Budget Planning Practice of Principals for Effective Financial Management of Secondary Schools in Anambra State

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Abstract
The study examined the perceived budget planning of principals for effective financial management of secondary schools in Anambra State. The study was guided by one research question, and two hypotheses were tested. The research design used was a descriptive research design. The population of the study comprised 257 principals in all government-owned public secondary schools in Anambra State. Data collection was done using a 12-item researcher-developed instrument titled "Budgeting planning by Principals of Secondary School Questionnaire (BPPSSQ). The validation of the instrument was done by three experts from Nnamdi Azikiwe University, Awka. The reliability of the study was assessed using Cronbach alpha, which yielded a coefficient of 0.75. The data was collected with the help of six research assistants from six educational zones in Anambra State using a direct approach. 94% of instruments were returned. The data analysis was done using mean and standard deviation to answer the research questions, and a t-test was used to test the hypotheses at a 0.05 level of significance. The findings of the study revealed, among others, that budget planning is fundamental to achieving the objectives of the school, as it allows the principals to set clear priorities, allocate resources effectively, and make informed decisions regarding expenditure. It was recommended among others, that government should organize on-going professional development programs tailored to further equip principals with advanced financial management skills, to ensure that they remain up to date with best practices, regulatory changes, and innovative strategies for managing school finances government should formalize and expand the standardized financial management framework that guides school budgeting in Anambra State.

Keywords: Budget Planning, effective financial management, principals

Introduction

Financial management is a major task of educational administration that involves the utilization of all available financial resources to achieve the objectives for which educational institutions are established. It involves managing the funds available to ensure the provision

of a wide variety of school resources and facilities. The aim of financial management is to ensure that the resources available for education are procured, properly disbursed, accounted for, and regularly monitored to ensure their effective use (Onuselogu, 2019). Financial management connotes the careful allocation and utilization of scarce funds by financial managers to minimize waste and maximize accountability. Ogbonnaya in Nwafukwa (2015) defined financial management as dealing with the sources of funds, their efficient use and minimization of costs or losses for the greater profitability of the business, in ministerial departments and post primary institutions for enhanced welfare of students and both the teaching and non-teaching staff. In educational institutions, the realization of desired educational goals and objectives depend largely on the efficient planning and management of school funds by the school administrators. Asiegbu and Onyali (2019) opined that the fundamental principle in educational finance is not necessarily how much money goes into school system but how well the available funds are effectively managed for the realization of school objectives. The administrator of education makes use of budgeting as a financial tool to achieve the educational plan.

The term budget is frequently used where disbursement of money is involved. Simply put, budget is a statement of financial plan over a given period. Budgeting has been considered an integral part of the planning process. It essentially involves translating goals, objectives and targets into financial plans. Oboegbunam and Kalu (2013) regarded a budget as a plan quantified in monetary terms, prepared and approved prior to a defined period, usually showing planned income to be generated and expenditure to be incurred during a period. Budgeting is the process of designing, implementing and operating budgets. It is the managerial process of budget planning and preparation, budgetary control and the related procedures. Budgeting practices refers to methods and techniques used to manage financial resources effectively, ensuring alignment with organizational goals and objectives. Budgeting practices prevent wastage or reckless spending of funds provided for various educational services. The reason is that the operators of the budget are compelled to follow the appropriate estimate when spending funds. Budgeting has the technical functions of authorizing expenditures and serves as a microscope for the analysis of details. It is an instrument for planning and controlling educational activities because it fosters coordination, communication and promotes efficiency in operating the business. The budgeting practices in educational institutions follow a systematic procedure. This includes budget planning, budget defense, budget approval and adoption, budget implementation and budget evaluation.

The principal, being the executive head of the secondary school performs the task of preparing the budget. Being the head of the institution, the principal performs all the managerial function which include planning, organizing, directing, controlling, coordination to achieve administrative effectiveness. The principal sees to the day to day running of the schools. The principal is responsible for coordinating all school activities ranging from student enrolment, planning of the school time table, keeping of school records like the class registers, log book, visitors book, updating his staff with information from the Ministry of Education, others are, instructing the students, making budgetary and fiscal plans, sourcing funds to run the school and managing the funds made available to run the school with the aim of realizing educational goals and objectives.

