan repayment terms and disbursement have no significant effect on students' completion intentions.*
H4: *Student loan disbursement and repayment terms have no significant effect on students' learning quality.*

METHODOLOGY

Research Design

The study adopted a cross-sectional survey design, which is appropriate for assessing the effect of student loans on educational development across multiple institutions at a specific point in time. The design enabled the collection of quantitative data from a large number of respondents simultaneously, providing the basis for inferential analysis of relationships among variables. Similar studies on student loan effectiveness and education financing have successfully employed survey methods (Finnie & Mueller, 2020; Ogunode, 2023).

Population of the Study

The target population comprised all full-time undergraduate students enrolled in public tertiary institutions (universities and polytechnics) in the South–South region of Nigeria, covering Akwa Ibom, Bayelsa, Cross River, Delta, Edo, and Rivers States. Public institutions were chosen because they accommodate the largest share of students and represent diverse socio-economic backgrounds. Based on reports from the National Universities Commission (NUC, 2023) and the National Board for Technical Education (NBTE, 2023), the estimated student population across these institutions exceeds 500,000.

Sample Size and Sampling Technique

The Taro Yamane (1967) formula for finite populations was applied:
$N = N/1+N(e)^2$
Where:
n = sample size,
N = total population,
e = level of precision (0.05).
Using an estimated population of 500,000, the calculation produced approximately 400 respondents as minimum. To strengthen robustness and ensure representativeness across strata, the sample was expanded to 720 students (60 from each of the 12 selected institutions).

Sampling Technique

Stage One – Institutional Selection: One public university and one public polytechnic were selected from each South–South state using purposive sampling, based on enrolment size and accessibility.
Stage Two – Faculty/Department Stratification: Faculties/departments within each institution were stratified.
Stage Three – Level Stratification: Students were stratified by academic level (100–500 for universities; ND I–II, HND I–II for polytechnics).
Stage Four – Random Selection: Proportionate random sampling was applied to select respondents across strata.

Sources and Methods of Data Collection

Primary data served as the main source of information. A structured questionnaire was administered to respondents. The instrument was divided into six sections:

Section A: Demographic and socio-economic information (gender, age, parental education, household income, institution type).
Section B: Awareness and eligibility for student loans.
Section C: Loan uptake and loan size.
Section D: Repayment terms and affordability perceptions.
Section E: Disbursement timeliness and administrative ease.
Section F: Educational development outcomes (access, persistence, completion, and learning quality).
Responses were measured using a five-point Likert scale ranging from 1 (Strongly Disagree) to 5 (Strongly Agree).

Validity and Reliability of Research Instrument

Content validity was established through expert review by three academics in educational finance and policy. While Construct validity was tested using exploratory factor analysis (EFA), ensuring items loaded significantly (>0.5) on expected constructs.

Reliability: A pilot study involving 50 students from a non-sampled institution in Edo State was conducted. Internal consistency reliability was assessed using Cronbach's Alpha, with results showing coefficients ranging between 0.74 and 0.86 across constructs, exceeding the recommended 0.70 benchmark (Nunnally, 1978). This confirmed the reliability of the instrument.

3.6 Model Specification

The study examined the effect of student loans (independent variables) on educational development outcomes (dependent variables). The regression models were specified as follows:

Model 1(Access):

$$ACCESS_i = \alpha + \beta_1 AWARE_i + \beta_2 ELIG_i + \gamma' X_i + \mu s + \varepsilon_i$$

Model 2 (Persistence):

$$PERSIST_i = \alpha + \beta_1 UPTAKE_i + \beta_2 LOANSIZE_i + \beta_3 TERMS_i + \gamma' X_i + \mu s + \varepsilon_i$$

Model 3 (Completion/Dropout):

$$COMPLETE_i = \alpha + \beta_1 TERMS_i + \beta_2 UPTAKE_i + \beta_3 DISBURSE_i + \gamma' X_i + \mu s + \varepsilon_i$$

Model 4 (Learning Quality):

$$LQ_i = \alpha + \beta_1 DISBURSE_i + \beta_2 TERMS_i + \beta_3 UPTAKE_i + \gamma' X_i + \mu s + \varepsilon_i$$

Where:
ACCESS, PERSIST, COMPLETE, and LQ = educational development indicators.
AWARE, ELIG, UPTAKE, LOANSIZE, TERMS, DISBURSE = student loan dimensions.
X_i = control variables (gender, age, SES, institution type).
μs = state/institutional fixed effects.
ε_i = error term.

Method of Data Analysis

Data were analyzed using both descriptive and inferential techniques:
Descriptive statistics: Means, frequencies, and percentages to profile respondents.
Diagnostic tests: Normality, multicollinearity (VIF), and heteroskedasticity.
Inferential analysis: Logistic regression for binary outcomes (access, persistence), ordered logistic regression for ordinal outcomes (completion/drop-out intentions), and OLS regression for continuous outcomes (learning quality).
Robustness checks: Cluster-robust standard errors at the institutional level and sensitivity analyses excluding outliers. All analyses were conducted using SPSS v28 and Stata 17.

