



## **Perceived Impact of Budget Preparation Procedure on Secondary Schools Administration in Abia State, Nigeria**

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### **Abstract**

This study examined the perceived impact of budget preparation procedures on the administration of secondary schools in Abia State, Nigeria. The aim is to find out if the budget preparation procedures in use is seen as an incentive or discouragement in the administration of secondary schools in terms of its task areas. Altogether 192 school Principals participated in the study from 192 secondary schools in the 3 education zones of the state. Three research questions were posed and data were collected using a 14 item questionnaire titled budget Preparation Procedure and School Administration Questionnaire (BUPPASAQ). Data were analyzed using frequency distribution and means. Results indicated that the budget preparation procedure used in secondary schools appears to negatively impact the administration of secondary schools in Abia State, Nigeria. This is because an adequate quantity of teachers has not been recruited. Also facilities are not adequately provided for. Consequently, the study gives evidence to a new conception that focuses on regular retraining serving principals in financial matters. Such principals with administrative capabilities and experience may become excellent administrators. It is therefore necessary for a strict adherence to budget preparation procedures and for the inclusion of principals and other stakeholders (Parents, employers of labour, representative of the community etc) in secondary education during budget preparation.

**Key Words:** Administration, Budget, Budget Preparation, School Heads.

## Introduction

Generally, education is considered to be an important investment in human and national development. In Nigeria, as in other developed and developing countries, there is an increasing demand for education and a growing emphasis in addressing what goes on in the education system. There is also the growing need to adjust and cope with problems posed by globalization and the constant changes taking place in the world market. The provision and expenditure of funds according to Kanu (1998) has thus become the focal points through which educational planning and management can become more effective and efficient. This is because funds constitute the nerve centre of the school and therefore must be properly planned, budgeted and managed in order for schools to achieve their objectives. According to Nwokocha (2005) these issues have caused many stakeholders in education to frequently ask questions regarding the availability of funds and how these are used. Funds have been the primary concern of the principal who tend to be with inadequate instructional material, staff, etc. Onyeukwu (2004) further contends that funds granted to schools are not sufficient to cater for education services of personnel, the provision of buildings, equipment, supplies and other items necessary for the operation of a school.

The school problems tend to persist in spite of the revenue it receives from different sources. These include annual education share of the budget allocations from government, revenue from levied taxes, voluntary contributions from local and international agencies; and donations from Parent Teachers Association, the community and philanthropists. The cost of goods and services required in the school system is a sufficient justification for the emphasis commonly placed on the management of school finance. For instance, the magnitude of the number of employees - teaching and non-teaching personnel, buildings, equipment and supplies used in the school system shows among other things how important it is for the principal to have knowledge of basic school finance. However, the fundamental principle in educational finance is not necessarily how much money goes into the school system, but how well the available funds are effectively managed through budgeting for the realization of school objectives. According to Ama (2002:291) a "budget is a plan, quantified in monetary terms, prepared and approved prior to a defined period of time". By implication a budget usually shows the plan for the income to be generated and the expenditure to be incurred during a period of one year and the capital to be employed to achieve a given objective.

Roe in Ogonnaya (2012) sees school budget as the translation of educational needs into a financial plan, which is translated for the public in such a way that when formally adopted, it expresses the kind of education the community is willing to support financially. This shows that a good budget attracts the support of the tax-payers whose money is being made use of and whose children are likely to benefit from contributions toward the budget as they are the primary source of information. However, inadequate provisions of funds may be the result of a "top-down" budget preparation procedure, which Okunamiri (2002) describes as a regressive budget preparation strategy. In other words, this is a procedure that began from a higher authority which is sent to the lower administrative units for implementation.

In reaction to regressive budgeting, a school of thought on participatory

budgeting believes that principals, as a matter of policy, should be part of school budget preparation. This is because the school heads should provide the much needed information towards the effective administration of secondary schools. This arrangement of incorporating principals in budget preparation is described as progressive budget preparation strategy. It is characterized by the movement for budget preparation to start from the lower administrative operation unit to higher level for consideration and eventual approval. Since a budget is prepared for the school, it therefore means that the responsibility for its preparation should be spread out to all component units or departments. This study is, therefore, aimed at the perceived impact of a budget preparation procedure by secondary school administration in Abia State of Nigeria.

### **Statement of the Problem**

Looking at secondary schools in the light of their major tasks, one discovers that the realizations of teaching objectives have not only been difficult but also the quality of student performance in public examinations is overall unsatisfactory. This view is reinforced when consideration is given to numerous uncomplimentary remarks and comments made by most principals and other secondary school stakeholders on their non-inclusion in budget preparation. There are widespread allegations that principals are not part of the formulation of education policies. With regards to the impact of budget preparation procedure on the administration of secondary Schools, an infective procedure may be the cause of, to some extent, the poor implementation of educational programmes and non-attainment of school objectives.

This non-inclusion of principals in budget preparation seems to result in a show of apathy in the performance of their roles. Ineffective budgeting procedures may lead to inadequate teaching, learning materials, and funds to run the schools and consequently negatively impact the realization of school objectives.