Budget planning entails identifying the source of income and considering all current and future expenditures, with an aim to meet an individual financial goal. According to Ihedioha was cited by Kalu (2013) who ascertain that budget planning consist of: formulation of policies, fore-casting of physical quantities and monetary values, comparison of alternative combination to obtain the most efficient overall plan, coordination and integration of divisional operation to achieve the set targets, setting up the necessary organizational time control, introduction of appropriate accounting system, devising mechanism of analyzing

variances and developing a reporting system for suitable action. It entails identifying the sources of income and considering all current and future expenditures, with an aim to meet an individual financial goal. There should be clear and realistic sets of goals and objectives to be achieved during budget planning. Budget is planned so as to avoid waste. This is in line with the thought of Amaikwu (2020) who said that budget planning is essential in financial management to minimize wastage and misappropriation of school funds. As the saying goes failure to plan is planning to fail if any principal does not plan his/her budget very well, the purpose of the budget will not be achieved. Amaikwu and Ofojebe (2020) cited Samuel &Ukpere that states that budget planning primarily involves identification and setting of development goals, which entails setting budgetary thrusts and policies based on development plans. According to Makhubela in Mosala (2018) it would be difficult to meet the needs of the school if the correct financial planning procedures are not followed. In this regard, school's budget must be prepared according to proposed guidelines for the school to attain its objectives and goals.

In Anambra state, the PPSSC has a guideline for preparing a school budget. The level of application of the laid down rules will help a principal to achieve the aim and objective of the State with regards to secondary education. The guidelines include: A call circular is circulated among the departments, each department submits her proposed needs, a committee is set to collate the proposals. The committee includes, the principal, bursar, Vice Principal Admin, VP Academics and Guidance and Counsellor or any other person as the school may require, when the proposals are articulated, it will be sent to the headquarters for approval, all the activities of the school/commission will be guided by the approved estimate, any variation will be treated under supplementary estimate submit their needs,

Kalu (2013) Although the budget controller (Principal) is responsible for planning and coordinating the budget, full and meaningful participation of managers and their subordinates should be sought in budget planning i.e. it must reflect planning and operating segment. This shows that the principal does not plan the budget alone, both tutorial and non-tutorial staff are involved. When all key personnel are involved, the implementation of the budget is assured. Stakeholders' participation in budgeting process helps to strengthen their commitment to the implementation of the approved budget. Mohamad and Mohamad (2013) opined that stakeholder participation in budget planning may contribute to greater willingness from them to accept and implement the budgetary goals. Principals of secondary schools in Anambra State could be male or female. Males and females should have equal opportunities in top administrative and managerial positions in all fields of endeavor since the females could as well contribute to national development.

The budget practices of principals of secondary schools may also be affected by years of work experience. Work experience is the experience that a person has during working in a job or working in a specific field or occupation. Babatope and Alonge (2013) reported that experience is a very relevant factor in school administration. Amaikwu and Ofojebe (2020) asserted that experience gained by principals on-the-job could influence their budgeting practices. The discourse was not made on empirical ground, and this makes experience a paramount variable to be investigated in this study. Principals with less than 10 years of work experience were considered as less experienced, while those with 10 years and more of work experience were considered more experienced. One with more years of experience is likely to keep proper records of accounts and plan and practice a budget. It is against this background that the researcher intends to assess the budgeting practices of principals for effective financial management of the secondary schools in Anambra State.

Research Questions

This study was guided by the following research questions.

1. What are the budget planning practices of principals for effective financial management of secondary schools in Anambra State.

Hypotheses

The following Null hypotheses was tested at 0.05 level of significance

1. There is no significant difference between mean ratings of male and female principals on their budget planning practices for financial management of secondary schools in Anambra state.

2. There is no significant difference between mean ratings of experienced and less experienced principals on budget planning practices for effective financial management of secondary schools in Anambra state.

