



## **AN APPRAISAL OF THE COMPETENCY NEEDS OF PRINCIPALS IN FINANCIAL RESOURCE MANAGEMENT IN SECONDARY SCHOOLS IN OGOJA EDUCATIONAL ZONE OF CROSS RIVER STATE**

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### **Introduction**

The success or failure of any organization strongly depends on the management of that organization. Hence, management connotes a systematic arrangement of human and material resources towards the achievement of organizational goals. It is also the utilization of physical and human resources through co-operative effort, and it is accomplished by performing the function of planning, organizing, staffing, directing and controlling with the aim of achieving the envisage good of an organization (Jesse, 2017).

Management involves the utilization of human and material resources, while school management may entail the integration of human and material resources towards achieving and maintaining educational objectives and goals. Its main thrust is on the mandatory operational areas of school management needed for the achievement of education goals. It is also a process through which individuals come together as groups with a leader that will control, co-ordinate, articulate the activities of the group and if done properly will achieve tangible results in the end. In support of this, Ibrahim (2017) observed

that management is the totality of efforts that are brought to bear on the provision and delivery of organization to ensure that both the human and material resources allocated to an organization are used to the best advantage in the pursuit of organizational objectives and goals. Thus, the management of education lies primarily on the head of the various institutions, and in secondary school is the school principal whose managerial responsibilities include planning, organizing, directing and decision making regarding the available resources with the aim of achieving the educational goals, while decision making, as an integral part of planning is a very crucial and indispensable aspect of management and very essential for the success of instructional management. It is therefore imperative that school principals are knowledgeable in decision making for effective school administration. Ogbonnaya (2016) explained that principals as the chief executives in secondary schools should possess skills for making right decision that will be beneficial to the school needs and the staff generally. Financial resource management is one of the major tasks of principals. The success of any school



programme depends very much on the way the financial inputs are managed.

Financial resource management of educational institutions is of prime importance in the achievement of educational objectives. Ogbonnaya (2016) conceived financial resource management as it relates to decision on how to plan for funds, procure funds, expend and give account of funds provided for implementation of programmes of an organization. It is also concerned with liability to be called upon to account or answer for funds entrusted to one's care. Ogbonnaya further observed that no organization can survive or carry out its functions effectively without adequate financial resources at its disposal. Financial resource management is closely related to accountability, and in fact, emphasizes accountability in an organization. Financial resource management suggests that administrators and other agencies are accountable to the extent that they are required to answer for their actions. Okoye (2017) stated that financial resource management as a concept is concerned with ensuring that funds in an organization are effectively and efficiently utilized through proper planning and control of available funds. For Abudul (2016), financial resource management is concerned with the identification of possible strategies capable of maximizing an organization's net present value, the allocation of scarce capital resources among competing opportunities and the implementation and monitoring of the chosen strategy so as to achieve the envisaged goals. Good financial resource management ensures the provision and utilization of school funds and school plant.

Agu (2010) agreed that financial resource management must be based on sound financial planning, it must provide enough income to sustain the plan, must also control expenditures and solve specific problems. According to Nnaemeka (2017), management of finance involves budgeting, sourcing funds, handling receipts, purchasing, disbursing and accounting. Nnaji (2017) noted that it is difficult for secondary school principals to keep school activities solvent, the programmes well balanced and the people who run it honestly over an extended period of time, without a well-planned budget. The author maintained that in the absence of a budget for activities, students and teachers become careless in incurring liabilities.

A budget is a financial and/or quantitative plan prepared and approved prior to the defined period to which it relates, (Okoye, 2017). Ogbonnaya (2016) defined school budget as an educational plan with an estimate of receipts and expenditures necessary to finance it for a definite period of time. It is the translation of educational needs into financial plan which is interpreted to the public in such a way when formerly adopted, it expresses the kind of educational programme the community is willing to support financially for a year period (Mba, 2017). In budget planning, Adelabu (2017) explained that the school head has to see to it that adequate financial provision is made in the budget, making sure that sectional and departmental heads have prior notification and consultation about their departmental need. It is also the responsibility of the school heads to see that the allocations in the



school budget are implemented accordingly.

Budget implementation according to Okoye (2017) is putting into effect only the programmes that are provided for in the budget plan. The author noted that it is the responsibility of the manager to ensure that all expenditures are kept within the anticipated income. One thing is to have a budget, yet another is to follow it strictly. For any particular budget to be meaningful, it must be put into operation. Ibrahim (2017) is in line with this view when he stated that adherence to budget plan is certainly a positive behaviour in public sector financial management. The author emphasized that it provides the benchmark or parameters for measuring performance. This view is also supported by Eric (2017) who stated that a budget is not an effective instrument for implementing an educational plan if it is filed away and referred to only at intervals. In the light of the above assertions, budget planning implies all the programmes or activities of an organization which involves income and expenditure which the organization have planned to embark on for a period of time, while budget implementation implies adhering to the already planned budget without deviating.

