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COMPARATIVE ANALYSIS OF BUDGETING PRACTICES OF PRINCIPALS FOR ENHACING FINANCIAL MANAGEMENT IN PUBLIC AND PRIVATE SECONDARY SCHOOLS IN ANAMBRA STATE, NIGERIA

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Abstract

The study compared the budgeting practices of principals for enhancing financial management in public and private secondary schools in Anambra State. Two research questions guided the study and two hypotheses were tested at 0.05 level of significance. The research design adopted for the study was descriptive survey. The population of the study comprised 762 respondents made up of 261 public and 501 private secondary school principals in Anambra State. Proportionate stratified sampling technique was utilized to draw a sample size of 534 respondents made up of 183 public and 351 private secondary school principals. The instrument titled ‘‘Principals’ Budgeting Practices for Financial Management Questionnaire (PBPFMQ)’’ was used for data collection. The instrument was validated by three experts and the Cronbach alpha statistical tool which was used to determine its reliability yielded overall coefficient value of 0.80. Mean and standard deviation were used to answer the research questions and the hypotheses were tested using t-test. The findings of the study revealed among others that the principals implement school budget to enhance financial management in public and private secondary schools in Anambra State. It was also found out that there is no significant difference in the budget evaluation practices of principals for enhancing financial management in

public and private secondary schools in Anambra State Based on the findings, it was recommended among others that the Ministry of Education should recruit qualified personnel and post them to secondary schools to evaluate the school budget on regular basis such as: monthly, quarterly or annual basis.

Keywords: Principal, Budgeting, Financial Management, Budget Monitoring, Budget Evaluation

Introduction

Education inculcates in learners the right attitude, moral character and behaviour to live a purpose-driven life and also contributes to development of the society. It is extremely important for improving learners' skills and knowledge to enable them effectively perform their daily activities.Egboka and Olisah (2020) stressed that it is also a crucial medium of acquiring essential knowledge and skills that promote useful living and enable individuals contribute to the development of the society. Education is the basic right of every citizen of a country. Amirize and Ololube (2018) observed that every government owes her citizens basic secondary education as social welfare services. The provision of secondary education requires adequate funding of the school organization. The funds allocated and available to the school system are limited in supply and this makes it imperative for principals as the chief executive officer of secondary schools to ensure adequate financial management in school organization.

Financial resource management is the process of sourcing, planning, expending, monitoring and accounting for the available funds in running the school's activities. According to Okeze, Okpe and Ngwakwe (2018), financial management has to do with the decisions on how to procure, expend and give accounts of funds provided for school organization for the implementation of its programme. It embraces sourcing for funds, custody, disbursement and accountability of funds expended in school organization. Aliyu (2018) defined financial resource management as the application of conventional principles in unwasteful spending of organizational funds with the aim of achieving institutional plans and aspirations. According toKinyanzil, Ombuki and Kalii (2019), financial management is the process of planning, controlling, implementing and monitoring fiscal activities and policies in an organization. Continuing,

Kinyanzilet al asserted that it embraces daily cash management as well as the formulation of short, medium and long-term financial objectives, policies and strategies in support of school organization. One of the ways to enhance financial management is budgeting.

Budgeting has been defined by various experts and scholars.Budgeting involves making financial blueprint or plan of the school in given fiscal year. Chukwu and Ezepue (2019) defined budgeting as a statement of financial plan over a given period. The financial plan shows the estimate income and expenditure of the school in a given year. Chukwu and Ezepue added that budgeting is an established financial standard needed to consciously guide the activities of a principal and the school management team towards the attainment of the aims and objectives of the school, in a given year. It is the estimation of required funds to attain educational goals and objectives. Kinyanzil et al (2019) defined budgeting as the comprehensive and coordinated plan of school, expressed in financial terms in a given fiscal year. This co-ordinated plan enhances prudence in spending of school funds. Titus and Ukaigwe (2018) defined budgeting as a plan for specifying how resources especially money and time will be spent and allocated during a particular period of time in the school system. Budgeting is practiced in school system to control spending of school limited financial resources.

