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RELATIONSHIP BETWEEN FINANCIAL MANAGEMENT PRACTICES AND EFFECTIVE ADMINISTRATION OF SECONDARY SCHOOL SCHOOLS IN ANAMBRA STATE

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ABSTRACT

This study examined the relationship between financial management practices and effective administrative of secondary schools in Anambra State. This study employed the use of correlational research design. The population of this study consisted 263 principals and 263 bursars from the two hundred and sixty-three (263) public secondary schools in Anambra State. The entire population was used as the sample size since the population was small and manageable. The instruments used for data collection were questionnaires and the questionnaires include Financial Management Practices Questionnaire (FMPQ) and Effective Administrative Questionnaire (EAQ). The reliability was determined by administering copies of the questionnaire to 10 principals randomly selected from public secondary schools in Enugu State. Cronbach Alpha coefficient score was used to determine the reliability of the questionnaires. The FMP questionnaire yielded an average Cronbach Alpha score of 0.84 while the EAQ yielded 0.88 score. This result indicated that the instrument was reliable and have high internal consistency. Direct method of data collection was used to collect data from the respondents. At the end, 100% of the copies of the questionnaire were returned. Pearson product moment correlation coefficient was used to analyse the research questions while simple linear regression was used to test the hypotheses at 0.05 significant level. The study found that there is significant relationship between budgeting practices and effective management of secondary schools in Anambra State and also, there is significant relationship between cost control practices and effective management of secondary schools in Anambra State. These has shown that with effective financial management practices, there would an effective administration of secondary schools. The study recommended that principals should adopt effective budgeting practices as this help in the improvement of effective administration of secondary schools. School management should ensure there is cost control practices as this prevent wastage of funds that would be used for effective administration of secondary schools.

Keywords: Financial Management Practices, Administration, Budgeting, Cost Control

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Introduction

Education serves as a powerful tool that shapes both individuals and societies, fostering the development of critical thinking, intellectual growth, and socio-economic progress. It stands as a foundational pillar of advancement, enabling individuals to navigate complexities, contribute meaningfully, and adapt to the ever-changing global landscape. According to Egboka and Ezebuilo (2023), education plays a vital role in enhancing one's intellectual capabilities, shaping character, and facilitating moral and cultural empowerment, leading to positive societal development. Furthermore, secondary education holds significance as a key component of the educational system, focusing on delivering quality education and assisting students in attaining educational objectives. As highlighted by Likoko, Wafula, and Amadi (2023), secondary education acts as a crucial stepping stone for students, serving as the platform for their transition to higher levels of education.

principals play a pivotal role as key stakeholders overseeing daily operations to ensure the effective administration and accomplishment of educational objectives in secondary schools. As stated by Obasi (2018), the principal is responsible for managing both human and material resources within the school and holds the highest administrative position. Serving as an instructional leader, the principal oversees curriculum implementation and ensures the smooth functioning of the school to enhance staff productivity, particularly in terms of effective teaching and learning, as highlighted by Nzoka and Orodho (2014). According to Wagbara (2023), the principal serves as the chief executive and chief administrative officer of a secondary school. Their responsibilities include planning daily activities, providing necessary resources, optimizing limited funds, and organizing staff activities to achieve predetermined educational objectives.

Principals play a crucial role in effectively managing the finances of secondary schools, recognizing that financing is integral to the functioning of any organization, including education. Financial management practices cannot be understated in ensuring effective administration at this level. Kwaghbo (2008) defines financial management practices as encompassing planning, organizing, coordinating, directing, and payment collection to achieve organizational goals. Given the scarcity of resources, educational administrators and planners must prioritize optimal fund utilization, as emphasized by Onuorah and Egbosi (2020), who describe financial management practices involving planning (budgeting), organizing (coordinating), leading (communicating and motivating), and controlling (auditing).