### **Purpose of the Study**

The purpose of this study is to determine the perceived impact of budget preparation procedures on secondary school administration in Abia State of Nigeria. The specific objectives of the study are to determine the:

1. Perceived impact of the budget preparation procedure used in secondary schools on staff personnel administration
2. Perceived impact of the budget preparation procedure used in secondary schools on school finance administration.

### **Research Questions**

The following research questions were formulated to guide the study.

1. What is the perceived impact of budget preparation procedure on staff personnel administration?
2. What is the perceived impact of budget preparation procedure on school finance administration?

### **Significance of the Study**

The purpose of the study is to reveal information that may benefit the Ministry

of Education and Secondary Education Management Board by providing the basis for constituting policy measures that could contribute towards adherence to an appropriate budget preparation procedure. It may also highlight the need for the participation of school heads in budget preparation, which may improve their coordination of activities in different units and enhancement in the achievement of their administrative functions in the schools. Moreover, this study may provide evidence of a new concept that will focus on regular retraining of serving school heads in financial matters and budget preparation, in particular.

### Methodology

The study employed a descriptive survey design. The population of the study was made up of the 192, school principals of 192 secondary schools in the 3 education zones in Abia State. All of the principals were involved since the population is small enough.

### Research Instrument

The instrument used to collect data for this study was a 14 item questionnaire that the researchers developed and which is called Budget Preparation Procedure and School Administration Questionnaire (BUPPASAQ). The instrument was validated and found to be reliable with a reliability coefficient of 0.75 at 0.05 level of significance. The response format was a modified Likert-type four-point rating scale of strongly agree (4), agree (3), disagree (2) and strongly disagree (1).

The instrument was administered by the researchers and three other trained research assistants. The commitment and dedication of the researchers and the assistants resulted in a 100% return rate. Data collected were analysed using weighted mean scores to answer the research questions.

### Results

Table 1 below shows that the grand mean 2.55 of the four items is greater than the decision mean of 2.5. This means that principals perceive budget preparation procedure as impacting staff personnel administration.

S/N	ITEM	$\Sigma x$	mean	mean	Decision
1.	Staff needs are not in relation to demands.	503	2.62	2.55	High
2.	Some staff do not take part in budget preparation.	484	2.54		High
3.	Some administrators lack adequate knowledge of financial education.	502	2.61		High
4.	Some administrators misappropriate school funds.	548	2.85		High

Table 1: Impact of Budget Preparation Procedure on Staff Personnel Administration. Key:  $\Sigma x$  Summation

The results in table 2 shows the grand mean of 3.12 from the five items is greater than the decision mean of 2.5. This shows that the principals perceive budget preparation procedure as impacting on secondary finance administration.

S/N	ITEM	$\Sigma x$	$\bar{x}$	$\bar{\bar{x}}$	Decision
5.	Funds to schools are not adequate due to poor budget	510	2.66		High
6.	preparation.	590	3.07		High
7.	Impact of the financial contribution by local communities not	607	3.16	3.12	High
8.	significant.	666	3.47		High
9.	Financial problems in the school stem from misappropriation.	660	3.43		High
	Flexibility in the budget are usually abused				
	Environment is usually abused in the budget				

**Table 2: Impact of Budget Preparation Procedure on School Finance Administration.** Key:  $\Sigma x$  Summation,  $\bar{x}$  Mean,  $\bar{\bar{x}}$  grand means

### Discussion of Findings

This study focused on the perceived impact of budget preparation procedure on secondary schools administration, as measured by these principals' task areas, e.g., finance and staff personnel administration. One of the imperatives of effective school administration is the use of a progressive budget preparation approach. Unfortunately, in response to research question one, the impact of budget preparation procedures on staff personnel was high. Kanu (1998) also established in his study, the required number and quality of staff needed to realize school objectives, is handicapped by budget preparation procedures. This may be the reason Abiola (1989), observed that poor budget preparation procedures affect staffing to the extent that school principals perform the work of an office clerk, bursar, typist, and to some extent teach more subjects, in order to close the financial gap. Joseph (2002) also contends that a lack of authority by present day school principals restricts their capabilities to budget issue on staff administration.

The findings also revealed a high level of inadequate provision of finances. The principals noted that funds to schools are inadequate which seems to result in under-funding and provisions of instructional materials. Indeed, as Aghenta (1984) pointed out, the inadequate budgeting of funds is likely to be inhibitive to the success of the school. Inadequate funding, as Okoye (2005) observed, is a major cause of the dearth of instructional materials and other resources, as this is related to poor budgeting preparation. The result shows that a significant number of principals perceive the way budget preparation is implemented as negatively impacting the administration of secondary schools.

### Recommendation and Conclusion

The study was carried out to determine the perceived impact of budget preparation procedure on the administration of secondary schools. The results of this research have made it possible to conclude that budget preparation procedures are perceived as a crucial yet difficult task in the functional area of principals. They often deal with budget-control related matters, such as staff and finance administration, many of which results from poor administration and student performance. There is ample evidence, from the study, indicating that the current budget preparation procedures are inappropriate. This finding points to the need to constitute policy measures for strict adherence to progressive budget preparation procedure. In addition, the findings in this study demonstrate the need to include principals in budget preparation procedures for the purpose of improved fiscal discipline.

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