Scholars have identified budgeting practices. Budgeting practices according to Oboegbulem and Kalu (2013), include: budget planning, defense, approval and adoption as well as implementation. In the same vein, the budgeting practices outlined by Nwokocha (2015) include; planning/preparation, defence/approval, implementation and evaluation. The essential budgeting practices as identified by authors stated above that were adopted in this study are implementation and evaluation. The justification for the two areas is that budgeting is meaningless without implementation and alsothe evaluation of the budgetary outcomes helps in modifications of the subsequent budget.

Budget implementation is concerned with making the budget operational. Chukwu and Ezepue (2019) defined budget implementation as the act of guiding and controlling the operation of budget to work with its boundaries and to limit misappropriation of funds. The budget implementation practices include: constituting budget implementation committee, allocating resources to various units based on the

budgetary operational guidelines, keeping adequate record of income and expenditure during the implementation stage, tracking purchase of facilities in line with spending plan outlined in the budget and regular monitoring of the school budget implementation process. Massy (2007) pointed out that budget allocation and implementation in schools involves decentralizing responsibility in order to mitigate problems of conflicts between different stakeholders. Decentralizing budget allocation and implementation enables different parts of the organization to be involved in the process and serves as motivation for improving school performance (Junge, Bosire&Kamau, 2014). It is essential to evaluate the budget during or after the implementation process in order to determine the level of adherence to operational budgetary guidelines.

Budget evaluation is the assessment of the compliance of estimated income and expenditure during budget implementation. According to Chukwu and Ezepue (2019), budget evaluation involves making value judgment about the failure or success of the budget. Continuing, Chukwu and Ezepue asserted that the agreement of the estimated income and expenditure with the amount generated determine greatly the success or failure of the budget in question. Budget evaluation practices are control processes which involve comparing the actual implemented budget against the planned budget for correcting unfavorablevariations. Before corrective actions can be taken on unfavorable variations, an investigation should be carried out to find out the causes of such variations (Redebe&Redebe, 2014). The essential budget evaluation practices to aid the investigation include: examining the fairness of the school financial statement in the light of the school budget, reviewing various units cash disbursement in line with the budgetary operational guideline, assessing the extent of alignment of the implemented budget with school objectives, reviewing the segregation of staff financial duties in the school duties and comparing the generated income with the expected income in the school budget. Yuen (2006) stated that budget evaluation practices are carried out by principals to improve financial accountability of budget operators and enhance financial sustainability of the organization. Bugeting is essential for the management of school funds whether it is public or public secondary schools.

There seems to be lapses in the way budgeting is carried by public and private secondary school principals in Anambra State. Oboegbulem and Kalu (2013) observed that in secondary

schools in South-East zone of Nigeria (Anambra State inclusive) many principals have been accused of poor budgeting practices by supervisors, teachers and parents. It appears that some principals deviate from budgetary guideline in spending funds in secondary schools in Anambra State. Deviation from the school budget guidelines which establishes procedures and standards for spending funds could account for financial mismanagement in secondary schools in Anambra State. Onyali and Nnebedum (2017) observed the prevalence of cases of reckless spending, wastages, financial misappropriation and embezzlement of school funds in secondary schools in Anambra State. These cases may differ in public and private schools due to bureaucratic procedures of budgeting and managing the school funds in the two types of schools. Joseph (2013) reported that principals in public secondary schools may perform efficiently in financial management since they are chief accounting officer of their schools who are responsible for budgeting and managing the school funds. Continuing, Joseph asserted that this was different in private secondary schools because sometimes the proprietor is the chief executive officer who collect and disburse funds. In this case, private school secondary principals may not be granted adequate authority to ensure effective financial management. This may create disparity in budgeting practices in public and private secondary schools and this prompted the study.

Purpose of the Study

The main purpose of the study is to comparebudgeting practices of principals for enhancing financial management in public and private secondary schools in Anambra State. Specifically, this study sought to compare:

1. Budget implementation practices of principals for enhancing financial management in public and private secondary schools in Anambra State.
2. Budget evaluation practices of principals for enhancing financial management in public and private secondary schools in Anambra State.

Research Questions

The following research questions guided the study

1. What are the budget implementation practices of principals for enhancing financial management in public and private secondary schools in Anambra State?
2. What are budget evaluation practices of principals for enhancing financial management in public and private secondary schools in Anambra State?

Hypotheses

The following hypotheses were tested at 0.05 level of significance.