Efficient school finance management is essential for effective administration, enhancing teaching and learning through resource maximization. Akomolafe (2012) defines effective school administration as a positive response to administrative efforts to achieve goals, including quality decision-making, personnel motivation, and improved

staff and student performance alongside optimal financial management. Nwankwo (2022) describes effective secondary school administration as mobilizing and managing resources for collective goals, aligning with Nigeria's goal of preparing individuals for societal living and higher education, equipping them with essential skills for effective societal integration (Federal Republic of Nigeria, 2014).

Unfortunately, when there's inadequate financial management, many secondary schools struggle to operate effectively. As noted by Obi and Chukwuogo (2023), poor financial management leads to financial indiscipline, irregularities, errors, fraud, and misallocation of resources. This often stems from insufficient physical and personnel control measures implemented by public secondary school principals. Ofojebe and Amaikwu (2021) highlight another issue: the lack of classrooms and deteriorating buildings in Anambra State's public secondary schools. They argue that this problem is not solely due to funding limitations but is exacerbated by ineffective management strategies employed by principals. However, in order to control some of these poor financial management practices, this study sought to examine the relationship between financial management practices and effective administrative of secondary schools in Anambra State.

Statement of the Problem

Poor financial management practices within public secondary schools in Anambra State can give rise to various critical issues that hinder effective administration. One significant concern is the improper allocation of funds, where financial resources are not used efficiently, resulting in wastage and insufficient support for crucial educational requirements like infrastructure, teaching materials, and staff training. Moreover, poor financial management may lead to delays or non-payment of teachers' salaries and benefits, causing demotivation, strikes, and disruptions in academic activities, ultimately impacting the quality of education and student performance. Furthermore, the lack of transparency and accountability in financial practices can foster corruption and embezzlement, draining resources intended for educational purposes. Consequently, this can erode public trust in the school administration and government, leading to reduced community support and involvement in educational initiatives. It is against this background this study was borne.

Research Questions

1. What is the relationship between budgeting and effective management of secondary schools in Anambra State?
2. What is the relationship between cost control practices and effective management of secondary schools in Anambra State?

Hypotheses

1. There is no significant relationship between budgeting and effective management of secondary schools in Anambra State

2. There is no significant relationship between cost control practices and effective management of secondary schools in Anambra State

Research Method

This study employed the use of correlational research design. This was carried out in 263 public secondary schools in Anambra State. The population of this study consisted 263 principals and 263 bursars from the two hundred and sixty-three (263) public secondary schools in Anambra State. The entire population was used as the sample size since the population was small and manageable. The instruments used for data collection were questionnaires and the questionnaires include Financial Management Practices Questionnaire (FMPQ) and Effective Administrative Questionnaire (EAQ). The FMP questionnaire has two parts such as Part A and Part B. Part A elicit information on the demographics of the respondents while Part B was divided into two clusters (Cluster I and Cluster II). Cluster I sought for information on Budgeting Practices (BP) while Cluster II sought for information on the Cost Control Practices (CCP). Both clusters were structured on a four (4)-point scale such as Strongly Agree (SA) – 4, Agree (A) – 3, Disagree (D) – 2 and Strongly Disagree (SD) – 1 with 10-item statements each. Likewise, Effective Administrative Questionnaire (EAQ) was also structured on a four (4)-point scale such as Strongly Agree (SA) – 4, Agree (A) – 3, Disagree (D) – 2 and Strongly Disagree (SD) – 1 with 15-item statements. The reliability was determined by administering copies of the questionnaire to 10 principals randomly selected from public secondary schools in Enugu State. Cronbach Alpha coefficient score was used to determine the reliability of the questionnaires. The FMP questionnaire yielded an average Cronbach Alpha score of 0.84 while the EAQ yielded an 0.88 score. This result indicated that the instrument was reliable and have high internal consistency. Direct method of data collection was used to collect data from the respondents. At the end, 100% of the copies of the questionnaire were returned. Pearson product moment correlation coefficient was used to analyse the research questions while simple linear regression was used to test the hypotheses at 0.05 significant level.

