



## Factors Affecting Budgeting Practices of Principals In The Administration of Public Secondary Schools in Southwest Nigeria

Dr. (Miss.) Nkechi Obiweluzor<sup>1</sup> and Oluwadare Deji Ogunbiyi<sup>2</sup>

<sup>1</sup>Department of Educational Management, University of Benin, Benin-City, Edo state, Nigeria

<sup>2</sup>Department of Educational Foundations and General Studies, Joseph Sarwuan Tarka University, Nigeria

<sup>1</sup>Email address: [obiweluzor@uniben.edu.ng](mailto:obiweluzor@uniben.edu.ng), <sup>2</sup>Email Address: [dejilite@gmail.com](mailto:dejilite@gmail.com),

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### ABSTRACT

The study assessed the factors affecting budgeting practices of principals in administration of public secondary schools in Southwest, Nigeria. The study was guided by one objective, research question and hypothesis. Descriptive survey research design was used for the study; the population of the study was 3254 while the sample size was 650 respondents. Multi-stage sampling technique was used to arrive at the sample size. The instrument used for data collection was a self-structured questionnaire titled "Factors Affecting Principals' Budgeting Practices Questionnaire (FAPBPQ)". The questionnaire is in one clusters with 9 items. The data collected were analyzed using Mean and Standard Deviation (SD) to answer the research question.

The major findings of the study were that school principal's negative attitude towards the budgetary plans, poor budget implementation, among others do actually affects budgeting practices of principals in administration of public secondary schools in Southwest, Nigeria. The finding also revealed that there is no statistically significant difference between the mean scores of the principals and bursars on principals' budgeting practices in administration of public secondary schools in Southwest, Nigeria. Based on the findings of the study, it was recommended among others that Principals should endeavour to involve their staff in school budget planning and preparation and should not neglect their opinions and contributions for productive and effective administration of school.

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### INTRODUCTION

The preparation of the budget with an individual school, each classroom teacher having helped in the preparation of the educational programme should to have a say in the choice of equipment, supplies, books and other items make instructions more effective. The importance of effective budgeting in any given organization, educational institution inclusive cannot be overemphasized. This is because finance is an important resource needed in the school system and that needs to be well managed because through it, all other vital elements in the



school can be obtained. It must be emphasized that funds are needed to maintain equipment and facilities such as school plants, provision of instructional materials, furniture items among others. Ekundayo (2019) notes that though finance is very important in the management of the education, however, money is always in short supply. This therefore calls for budgeting in order to effectively manage the funds that are made available to schools, especially public or government secondary schools in Southwest, Nigeria.

The school budget planning usually starts with the drafting of a budget. The term budget is frequently used where disbursement of money is involved. Simply put, a budget is defined as an organization's operating plan in form of monetary terms. It is the expected revenue and expenditure for a year, based on estimates of an organization (Ansori, 2021; Basriani et al., 2021; Febrina & Fitriana, 2022; Iskamto, 2022; Iskamto et al., 2021; Rama Nopiana & Rusmiati Salvi, 2022). A budget can also be said to be a comprehensive and financial plans of an establishment, usually for a given year. School budget is a statement which describes how various educational objectives outlined for the year are to be financed. Opiyo (2014) defines budget as a detailed plan or programme of an institution showing the acquisition and allocation of resources in order to achieve its goals and objective over a period of time expressed in quantitative terms. Odeh (2015) also posits that budget is a financial statement of the proposed expenditure and expected revenue of the government, public corporation or educational institution for a particular period of time.

## LITERATURE REVIEW

Essentially, a budget system capacitates management through the principals who is the head of secondary school to plan more effectively, direct, control, coordinates and evaluates the organization's finance and programmes. The principal is the chief accounting officer of the school and he is directly responsible for funds disbursement and management in the school. Bursars are said to be the heads of the bursary department and are responsible to the principal who is the head of the school. They are employees of the Teaching Service Board and are employed to assist the school head to take care of financial matters in the school. Bursars are the custodians of secondary school account books, make necessary entries as prescribed by financial guidelines, collect and collate budget items, effect payments on behalf of the principals, prepare and pay salaries to all categories of workers among other duties. In most schools, bursar's roles include teaching of business studies, commerce and financial accounting, managing school account, payroll duties, provides regular updates to the principals and school governing body on financial performance and procurement of goods and payment (Lubis & Irawati, 2022; Syafrina, 2021).