1. There is no significant difference in budget implementation practices of principals for enhancing financial management in public and private secondary schools in Anambra State.
2. There is no significant difference in the budget evaluation practices of principals for enhancing financial management in public and private secondary schools in Anambra State.

Method

Descriptive survey research design was utilized for the study. The research design was considered suitable for the study because it enabled the researchers collect data from the population of the study to compare and describe in a systematic manner the budgeting practices of principals for enhancing financial management in public and private secondary schools in Anambra State. The area of the study was Anambra State and the choice of the area was informed by the cases of financial mismanagement in public and private secondary schools in Anambra State. The population of the study comprised all 762 principals of which261 were from public secondary schools and 501 were from private secondary schools in Anambra State. Proportionate stratified sampling technique was utilized to draw a sample size of 534 respondents made up of 183 public and 351 private secondary school principals. The sample size is 70 percent of the population of the study.

Data collection was done using a 14-item researchers' developed instrument titled ''Principals. Budgeting Practices for Financial Management Questionnaire (PBPFMQ)''. PBPFMQ had two Clusters namely; A and B. Cluster A sought demographic information of principals such as school types. Cluster B was divided into two parts namely; B1 and B2. B1 contained eight items on budget implementation practices and B2 had six items on budget evaluation practices. The items were structured on four-point rating scale of Strongly Agree (SA), Agree (A), Disagree (D); Strongly Disagree (SD) and weighted 4, 3, 2 and 1 respectively. The instrument was subjected to face validation by three experts, two in the Department of Educational Management and Policy, and one in Measurement and Evaluation in the Department of Educational Foundations, all in the Faculty of Education, NnamdiAzikiwe University. The experts suggested that six items should be restructured and two should be expunged. Their suggestions were used to produce the final version of

the instrument. Cronbach alpha was used to estimate the internal consistency of the instrument. Forty copies of the questionnaire were administered to 40 principals in 20 public and 20 private secondary schools in Enugu State which was not part of the study area but share similar characteristics in financial management. Data obtained which were analyzed using Cronbach alpha yielded coefficient values of 0.79 and 0.81 for clusters B1 and B2 respectively and overall coefficient value of 0.80.

The researchers with four research assistants utilized direct delivery method of data administration. The research assistants who are secondary school teachers selected from four education zones were briefed on the nature of the study and how to administer the instrument. A total of 534 copies of the questionnaire were distributed, 183 copies for public principals and 351 for private secondary school principals. Out of these, total 521 copies of questionnaire made up of 178 from public principals and 343 from private school principals were properly filled and successfully retrieved, indicating 98% percent return. At the end of the exercise, copies of the questionnaire that were properly completed and retrieved were used for data analysis. The distribution and collection of the copies of the questionnaire lasted for two weeks. The data were analyzed using mean and standard deviation for answering the research questions. In answering the research questions, mean item rating that fell below 2.50 was taken as disagreement and any mean rating of 2.50 or above was taken to indicate agreement. The t-test statistic was used in testing the null hypotheses. In testing the null hypotheses, if t-calculated is equal to or greater than t-critical at 0.05 level of significance and the appropriate degree of freedom, the null hypothesis was rejected, but if otherwise, it was not rejected.

Results

Research Question 1: What are principals' budget implementation practices for enhancing financial management in public and private secondary schools in Anambra State?

Table 1: *Mean ratings and standard deviation scores of public and private principals' budget implementation practices for enhancing financial management*

S/N	ITEMS	Public School Principals (N = 178)			Private School Principals(N =343)		
		Mean	SD	Remark	Mean	SD	Remark
1	Constituting budget implementation committee	2.61	1.11	Agree	2.55	1.08	Agree
2	Rational allocation of resources to various units based on the budgetary operational guideline	2.12	1.05	Disagree	2.52	.93	Agree
3	Keeping adequate record of income and expenditure during the implementation stage	2.67	1.10	Agree	2.60	1.04	Agree
4	Tracking purchase of facilities in line with spending plan outlined in the budget	2.39	1.10	Disagree	2.41	1.10	Disagree
5	Regular monitoring of the school budget implementation process	2.53	1.10	Agree	2.58	0.99	Agree
6	Regular checks on bursary activities to minimize fraud in budget execution	2.73	1.07	Agree	2.82	1.02	Agree
7	Conduct periodic cash survey to ensure compliance to budgetary guideline	2.75	1.12	Agree	2.69	1.11	Agree
8	Ensure that due process is adequately and consistently observed in the payment of school supplies	2.50	1.14	Agree	2.54	1.09	Agree
	Cluster Mean	**2.54**	**1.10**	**Agree**	**2.59**	**1.05**	**Agree**