Methodology

The study adopted descriptive survey design. The study was conducted in Anambra State. There are 21 local government arrears in the state. The population of the study comprised all the 257 principals in all the Anambra State Government owned public secondary schools. Census sampling technique was adopted for this study due to the small and manageable size of the population. The instrument for data collection is a 12 items structured budgeting planning by principals of secondary schools' questionnaire (BPPSSQ). The instrument was developed by the researcher from literature and consultation with experts. The questionnaire is made up of two sections. A and B. Section A sought personal information of the respondents. Part B is organized into 1 cluster each corresponding to the one research question. The items in the questionnaire were scored based on the four points scale thus: Strongly Agreed (SA), Agreed (A), Disagreed (D) and Strongly Disagreed (SD). The instrument (BPPSSQ) was subjected to face validation. To ascertain this, the researcher will present the title, purpose of the study, research questions and hypothesis with a copy of the questionnaire to three experts, two in the department of Business Education and one in the measurement and evaluation in the department of Educational Foundations.

The reliability of the instrument (BPPSSQ) was ascertained by administering copies of the questionnaire to 20 principals in 20 secondary schools in Enugu State. The researcher sought the help of six research assistance who are teachers from the six educational zones in Anambra State to assist her in the distribution of the questionnaire. The data collected was analyzed using the descriptive statistics of mean and standard deviation to answer the research questions and determine the closeness of the respondents means. Decisions on the items and research questions was based on the items and cluster mean scores relative to the real limit of numbers. t-test was used to test the null hypotheses at 0.05 level of significance.

Presentation and Analysis of Data

The data collected were analyzed and presented in line with the research question

Research Question 1

What are the budget planning practices of principals for effective financial management of secondary schools in Anambra State?

Table 1: mean response on budget planning practices of principals

SN	Budget planning practices	$\bar{x}$	SD	Remarks
1	Circulating a call circular to the departments	2.49	.99	Agreed
2	Submission of budget proposal by all the departments	1.63	.66	Disagreed
3	Discussing items to be included in the budget with the key personnel in the school	2.20	1.33	Agreed
4	Setting up a committee to collect and collate	2.06	.94	Agreed

	the budget proposals			
5	Presentation of draft budget for deliberations during staff meeting	2.55	1.41	Agreed
6	Selection of the most pressing needs of the school during budget planning	2.21	1.28	Agreed
7	Determining the ratio of students and staff during budget planning	2.57	1.16	Agreed
8	Setting of targets to be achieved by the school budget	2.69	1.29	Agreed
9	Making provision for unforeseen expenditure during budget planning	2.72	1.53	Agreed
10	Adhering to the official time of the PPSSC for the submission of the budget.	2.49	.99	Agreed
11	Making market survey before preparing school budget	1.64	.66	Disagreed
12	Forecasting the expected income in the school budget	2.20	1.33	Agreed
	Weighted Mean	2.28	1.13	Agreed

The data presented in Table 1 show the budget planning practices of principals for effective financial management of secondary schools in Anambra State. The table reveals that tens item has a mean value of 2.06 to 2.69, indicating the respondents agreed while two items have mean values ranging from 1.63 to 1.64, indicating the respondents disagreed to those items. The overall weighted mean of 2.28 suggests that principals generally rated the listed budget planning practices for effective financial management of secondary schools in Anambra State. The standard deviation, ranging from 0.66 to 1.43, shows homogeneity in the respondents' ratings of these budget planning practices.

Hypothesis 1

There is no significant difference between mean ratings of male and female principals on their budget planning practices for financial management of secondary schools in Anambra state.

Table 2: Summary of t-test analysis between the mean responses of male and female principals on their budget planning practices

Gender	N	Mean	SD	df	t-value	p-value	Decision
Male	24	2.42	0.34	230	0.735	0.46	Accept Ho
Female	208	2.49	0.48				

The data from the table indicated that there is no significant difference between mean ratings of male and female principals on their budget planning practices for financial management of secondary schools in Anambra state. (t= 0.7305, df= 230, p= 0.46> 0.05). the hypothesis was accepted indicating that both genders do not differ significantly in their mean responses on budget planning practices for financial management of secondary schools in Anambra state

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Hypothesis 2

There is no significant difference between mean ratings of experienced and less experienced principals on budget planning practices for effective financial management of secondary schools in Anambra state.

Table 3: Summary of t-test analysis between the mean responses of experienced and less experienced principals on their budget planning practices

Level	N	Mean	SD	df	t-value	p-value	Decision
EXP	202	2.41	0.35	299	-.753	0.45	Accept Ho
Less Exp	30	2.49	0.48				

The data from the table indicated that there is no significant difference between mean ratings of experienced and less experienced principals on their budget planning practices for financial management of secondary schools in Anambra state. (t= -.753, df= 299, p= 0.45> 0.05). the hypothesis was accepted indicating that both experienced and less experienced principals do not differ significantly in their mean responses on budget planning practices for financial management of secondary schools in Anambra state.