Budgeting can be said to involve the formation of pre-planned objectives, the reporting of exact performance results and appraisal of performance of firm in terms of the predetermined goals and objectives. Budgeting can also be defined as a process of preparing and the use of budgets to achieve the goals of the organization. Budgeting in school is the process of preparing a statement of the anticipated income and the proposed expenditure. Palema (2017) asserts that budgeting is a useful tool for planning since it represents a plan. The author notes further that budget is the key instrument through which an organization base on to implement activities. It can therefore be asserted that budgeting involves the process for preparing a

summary of the programmes of the school reflecting the expected revenues and expenditures in term of funds which must always be properly accounted for in the school.

Schools receive revenue from many sources including free secondary Education. It is essential that public funds be directed effectively and used for the purpose for which they are allocated. However, there have been a number of factors affecting budgeting practices of principals in administration of public secondary schools in Southwest, Nigeria. The result of Ogundele, Moses and Bwoi (2019) study revealed that the following factors constitute impediments threats to effective implementation of budget in education in Nigeria, accommodation of unnecessary details in the budget make the budget designed and implementation to become complicated and confusing, politics in the management of educational institutions, school administrator's negative attitude towards the budgetary plans, budget evaluation deficiencies, poor budget implementation among others. Also, Kalu (2011) reported in a study that budgeting practices of principals of secondary schools in the South-Eastern states of Nigeria is facing a lot of criticism from well-meaning individuals and authorities. The author maintains further that principals in these states are accused of poor budgeting practices by the teachers, supervisors and parents. The poor budgeting practices may be due to the fact that most principals lack the technical know-how in school management and administration (budgeting). This could also be as a result of inadequate funding of secondary schools by the state government. It must be emphasized that availability of funds determines to a large extent the level of budgeting activities and practices the principals can go. In another study by Rotich and Ngahu (2015), it was reported that poor timeliness and financial resources allocation affect budget utilization in Kericho, Kenya.

The progressive increase in school population is expected to follow with increase in the provision of funds to cater for the diverse problems that may come up without which the school objectives will not be achieved. Ugwu (2005), observed that schools lack adequate funds necessary to carry out their academic activities. The policy of controlling secondary school budgets by the Secondary Education Management Board through budget guidelines has put the principals in a strait jacket. The principals are not free to carry on the budgeting activities. They are under strict control of the school boards. They may also not be given adequate time to plan and prepare their budgets. According to Ogbonnaya (2005), the principals do not give the other staff of the schools the opportunity to contribute facts during the planning stage of the budget. For this reason, the teachers may not be willing to implements what they were not part of at the initial stage. Therefore, the budgeting practices of principals are fraught with public criticism and the factors need to be assessed in secondary school administration.

Administration is the careful and systematic arrangements and the use of resources (financial, material and human), situations and opportunities for the achievement of the specific objectives of a given organization. Ogunbiyi (2017) in his study defines administration as the harmonization of both human and material resources towards the attainment of school goals and objectives. Administration in school exists for the purpose of providing for instruction and therefore requires effective management of school funds. Talking about effective administration in secondary school, Ochai (2013) maintains that administrators by virtue of occupation initiate, plan, organize, direct, lead, control, supervise, motivate, evaluate and unify human and material resources towards the achievement of an organizations goals and objectives. The success of administration of secondary school therefore relies mostly on effective budgeting practices of a well-trained and as well extremely inspired principals and



bursars. This is because finance is the life wire of any given educational institution like secondary schools.

Secondary school in the study is referred to as the public secondary schools that are owned, financed and managed by state and federal government in Southwest, Nigeria. Secondary school education according to Ogunbiyi (2017), is one among the three levels of education in Nigeria which is aimed at adsorbing the grandaunts of the primary level as well as preparing them for higher level of education or providing intermediate manpower into economy. Administration of secondary school in this study refers to the extent to which public secondary school is able to achieve its goals through efficient and effective budgeting practices in the school. The principals as financial managers of secondary schools therefore expected to understand, interpret, modify and implement government policies in discharging their responsibilities in school in term of budgeting practice in the school. This study therefore sought to assess factors affecting budgeting practices of principals in administration of public secondary schools in Southwest, Nigeria.

### **Statement of the Problem**

Effective administration of secondary school sometimes depends on good budgeting planning. Secondary education is essentially designed to prepare a child for higher education or equip him with relevant skills to function effectively in the society. Consequent upon the importance and demands of secondary education in Nigeria today, it is expected of principals of public secondary schools to be prudent in managing the available financial resources in the school through effective budgeting practices. The problem is that, there are several factors militating against the principals budgeting practices in Southwest, Nigeria which may cause funds mismanagement, poor disbursement of funds, lack of good financial resource allocation among others. All the above cases are believed to breed mistrust and lack of effective administration in public secondary schools. The researchers therefore sought to assess principals' budgeting practices in the administration of public secondary school. The problem of the study therefore was to assess factors affecting budgeting practices of principals in administration of public secondary schools in Southwest, Nigeria.