Data Analysis presented on Table 1 revealed public and private secondary school principals recorded mean scores above the cut-off mean of 2.50 for items 1, 3, 5, 6, 7 and 8 indicating agreement with the items as principals' budget implementation practices for enhancing financial management. Public and private secondary school principals indicated disagreement on item 4 as budget implementation practices as shown by their mean score below the cut off mean of 2.50. Public secondary school principals disagreed with their counterparts in private schools on item 2. The overall standard deviation scores of 1.10 and 1.05 for public and private secondary school principals respectively indicated that the respondents are homogeneous in their responses. The

cluster mean scores of 2.54 and 2.59 for public and private secondary school principals respectively are above 2.50 and this indicates that principals' implement budget to enhance financial management in public and private secondary schools in Anambra State.

S/N	ITEMS	Public School Principals (N =178)			Private School Principals (N =343)		
		Mean	SD	Remark	Mean	SD	Remark
9	Explaining the fairness of the school financial statement in the light of the school budget	2.32	1.11	Disagree	2.21	1.12	Disagree
10	Reviewing various units cash disbursement in line with the budgetary operational guideline	2.52	1.09	Agree	2.59	1.05	Agree
11	Assessing the extent of alignment of the implemented budget with school objectives	2.31	0.98	Disagree	2.38	1.06	Disagree
12	Reviewing the segregation of staff financial duties outlined in the school budget	2.44	1.12	Disagree	2.40	1.11	Disagree
13	Comparing the actual expenditure with the planned expenditure in the school budget	2.59	1.13	Agree	2.57	1.14	Agree
14	Comparing the generated income with the expected income in the school budget	2.53	1.04	Agree	2.52	1.11	Agree
	Cluster Mean	**2.45**	**1.08**	**Disagree**	**2.44**	**1.10**	**Disagree**

Research Question 2: What are principals' budget evaluation practices for enhancing financial management in public and private secondary schools in Anambra State?

Table 2: Mean Ratings and Standard Deviation Scores of principals' budget evaluation practices for enhancing financial management

As revealed on Table 2, items 9, 11 and 12 have mean ratings below the bench mean of 2.50 in respect of both public and private secondary school principals and this indicates their disagreement with the items as their budget evaluation practices. On the other hand, mean ratings of both the public and private secondary school principals for items 10, 13 and 14 fell above the acceptable mean score of 2.50 indicating their agreement with the items as their budget evaluation practices. The overall standard deviation scores of 1.08 and 1.10 for public and private secondary school principals respectively indicated that the respondents are homogeneous in their responses. The cluster mean scores of 2.45 and 2.44 for public and private secondary school principals respectively are below 2.50 and this indicated disagreement that principals evaluate budget to enhance financial management in public and private secondary schools in Anambra State.

H_{O1}: There is no significant difference in budget implementation practices of principals for enhancing financial management in public and private secondary schools in Anambra State.

Table 3: t-test for public and private school principals mean ratings of their budget implementation practices for enhancing financial management

Variables	N	X	$\overline{SD}$	t-cal.	t-crit.	df	∝	Decision
Public Principals	178	2.54	1.10	0.05	1.96	519	0.05	Not Significant
Private Principals		3432.59	1.05					

The result presented on Table 3 shows that the calculated t-value of 0.05 is less than t-critical value of 1.96 at 0.05 level of significance and 519 degree of freedom. Thus, the null hypothesis is not rejected. This indicates that there is no significant difference in budget implementation practices of principals for enhancing financial management in public and private secondary schools in Anambra State

Ho_2: There is no significant difference in the budget evaluation practices of principals for enhancing financial management in public and private secondary schools in Anambra State.