Discussion of Findings

The findings from research question one and the corresponding hypothesis provide significant insights into the role of budget planning practices in the effective financial management of secondary schools in Anambra State. The consensus among principals on the listed budget planning practices reflects a shared understanding of the importance of sound financial planning in achieving the schools' goals. The alignment of responses, regardless of gender or level of experience, suggests that the principles of financial planning are widely accepted and consistently applied across different demographics within the school leadership.

One of the key findings is that there are no significant gender differences in the principals' responses concerning budget planning practices. This indicates that both male and female principals have a similar approach to financial planning, which highlights a unified commitment to adhering to proper financial procedures in managing school resources. The absence of gender disparities in financial management practices suggests that the training and policy guidelines provided to principals are comprehensive and equitable, ensuring that all school leaders, irrespective of gender, can competently handle financial planning responsibilities.

Furthermore, the results reveal no significant difference in the mean responses of experienced and less experienced principals regarding budget planning practices. This finding suggests that both groups share a common understanding of budgetary procedures, underscoring the effectiveness of professional development and administrative training for school principals. It also implies that even newly appointed or less experienced principals are well-equipped with the knowledge and skills required for successful financial planning, which is crucial for maintaining the continuity and integrity of school financial management across different levels of experience.

These findings align with the views of Amaikwu and Ofojebe (2020), as cited by Samuel and Ukpere, who assert that budget planning involves the identification and setting of development goals. Budget planning requires school administrators to establish budgetary thrusts and policies based on long-term development plans, ensuring that the school's financial resources are allocated strategically. This aspect of planning is fundamental to achieving the objectives of the school, as it allows principals to set clear priorities, allocate resources effectively, and make informed decisions regarding expenditure.

The importance of proper budget planning is further emphasized by Makhubela, as cited in Mosala (2018), who notes that without following correct financial planning procedures, it would be difficult for schools to meet their needs. This highlights the significance of adhering to established guidelines during the budget planning process to ensure that schools can achieve their operational and developmental goals. In the context of

secondary schools in Anambra State, this means that the success of the school's financial management is heavily reliant on the careful and strategic planning of its budget.

Budget planning is not merely a technical exercise but a critical component of school leadership that requires foresight and alignment with the school's vision and goals. By engaging in thorough financial planning, principals ensure that their schools are well-positioned to meet both immediate operational needs and long-term development objectives. This includes identifying key areas for investment, such as infrastructure, staff development, or student resources, and allocating funds accordingly.

Moreover, the study highlights the need for principals to prepare school budgets in accordance with proposed guidelines to attain the school's objectives, as supported by Makhubela. By following these guidelines, schools can optimize their financial resources, avoid unnecessary expenditures, and ensure that available funds are directed towards the areas of greatest need. This structured approach to budget planning not only improves the financial health of the school but also fosters accountability and transparency in the management of public funds.

The findings of this study underscore the central role of budget planning in the effective financial management of secondary schools in Anambra State. The fact that principals, regardless of gender or experience, are aligned in their approach to budget planning practices speaks to the robustness of the existing financial guidelines and the effectiveness of administrative training programs. These findings also highlight the importance of strategic goal setting and the adherence to proper planning procedures as key factors in the successful financial management of schools. For policymakers and education administrators, this points to the continued need for reinforcing budget planning training and ensuring that all principals, regardless of their background or experience, are equipped to handle the complexities of financial management in schools.

Recommendations

Based on the findings of the study, the following recommendation are made

1. The government should formalize and expand the standardized financial management framework that guides school budgeting in Anambra State. This framework should include comprehensive guidelines for planning, defending, implementing, and evaluating school budgets, ensuring that all schools adhere to the same principles of prudence and transparency, thus enhancing uniformity and fairness in resource allocation.
2. Principals should be encouraged to integrate data-driven decision-making into their budgeting processes. This involves the use of data analytics to assess school needs, track expenditure patterns, and forecast future financial requirements. By adopting data-driven budgeting, schools can optimize resource allocation and ensure that budgets are aligned with both current and future demands of the educational environment, improving overall financial efficiency.

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