### **Objective of the Study**

The objective of the study was to assess factors affecting budgeting practices of principals in administration of public secondary schools in Southwest, Nigeria. Specifically, the study sought to ascertain factors affecting budgeting practices of principals in administration of public secondary schools in Southwest, Nigeria.

### **Research Question**

The following research question guided the study:  
What are the factors affecting budgeting practices of principals in administration of public secondary schools in Southwest, Nigeria?

### **Hypothesis**

The following null hypotheses were formulated and were tested at 0.05 level of significance:

There is no significant difference between the mean scores of principals and bursars on the factors affecting budgeting practices of principals in administration of public secondary schools in Southwest, Nigeria.

## **METHODOLOGY**

Descriptive survey research design was adopted to collect data used for the study. The population of the study consisted of all the 3254 principals and bursars in public secondary schools in Ekiti, Ondo, Osun, Oyo, Ogun and Lagos states, Southwest, Nigeria. A sample size of 650 participants consisting of 325 principals and 325 Bursars out of the total population of 3254 were selected for the study. Multi-stage sampling technique was used in the selection of the respondents. The multi-stage sampling technique was used because the sample size selection was done in stages and with different sampling techniques. At first stage, a purposive sampling technique was used to determine the number of respondents through the use of percentage. The second stage involved the use of proportionate stratified sampling technique to determine the number of schools per state, education zone and local government areas. The proportionate stratified sampling technique was used to ensure that the states with their respective number of schools are equally represented. In the third stage, purposive and simple random sampling techniques were used to select three (3) local government areas from the education zones of each state for equal representation. The last stage involves the use of simple random (balloting) sampling technique to select the number of schools from the selected local government areas.

The instrument for data collection was a self-structured questionnaire titled, “Factors Affecting Principals’ Budgeting Practices Questionnaire (FAPBPQ)”. The questionnaire is arranged in a cluster with 9 items. The questionnaire is in one cluster with 9 items.

The instrument was validated by three experts; two of the experts were from specialization of Educational Administration and Planning, while one was from Measurement and Evaluation, all from the Department of Educational Foundations and General Studies, Joseph Sarwuan Tarka University, Makurdi. The researchers were able to retrieve six hundred and twenty three (623) of the questionnaire, three hundred and seventeen (317) for principals and three hundred and six (306) for bursars. The data collected were analyzed using Mean and Standard Deviation (SD) to answer the research questions. The interpretations of the results of the study were guided by the decision rule of a criterion mean of 2.50 and above for agreed while mean that fell below 2.50 were disagreed. The real limit of numbers (mean range) for all the items in tables one to seven were 3.50- 4.00 were regarded as Strongly Agree (SA) - (4points), items within the range of 2.50 -3.49 were regarded as Agree (A) - (3points), items within the range of 1.50 - 2.49 were regarded as Disagree (D) - (2points) while items within the range of 0.50-1.49 were regarded as Strongly Disagree (SD) - (1point). The hypothesis was tested using T-test statistics at 0.05 level of significance.

## **RESULTS**

The results of the study are presented in the tables below:

**Research Question 1:** What are the factors affecting budgeting practices of principals in administration of public secondary schools in Southwest, Nigeria?



**Table 1: Mean and Standard Deviation of Responses of Principals and Bursars on the Factors Affecting Budget Practices of Principals in the Administration of Secondary Schools**

S/N	Item Description	Principals N = 317			Bursars N = 306		
		X	SD.	Dec.	X	SD.	Dec.
1.	School principal's negative attitude towards the budgetary plans	2.72	0.86	Agree	2.67	0.87	Agree
2.	Poor budget implementation	2.82	0.51	Agree	2.70	0.90	Agree
3.	Accommodation of unnecessary details in the budget make the budget implementation to become complicated and confusing	2.78	0.49	Agree	2.93	0.78	Agree
4.	Budget evaluation deficiencies and inflationary character of goods and service affect school budget	2.69	0.85	Agree	2.88	0.61	Agree
5.	Scarcity of financial resources	2.71	0.38	Agree	2.51	0.84	Agree
6.	Politics in the management of educational institutions.	2.85	0.99	Agree	2.62	0.40	Agree
7.	The withdrawal of government subsidy in public secondary schools affects budget management	2.50	0.77	Agree	2.58	0.60	Agree
8.	Principals do not involve all staff in budget preparation thereby neglecting their contributions.	2.85	0.97	Agree	2.88	0.64	Agree
9.	Expected income for the school is usually less than the actual expenditure.	2.76	0.61	Agree	2.72	0.59	Agree
<b>Cluster Mean</b>		<b>2.74</b>	<b>0.71</b>	<b>Agree</b>	<b>2.72</b>	<b>0.69</b>	<b>Agree</b>

Key: N = number of respondents, X = mean, SD = Standard Deviation, Dec. = Decision

The result of the data analysis shown in the Table 1 presents the mean and standard deviation of responses of principals and bursars on factors affecting budget practices of principals in the administration of public secondary schools in Southwest, Nigeria. It can be deduced that all the nine items for both principals and bursars met the bench mark of 2.50 and above with their cluster mean scores of 2.74 and 2.69 respectively, indicating that all with items are factors affecting budget practices of principals in the administration of public secondary schools in Southwest, Nigeria.