Table 4: t-test for public and private principals mean ratings of their budget evaluation practices for enhancing financial management

Variables	N	$\overline{X}$	SD	t-cal.	t-crit.	df	∞	Decision
Public Principals	178	2.45	1.08	0.01	1.96	519	0.05	Not Significant
Private Principals	343	2.44	1.10					

As shown on Table 4 the calculated t-value of 0.01 is less than t-critical value of 1.96 at 0.05 level of significance and 519 degree of freedom. Thus, the null hypothesis is not rejected. This indicates that there is no significant difference in the budget evaluation practices of principals for enhancing financial management in public and private secondary schools in Anambra State.

Discussion

The finding of the study indicated that principals' implement budget to enhance financial management in public and private secondary schools in Anambra State. The budget implementation practices of public and private secondary school principals in Anambra State include; constituting budget implementation committee, keeping adequate record of income and expenditure during the implementation stage, regular monitoring of the school budget implementation process, regularly check on bursary activities to minimize fraud in budget execution, conduct periodic cash survey to ensure compliance to budgetary guideline and ensure that due process is adequately and consistently observed in the payment of school supplies. This is in line with the finding of Junge, Bosire and Kamau (2014) which revealed that budgetary allocation and implementation are adequately done by the school principals. This also supported the finding of Chukwu and Ezepue (2019) which showed that principals implement budget to enhance school administration. The possible explanation for the agreement in findings could be due to the fact that the studies were conducted in Nigeria which has similar education

system across the country. Public and private secondary school principals probably implement school budget because they are accountable for expenditure of school funds. The Ministry of Education demands for the financial statement of the public schools from their principals in given interval and school proprietors demand for accountability from the private school principals. Budget implementation has minimized misappropriation and enhance the provision of facilities to enhance teaching and learning. This may account for secondary school students' excellent academic performance in examinations in secondary schools in Anambra State. It was also reported that there is no significant difference in the mean ratings of public and privateprincipals' on their budget implementation practices for enhancing financial management in secondary schools in Anambra State. The similarity in the mean ratings of public and private school principals on their budget implementation practices might be as result that they are in the same administrative position.

The result of the study shows that principals disagreed that they apply budget evaluation practices for enhancing financial management in public and private secondary schools in Anambra State. This shows that public and private secondary school principals disagreed that they explain the fairness of the school financial statement in the light of the school budget, assess the extent of alignment of the implemented budget with school objectives and review the segregation of staff financial duties outlined in the school budget. This is in disagreement with the finding of Mohammed and Abrari (2009) which revealed that majority of the respondents indicated that they evaluate their budgets and provide monthly basis reports. The disagreement could be attributed to difference in geographical location. Again, Mohammad and Abrari's study was conducted in a private company whose main aim is profit making. The firms might have put adequate mechanism and policy to ensure that their budget is evaluated on monthly basis. On the other hand, the present study was carried out in public and private secondary schools. There may be no such policy to ensure monthly evaluation of schools' budgets in public and private secondary schools in Anambra State, Nigeria and this could also account for difference in findings. Furthermore, while the present study was carried out in Anambra State, Nigeria, the former study was carried out in Johor, Malaysia. This finding indicates that secondary school principals in Anambra State may keep

accurate tracks of income and expenditure in the light of the estimated budget. This has undermined the principals' ability to identify challenges encountered in execution of the school budget. It was also found out that there is no significant difference in the mean ratings of public and private principals on their budget evaluation practices for enhancing financial management in secondary schools in Anambra State.

Conclusion

Based on the findings, it was concluded that there is similar budgeting practices in public and private secondary schools in Anambra State. Principals of public and private secondary schools in Anambra State implement the school budget but fail to evaluate the implemented budget. The implementation of the school budget enhances the provision of facilities which create conducive learning environment in public and private secondary schools in Anambra State. However, public and private secondary school principals in Anambra State fail to assess whether or not school financial resources have been adequately and appropriately used to enhance teaching and learning.

Recommendations

Based on the findings, it was recommended among others that;

1. Post Primary School Service Commission (in-charge of public secondary schools) in collaboration with school proprietors (in-charge of private secondary schools) should organize annual workshops for principals to up-date their knowledge and skills of budget implementation.
2. The Ministry of Education (in-charge of public secondary schools) and school proprietors(in-charge of private secondary schools) should recruit qualified personnel and post them to their respective secondary schools to evaluate the school budget on regular basis such as: monthly, quarterly or annual basis.

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