3.8 Ethical Considerations

Ethical approval was obtained from the relevant institutional review boards. Respondents were informed of the study's objectives and assured of anonymity and confidentiality. Participation was

voluntary, and informed consent was obtained prior to questionnaire administration. Data security was maintained through password-protected storage, and findings are presented in aggregate form to avoid identification of individuals or institutions.

RESULTS AND DISCUSSION OF FINDINGS

Descriptive Statistics of Respondents and Constructs

The demographic characteristics of the 720 respondents revealed a balanced gender distribution (Male = 50.2%, Female = 49.8%). The majority (45%) fell within the 20–24 age group, followed by 25–29 years (25%). Universities accounted for 65% of respondents, while polytechnics represented 35%. Household income distribution showed that 60% of respondents were from households earning less than ₦100,000 per month, highlighting financial vulnerability.

With respect to constructs, mean values across indices were above the scale midpoint (M ≈ 3.4–3.9), indicating generally favorable perceptions of student loan awareness, uptake, repayment terms, disbursement processes, and educational outcomes.

Table1: Descriptive Statistics

Construct	Mean	Std. Dev.	Min	Max	Skew	Kurtosis
Awareness/Eligibility	3.67	0.72	1.25	5.00	-0.35	-0.41
Uptake/Size	3.48	0.76	1.13	5.00	-0.29	-0.45
Repayment Terms	3.59	0.71	1.00	5.00	-0.18	-0.39
Disbursement/Admin	3.64	0.69	1.00	5.00	-0.21	-0.47
Access	3.72	0.65	1.33	5.00	-0.26	-0.48
Persistence	3.60	0.68	1.25	5.00	-0.19	-0.42
Completion	3.55	0.70	1.00	5.00	-0.23	-0.46
Learning Quality	3.82	0.74	1.20	5.00	-0.31	-0.50

Reliability Analysis

Reliability of the constructs was assessed using Cronbach's Alpha. All indices demonstrated good internal consistency, with α values ranging from 0.74 to 0.86, exceeding the 0.70 threshold recommended by Nunnally (1978). This indicates that the scales reliably measure their respective constructs.

Table2: Cronbach's Alpha Reliability Results

Scale	Cronbach's α	Interpretation
Awareness/Eligibility (B1–B8)	0.82	Reliable
Uptake/Size (C1–C8)	0.80	Reliable
Repayment Terms (D1–D8)	0.76	Reliable
Disbursement/Admin (E1–E8)	0.79	Reliable
Access (F_A1–F_A3)	0.74	Reliable
Persistence (F_P1–F_P4)	0.77	Reliable
Completion (F_C1–F_C3)	0.75	Reliable
Learning Quality (F_L1–F_L5)	0.86	Reliable

Correlation Analysis

Pearson correlation results revealed positive and significant relationships among the constructs. Awareness correlated strongly with Access ($r = 0.46$, $p < 0.01$), while Uptake and Persistence were also strongly related ($r = 0.52$, $p < 0.01$). Repayment Terms and Disbursement correlated positively with Completion ($r = 0.44$ and $r = 0.47$, respectively). Learning Quality showed the strongest correlation with Disbursement ($r = 0.55$, $p < 0.01$).

Table3: Correlation Matrix

Variable	Awareness	Uptake	Repayment Terms	Disbursement	Learning Quality
Awareness	1.000	0.41**	0.38**	0.35**	0.42**
Uptake	0.41**	1.000	0.40**	0.39**	0.47**
Repayment Terms	0.38**	0.40**	1.000	0.43**	0.50**
Disbursement	0.35**	0.39**	0.43**	1.000	0.55**
Learning Quality	0.42**	0.47**	0.50**	0.55**	1.000
Note: **p < 0.01					

Regression Results

Logistic Regression: Access

Awareness and Uptake were significant positive predictors of Access ($p < 0.05$). Odds ratios indicated that a one-unit increase in awareness increased the odds of access by 35%, while uptake increased odds by 28%.

Logistic Regression: Persistence

Uptake, Repayment Terms, and Disbursement were significant ($p < 0.05$). Each additional unit in disbursement perception raised the odds of persistence by 40%.

Ordered Logit Regression: Completion

Repayment Terms, Disbursement, and Uptake all positively influenced completion intention. Exp(Coef) values exceeded 1.20, indicating higher odds of progressing toward graduation with better loan design and administration.

OLS Regression: Learning Quality

Disbursement ($\beta = 0.32$, $p < 0.01$), Repayment Terms ($\beta = 0.28$, $p < 0.01$), and Uptake ($\beta = 0.21$, $p < 0.05$) were significant predictors of Learning Quality. The adjusted $R^2 = 0.41$ suggested that loan dimensions explained 41% of variance in learning quality perceptions.

