



An Economic Analysis of Examination Malpractice in Senior Secondary Schools: A Principal-Agent and Rent-Seeking Perspective Based on the Lived Experiences of Quality Assurance Leaders in Northwestern Nigeria

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Abstract:

Examination malpractice is a persistent phenomenon that undermines the integrity of the educational system and labor market in Nigeria, representing a form of market failure in signaling human capital quality. This phenomenological qualitative study analyzes the lived experiences of nine quality assurance leaders responsible for monitoring the Senior Secondary Certificate Examination (SSCE) in Northwestern Nigeria. Through in-depth interviews and thematic analysis, the study identifies malpractice mechanisms as opportunistic behaviors driven by economic incentives and social pressures, involving both internal and external agents within a principal-agent problem framework. Findings suggest that malpractice represents rent-seeking behavior triggered by the overemphasis on certificates as labor market signals (signaling theory), exacerbated by infrastructural deficiencies that increase compliance costs. The study recommends policy interventions focused on restructuring incentive systems through stronger legal enforcement, leveraging technology to reduce information asymmetries in supervision, and shifting social focus from formal credentials to actual competencies to improve the efficiency of education and labor markets

Keywords: Economics of Education, Examination Malpractice, Principal-Agent Theory, Rent-Seeking, Quality Assurance, Nigeria

INTRODUCTION

Academic examination malpractice is a global issue with significant economic implications, particularly in developing countries such as Nigeria. It can be analyzed as a form of market failure within the education sector, where information regarding graduates' quality becomes distorted (Spence, 1973). Compromised assessment integrity not only undermines the credibility of educational institutions but also leads to inefficiencies in the allocation of human resources in the labor market (Arrow, 1973). Malpractice diminishes the signaling value of academic qualifications, complicating employers' efforts to identify genuinely competent candidates (Stiglitz, 1975). Moreover, such practices can be seen as micro-level corruption, eroding social capital and trust (Rose-Ackerman, 1999).

The context of Northwestern Nigeria, particularly regarding the implementation of the Senior Secondary Certificate Examination (SSCE), presents a relevant case study of how examination malpractice manifests. The economic costs of malpractice are both direct—such as wasted resources on ineffective supervision—and indirect, notably the long-term degradation of aggregate human capital quality (Becker, 1964). This decline negatively affects national productivity and long-term economic growth (Hanushek & Woessmann, 2008). Furthermore, malpractice may deepen social inequality, as access to cheating methods often correlates with socioeconomic status, creating further distortions in social mobility (Psacharopoulos & Patrinos, 2018). Institutional and infrastructural challenges in the region further complicate mitigation efforts (Acemoglu & Robinson, 2012).

Several economic theories provide useful frameworks for explaining the dynamics of examination malpractice. The Principal-Agent Theory (Jensen & Meckling, 1976) helps in

understanding the misalignment between the interests of examination authorities (principals) and those of agents (supervisors or teachers), who may engage in collusion with students. Malpractice can also be viewed as rent-seeking behavior, where individuals or groups attempt to capture unearned economic benefits (such as undeserved certificates) without contributing productively (Krueger, 1974). Signaling Theory (Spence, 1973) explains why certificates are highly valued, even when fraudulently obtained, because they function as labor market signals in an environment characterized by information asymmetry (Akerlof, 1970).

Quality Assurance Leaders act as micro-regulators in this system and face significant challenges in enforcing rules and minimizing opportunistic behaviors. Their roles are burdened by high monitoring costs and imperfect information about agents' (students, supervisors, school officials) actions (Shapiro, 1987). Economic incentives—both monetary (e.g., bribes) and non-monetary (e.g., social pressure to 'assist' relatives or community members)—often motivate various actors to either facilitate or engage in malpractice (Benabou & Tirole, 2006). These factors create an environment where the perceived costs of malpractice are often lower than the expected benefits, encouraging rational (individual) but socially dysfunctional behavior (Becker, 1968).