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Presentation of Results

Research Question One: What is the relationship between budgeting and effective management of secondary schools in Anambra State?

Table 1: Summary of Pearson product moment correlation on the relationship between budgeting and effective management of secondary schools in Anambra State

Variables	N	Effective Administration	Budgeting Practices	Remarks
Effective Administration	263	1.00	.808**	Very High Positive Relationship
Budgeting Practices	263	.808**	1.00	

The summary result of the Pearson product-moment correlation coefficient on table 1 showed the relationship between budgeting and effective management of secondary schools in Anambra State. The results indicated that the R-value was .808 which indicated that there is a very high positive relationship between budgeting and effective management of secondary schools in Anambra State.

Research Question Two: What is the relationship between cost control practices and effective management of secondary schools in Anambra State?

Table 1: Summary of Pearson product moment correlation on the relationship between cost control practices and effective management of secondary schools in Anambra State

Variables	N	Effective Administration	Cost Control	Remarks
Effective Administration	263	1.00	.747**	Very High Positive Relationship
Cost Control	263	.747**	1.00	

The summary result of the Pearson product-moment correlation coefficient on table 1 showed the relationship between cost control practices and effective management of secondary schools in Anambra State. The results indicated that the R-value was .808 which indicated that there is a very high positive relationship between cost control practices and effective management of secondary schools in Anambra State.

Test of Hypothesis One: H_0: There is no significant relationship between budgeting practices and effective management of secondary schools in Anambra State.

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Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	F-Value	Sign.
1	.808[a]	.653	.633	.60876	33.809	.000[b]

a. Predictors: (Constant), Budgeting Practices

The analysis of test of hypothesis one showed that there is significant relationship between budgeting practices and effective management of secondary schools in Anambra State. The R-value is 0.808 and the p-value (0.00) is less than the 0.05 significant level. Thus, the null hypothesis was rejected and the alternative hypothesis was retained.

Test of Hypothesis Two: H_0: There is no significant relationship between cost control practices and effective management of secondary schools in Anambra State.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	F-Value	Sign.
1	.747[a]	.558	.533	.68661	22.727	.000[b]

a. Predictors: (Constant), Cost Control Practices

The analysis of test of hypothesis one showed that there is significant relationship between cost control practices and effective management of secondary schools in Anambra State. The R-value is 0.860 and the p-value (0.00) is less than the 0.05 significant level. Thus, the null hypothesis was rejected and the alternative hypothesis was retained.

Discussion of Findings

There's a clear correlation between budgeting practices and the efficient management of secondary schools in Anambra State. Theresa and Okorji's (2021) research backs this, showing that effective budgeting practices by principals include conducting market surveys to inform budget preparation, prioritizing urgent school needs, allocating funds for unexpected expenses, estimating income, and defending budgets before relevant authorities. These findings align with Bilkisu's (2018) report, which mentions practices like stocktaking, collaboration across school units, budget defense, and seeking approval.

Likewise, there is a strong link between cost control practices and effective school management in Anambra State, as indicated by Nwankwo's (2022) study. Cost control practices, such as financial planning, duty segregation, hiring qualified staff, and meticulous transaction documentation, curb fund wastage, leading to improved

administration. These finding echoes those of Ama (2006), Egwu (2008), Mamman (2008), and Nwagwu (2000), emphasizing prudent fund use and accurate accounting to address financial issues proactively and prevent financial system breakdowns.

Conclusion

There is significant relationship between budgeting practices and effective management of secondary schools in Anambra State and also, there is significant relationship between cost control practices and effective management of secondary schools in Anambra State. These has shown that with effective financial management practices, there would an effective administration of secondary schools.

Recommendations

1. Principals should adopt effective budgeting practices as this help in the improvement of effective administration of secondary schools.
2. School management should ensure there is cost control practices as this prevent wastage of funds that would be used for effective administration of secondary schools.

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