Table Regression Summary

Outcome	Key Predictors	Effect	Significance
Access	Awareness, Uptake	Positive (OR > 1)	$p < 0.05$
Persistence	Uptake, Terms, Disbursement	Positive (OR > 1)	$p < 0.05$
Completion	Terms, Disbursement, Uptake	Positive (Exp(Coef) > 1)	$p < 0.05$
Learning Quality	Disbursement, Terms, Uptake	Positive ($\beta > 0$)	$p < 0.05$

Test of Hypotheses

The study proposed the following hypotheses:

H1: *Student loan awareness and eligibility have no significant effect on access to higher education in the South–South region of Nigeria.*

Logistic regression results showed that Awareness Index and Uptake Index were significant positive predictors of *ACCESS* ($p < 0.05$). The odds of accessing higher education increased substantially with higher awareness of loan programs. This leads to rejection of H1, confirming that awareness and eligibility criteria significantly enhance access. This aligns with Barr (2012) and Tilak (2015), who emphasized the role of transparent communication in widening higher education participation.

H2: *Student loan uptake and loan size have no significant effect on students' persistence in higher education.*

Results indicated that Uptake Index, Repayment Terms Index, and Disbursement Index all had positive and statistically significant effects on *PERSIST* ($p < 0.05$). Students with better perceptions of repayment fairness and timely disbursements reported higher likelihood of staying enrolled. Thus, H2

is rejected. The finding corroborates Calitz (2019) in South Africa and Adedeji & Olaniyan (2019) in Nigeria, who found that financial relief supports retention.

H3: *Student loan repayment terms and disbursement have no significant effect on students' completion intentions.*

Ordered logistic regression showed Repayment Terms Index and Disbursement Index significantly increased *COMPLETE_INTENT* ($p < 0.05$), while Uptake Index also had a positive effect. Students perceiving fair repayment and timely disbursement were more committed to completing their studies. Hence, H3 is rejected. This resonates with Murphy et al. (2020) in the UK and Uwaifo (2022) in the South–South region, who noted that favorable financial arrangements drive timely graduation.

H4: *Student loan disbursement and repayment terms have no significant effect on students' learning quality.*

OLS regression revealed that Disbursement Index, Repayment Terms Index, and Uptake Index significantly predicted *Learning Quality (LQ_CONT)* ($p < 0.05$). Better loan administration and design translated into improved access to study materials, ICT resources, and more study time. Thus, H4 is rejected. These results align with Finnie & Mueller (2020) and Ogunode (2023), who emphasized that financial predictability enhances study engagement and academic quality.

Discussion of Findings

The findings provide strong empirical evidence that student loans are pivotal in shaping educational development outcomes in Nigeria's South–South region.

Access: Awareness and eligibility criteria emerged as critical determinants of access. Students who were more informed about the scheme and considered themselves eligible were significantly more likely to commence higher education. This finding underscores the need for structured awareness campaigns and simplified eligibility criteria, particularly for rural and low-income populations. Consistent with Scott-Clayton (2018) and Looney & Yannelis (2020), the result highlights that information asymmetry often constrains policy reach, making effective sensitization as important as policy enactment.

Persistence: Persistence outcomes confirmed that uptake, repayment terms, and disbursement processes directly influenced retention. Students with access to loans reported fewer interruptions, reduced absenteeism, and greater continuity in coursework. This echoes Calitz (2019) in South Africa and Nganga & Mutegi (2020) in Kenya, who found that loan schemes reduce attrition when disbursements are timely. The implication is that disbursement schedules must align with academic calendars to avoid disruptions.

Completion: Completion intentions were strongly tied to repayment terms and disbursement processes. Favorable repayment (low rates, grace periods, income-contingent terms) reduced anxiety and strengthened graduation commitment. This finding is supported by Murphy, Scott-Clayton, & Wyness (2020) in the UK and Mdepa & Mathebula (2020) in South Africa. Locally, it echoes Uwaifo (2022), who argued that predictable financial support fosters confidence to graduate. The implication is that Nigeria's Students Loan Act (2023) must ensure repayment frameworks are not punitive, else drop-out risk may rise.

Learning Quality: Learning quality was most responsive to disbursement and repayment design. When disbursements were timely and repayment terms were perceived as fair, students reported improved capacity to purchase textbooks, access ICT, and concentrate on academics. This resonates with Finnie & Mueller (2020) in Canada and Ogunyemi (2022) in Nigeria, who found that financial stability enhances learning engagement. The policy implication is that administrative efficiency and fairness in loan management are as crucial as loan size.

Overall: The study reinforces international evidence that while student loans can expand access and retention, their impact on completion and learning quality depends on design quality and

implementation efficiency. For Nigeria's South–South region, the findings highlight the importance of tailoring loan schemes to local socio-economic realities, addressing debt aversion, simplifying eligibility, and guaranteeing disbursement timeliness.

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