Despite the acknowledged economic impact of examination malpractice, in-depth understanding of its operational mechanisms, underlying incentives, and the perceptions of key actors—particularly quality assurance leaders—through an economic lens remains limited, especially using qualitative approaches. This study aims to address that gap by exploring the lived experiences of quality assurance leaders in Northwestern Nigeria through a phenomenological lens. By examining their perceptions regarding the forms, facilitators, root causes, and enforcement challenges from an economic perspective (incentives, costs, risks), this research seeks to provide insights for designing more effective policy interventions. The article proceeds with a discussion of the research methodology, followed by the findings and their integration with economic theory, and concludes with policy recommendations. (Creswell & Poth, 2018; Yin, 2014)

METHOD

This study adopts a qualitative research approach with a phenomenological design to deeply explore the essence of quality assurance leaders' lived experiences concerning SSCE examination malpractice in Northwestern Nigeria. This approach is chosen for its capacity to capture the complex nuances of human behavior, motivations, perceptions of incentives, and socio-economic contexts that are often difficult to quantify (Merriam & Tisdell, 2016). The focus on "lived experiences" enables the researcher to understand how participants interpret and ascribe meaning to malpractice events, including their implicit calculations of costs, benefits, and risks for different actors within the system (Van Manen, 1990). Nine quality assurance leaders were purposively selected as participants based on their direct experience in supervising SSCE examinations in the study region, ensuring rich and relevant insights.

Primary data collection was conducted through face-to-face semi-structured interviews. The flexible nature of the interview guide allowed for in-depth exploration of topics while giving participants room to steer the narrative based on their unique experiences (Kvale & Brinkmann, 2009). Questions were designed to elicit participants' perceptions regarding the forms of malpractice, the actors involved (internal and external), driving factors (including economic incentives and social pressures), oversight challenges (monitoring costs, personal risks), and the effectiveness of existing enforcement mechanisms. All interviews were audio-recorded with participants' consent and transcribed verbatim. Transcripts were

analyzed using thematic analysis to identify recurring patterns, themes, and meaning categories related to economic concepts such as incentives, costs, risks, information asymmetry, and rent-seeking behavior (Braun & Clarke, 2006).

RESULTS AND DISCUSSION

Findings from in-depth interviews with nine quality assurance (QA) leaders reveal a complex and deeply rooted landscape of examination malpractice embedded within the socio-economic system of Northwestern Nigeria. Thematic analysis generated several core themes that can be interpreted through an economic lens.

Participants consistently reported that examination malpractice is a widespread and multifaceted practice, ranging from traditional methods (e.g., cheating, bringing unauthorized notes) to more organized strategies involving collusion among students, invigilators, and even certain school officials. The emergence of technology (e.g., smartphones) was also reported as a new facilitator. From an economic perspective, the diversification of these methods reflects “innovation” within illegal practices as a response to surveillance efforts, mirroring dynamics within black markets where actors seek to minimize detection risk while maximizing outcomes (i.e., obtaining certificates).

Analysis of participants' experiences identified the existence of an informal “market” for cheating services. Internal agents (teachers, principals, invigilators) and external agents (parents, “exam brokers”) act as facilitators or “suppliers” of malpractice services. The primary motivation reported was financial incentives (e.g., bribes, payments for “assistance”), clearly portraying cheating as a rent-seeking activity. Social pressure and patronage networks also played a role, serving as powerful non-monetary incentives. This aligns with principal-agent theory, in which agents (invigilators, teachers) have personal incentives (financial or social) that conflict with the goals of the principal (the examination authority/state) to uphold exam integrity.

On the “demand” side, participants emphasized the immense social pressure placed on students and families to obtain the Senior Secondary Certificate Examination (SSCE). The certificate is perceived as a key to social mobility and access to higher education or formal employment, giving it high signaling value in the labor market (Spence, 1973). When legitimate pathways are perceived as too difficult or costly (e.g., due to poor teaching quality or lack of learning resources), demand for alternative routes (i.e., cheating) increases. This suggests that excessive emphasis on formal credentials, without regard to the process of acquisition or actual competence, creates strong incentive distortions.

QA leaders (micro-regulators) described significant challenges in carrying out their duties. Monitoring costs were reported as high—not only in terms of resources but also in terms of personal risk (e.g., intimidation, threats). Information asymmetry was a major issue; they often struggled to obtain concrete evidence of organized or high-level collusion-based malpractice. Limited resources for oversight (personnel numbers, operational funding) rendered the scope and intensity of monitoring inadequate, reducing the perceived probability of being caught and thus lowering the expected cost of cheating for perpetrators (Becker, 1968).

Technology, particularly mobile phones and the internet, was reported to have a dual role. On one hand, it facilitates more sophisticated and harder-to-detect forms of cheating (e.g., real-time answer sharing). On the other hand, participants saw potential in technology as a tool for enhancing surveillance (e.g., CCTV in exam halls, digital plagiarism detection systems), which could reduce per-unit monitoring costs and improve enforcement

effectiveness, although implementation remains constrained by cost and infrastructure limitations.