**Table 2: T-test Analysis of difference between the mean scores of Principals and Bursars on the Factors affecting Budget Practices**

Group	N	Mean	Std. Deviation	t.	df	Sig. (2-tailed)	$\alpha$	Dec
Principals	317	23.1474	7.57557	-2.542	621	.083	0.05	NS

Bursars	306	24.9131	6.64654
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N = Number of respondents, t = t-test for equality of means, df = degree of freedom,  $\alpha$  = level of significant, NS = not significant.

Table 2 presents the t-test analysis of the difference between the mean scores of principals and bursars on the factors affecting budget practices of the principals in the administration of public secondary Schools in Southwest, Nigeria. The result showed p (sig) of .083 and p ( $\alpha$ ) of 0.05 at 621 degrees of freedom and N equal to 623. Since p (sig) of 0.083 is greater than 0.05 level of significance, the hypothesis is accepted. This means that there is no significance difference between the mean scores of principals and bursars on the factors affecting budget practices by the principals in the administration of public secondary schools in Southwest, Nigeria.

## DISCUSSION

The analysis of the data presented in Table 1 revealed the factors affecting budget practices of the principals in the administration of public secondary schools in Southwest, Nigeria. The result shows that the respondents agreed that factors affecting budget practices of the principals the administration of public secondary schools in Southwest, Nigeria. This factors as seen in the table include school principal's negative attitude towards the budgetary plans, poor budget implementation, accommodation of unnecessary details in the budget make the budget implementation to become complicated and confusing, budget evaluation deficiencies and inflationary character of goods and service affect school budget, scarcity of financial resources, politics in the management of educational institutions, the withdrawal of government subsidy in public secondary schools affects budget management, principals do not involve all staff in budget preparation thereby neglecting their contributions and expected income for the school is usually less than the actual expenditure. This finding is in agreement with the finding of Ogundele, Moses and Bwoi (2019) who found that factors that constitute impediments threats to effective implementation of budget in education include accommodation of unnecessary details in the budget make the budget designed and implementation to become complicated and confusing, politics in the management of educational institutions, school administrator's negative attitude towards the budgetary plans, budget evaluation deficiencies, poor budget implementation among others.

The result of the study also corroborates the finding of Rotich and Ngahu (2015) who found that poor timeliness and financial resources allocation affect budget utilization in Kericho, Kenya. The study also found that the complexity of the tax systems in Kericho County Government affected budget utilization thus likely to retard economic development.

The finding is also in agreement with the findings of Kalu (2011) who found that principals and account supervisors in South East secondary school agreed that principals do not request for inputs from their staff during budget planning. This in turn is believed to affect the success of the school as the staff may be feeling bad to implement what they were not part of. The result of hypothesis tested for the study in Table 2 further established that there is no significant difference between the mean scores of principals and bursars on the factors affecting budget practices by the principals in the administration of public secondary schools in Southwest, Nigeria. However, the respondents differ in their mean responses on the research question answered in Table 1; this could be because the views of the principals are different from that of the bursars on how principals carry out their school budget practices in the administration of public secondary schools. The principals as the school accounting





officers would need to establish positive attitude towards the process and implementation of the budgets in order to beat the various factors militating against the achievement of the schools goals.

### Conclusion

Based on the findings of the study, it was concluded that a number of factors affects budget practices of principals in the administration of public secondary schools in Southwest, Nigeria. These factors include school principal's negative attitude towards the budgetary plans, poor budget implementation, accommodation of unnecessary details in the budget make the budget implementation to become complicated and confusing, budget evaluation deficiencies public secondary school principals in Southwest, Nigeria adopt some budgeting practices for effective school administration. It is therefore concluded that the principals as the school accounting officers of secondary schools would need to establish positive attitude towards the process and implementation of the budgets in order to beat the various factors militating against the achievement of the schools goals.

### Recommendations

Base on the findings of the study, the following recommendations were made:

1. Principals should endeavour to involve their staff in school budget planning and preparation and should not neglect their opinions and contributions for productive and effective administration of school.
2. Inflation should be addressed by the government in order to safeguard unplanned budgeting at secondary school.

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