Participants highlighted deeper systemic issues, including inadequate educational infrastructure (e.g., classrooms, laboratories, textbooks), inconsistent teacher quality, and potentially irrelevant curricula. These conditions increase the real costs for students to succeed legitimately, making cheating a relatively more attractive alternative. Institutional weaknesses in law enforcement and inconsistent or insufficiently severe sanctions also contribute to the persistence of the problem, undermining deterrence effects.

Overall, the experiences of QA leaders portray examination malpractice as a rational response (from the perspective of individual actors) to the prevailing incentive structures, costs, and risks within Northwestern Nigeria's educational and socio-economic systems. This phenomenon reflects broader issues of educational market failure in signaling reliable quality, acute principal-agent problems, rampant rent-seeking behavior, and institutional weaknesses in regulation and enforcement. These findings highlight the need for interventions that go beyond punitive measures to address underlying incentive structures and systemic reform.

Table 1: Summary of Key Findings and Their Economic Linkages

Main Themes from QA Leaders' Experiences	Findings Description	Related Economic Concepts
Forms and Prevalence of Cheating	Varied methods (traditional, collusion, tech-based); widespread	Market Failure (Information Distortion), Innovation in Illicit Markets
Cheating Market (Facilitators)	Internal & external agents provide cheating services	Rent-Seeking, Principal-Agent Theory (Conflict of Interest)
Perpetrator Incentives	Main motivations: financial (bribes), social pressure, patronage networks	Economic & Non-Monetary Incentives, Opportunistic Behavior
Cheating Demand (Students/Families)	High social pressure; certificate has strong signaling value	Signaling Theory, Illegal Market Demand
Surveillance Challenges	High monitoring costs, personal risk, information asymmetry, limited resources	Transaction Costs, Monitoring Costs, Information Asymmetry, Regulatory Effectiveness
Role of Technology	Facilitates new forms of cheating, potential for enhanced surveillance	Impact of Technology on Legal/Illegal Markets, Cost vs. Effectiveness of Surveillance Tech
Systemic Root Causes	Poor infrastructure, varying education quality, weak institutions and law enforcement	Human Capital Investment, Institutional Quality, Deterrence Effect

CONCLUSION AND RECOMMENDATIONS

Conclusion

This phenomenological study, through the analysis of lived experiences of quality assurance leaders, confirms that examination malpractice in Northwestern Nigeria's secondary schools is a complex and deeply entrenched economic phenomenon. The findings indicate that this practice is not merely an ethical violation but an informal system involving multiple actors responding to economic and social incentives within a context of weak institutions. Cheating functions as a rent-seeking mechanism driven by the high signaling value of certificates in a context marked by labor and education market information asymmetry. Principal-agent problems are evident in collusion between students and complicit invigilators or school officials. High monitoring costs, risks to supervisors, and ineffective sanctions further perpetuate the practice. Systemic failures in providing infrastructure and education quality also contribute by increasing the relative cost of legitimate success.

Recommendations

Based on the findings and economic analysis, several policy recommendations can be formulated:

1. **Restructure Incentive Systems:** Increase the expected cost of cheating through stronger, consistent, and widely publicized sanctions for all parties involved (students, teachers, invigilators, parents). At the same time, implement reward systems for schools or individuals demonstrating high integrity.
2. **Reduce Information Asymmetry and Monitoring Costs:** Strategically deploy technology (e.g., functional CCTV, plagiarism detection software, biometric systems) to enhance surveillance effectiveness and reduce dependency on individual invigilators' integrity. This could lower per-unit monitoring costs over time.
3. **Alleviate Overemphasis on Formal Credentials:** Encourage a societal and labor market shift from credential possession to actual skills and competence assessment. Promote vocational education, performance-based skill certifications, and reform recruitment processes.
4. **Increase Investment in Education Quality:** Improve basic infrastructure, teaching quality, and access to learning resources to lower the real costs of legitimate learning and boost the competitiveness of the honest path.
5. **Strengthen the Capacity and Protection of Micro-Regulators:** Provide training, adequate resources, and legal/physical protection for QA leaders and exam invigilators to enable them to carry out their responsibilities effectively and without fear.

The comprehensive implementation of these recommendations is expected to gradually restore the integrity of the examination system, enhance the signaling quality of academic credentials, and ultimately contribute to the development of a more competent workforce and a more efficient labor market in Nigeria.

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