However, some researchers such as Ebeagu and Amara (2017) have observed that most school heads are naïve of educational plans when putting up a budget plan for their school even at the implementation stage, they negate some stakeholders who play vital roles in the cause of implementing the budget. Ogbonnaya (2016) is in line with this view when he said that some administrators do

not involve their subordinates in budget planning and preparation, rather, they prepare budgets single handedly or as if it is their own private affairs. Also, Eke (2017) emphasized that some school principals do not carry their staff and students along during budget preparations. The author noted that the school principals do not allow all participants to contribute effectively during the budget preparation, because they (principals) are always in a hurry to prepare and submit their estimates of proposed income and expenditure to the Post Primary School Management Board. This negligence may not be unconnected with competency level of school principals in budget planning and implementation. Ukenna (2016) also noted that, principals of schools usually encounter problems in implementing the budget plans, one of such problems involves unstable cost of materials due to inflationary trends, that may not meet up with the actual money budgeted.

This calls for principals to source for additional funds by increasing their internal generated revenues. In examining the extent school principals aid in increasing internally generated revenue for their schools, Ukenna (2016) revealed that, some educational institutions organize Founder's Day, sales of agricultural products, establishment of transport services for their schools, attract philanthropic individuals, businessmen, charitable organizations and School – Based Management Committee (SBMC) within the community of their schools in order to boost their revenue. Enyi (2011), also noted this trend, where educational institutions collaborate with communities to



raise financial and material resources for schools. In a related position, Jacob (2017) noted that, the school-Based Management Committees show intimate interest in and concern for the affairs of the school by giving moral and financial support to the school and exercises disciplinary functions. The author maintains that as a result of these functions, the principals should be skilled in involving the SBMC in procuring funds. In other words, they (principals) should be very knowledgeable in involving the community members in the procurement of funds.

The education sector competes with other sectors of the Nigerian economy. According to Ogbonnaya (2016), education demands effective funding from the government, the same is true of other sectors. Thus, the funds made available for education are never enough as these sectors must receive attention as well. Mgbodile (2004) stated that, no nation can boast of enough financial resources for efficient running of its schools. According to the author, management of schools is being increasingly impossible. The effective management of school financial resources has been crippled by the poor economic situation in the country. In view of this, Ogbonnaya (2016) stressed that, the neglect of teachers arising from the inability of the government to care for the teachers have resulted to various cases of strike, poor job performances from teachers, therefore, they resort to other money yielding business during school hours. Peter (2016) also stressed that, utilizing personnel in a period when individual needs for survival are not being met is definitely an arduous task that requires more than managerial skills. If one

follows the principle of scientific management, in which workers are expected to give up maximum capacity for wages they receive and money is a motivating factor, the school worker will not provide any out-put in terms of learning activities, since their salaries are not being regularly paid. Ogbonnaya (2016) suggested that, on account of these, principals should be knowledgeable and skillful in attracting donations from the community and also ensure that their schools receive allocations from the State Government. Although, not all school heads are competent to organize these fundraising activities so as to increase the internal generated revenue for their schools, some of them are found to be exploitative in nature on the issue of finance. According to Adeleke (2017), the attitude of most school heads towards money have not helped matters, as most school heads are not financially transparent and accountable in their dealings. Similarly, Enyi (2010) noted that it is only few school administrators who do not weather through corruption allegations. Also, Ojele (2017) opined that, parents and the community members are always concerned about the sound education of their children and that they are eager to see that whatever amount of money they spend on the education of their children is well accounted for. This non-accountability nature of most school heads may be as a result of incompetence in keeping financial records.

Another important aspect of the principals' role in the management in secondary education is 'financial resource management'. It is obvious that the management of the financial resource rests





squarely on the principals despite the fact that the school may have a bursar or not. It is also the responsibility of the school head to see that the allocations in the school budget are disbursed in accordance with financial regulations and procedures. According to Okoye (2017), the procedure for disbursing school fund includes that principals should work within the constraint of the school budget, keeping close checks on financial matters delegated to staff, issuing of receipts for all monies collected and records of items of expenditure. Ogundipe (2017) is in line with the above assertion. According to Ogundipe, the procedure and principle for expending school funds include; regulation, procurement procedure, Performa invoice, order forms, or delivery notes, a cheque and ensuring effective and efficient internal control mechanism.

Competency is the ability of an individual to do job properly. Competency is a cluster of related abilities, commitments, knowledge, and skills that enable a person (or an organization) to act effectively in a job or situation (Ranny, 2017). The author noted that competency indicates sufficiency of knowledge and skills that enable someone to act in a wide variety of situations. Ranny further explained that because each level of responsibility has its own requirements, competence can occur in any period of a person's life or at any stage of his or her career.

There has been a lot of allegations of mismanagement and embezzlement of school fees, and SBMC funds, among others, levelled against school principals. Improper use of school resources and

embezzlement of school funds are capable of leading to non-achievement of school goals. Most principals are also seen to have poor capacity for keeping financial records, routine budgeting, fund sourcing etc. The implication is that many of these principals lack skills, knowledge and attitude required in ensuring efficient financial resource management and when these attributes are lacking, there will be limited ways organizational goals can be achieved. Hence, the need to investigate the competency needs of principals in financial resource management in secondary schools becomes inevitable. This issue thus led to the problem of this study; which is, to determine principals competency needs in financial resource management in Cross River State?

### **Research Questions**

The following research questions were formulated to guide the study.

1. What budget planning competencies are needed by principals of public secondary schools in Ogoja Education Zones of Cross River state?
2. What are the budget implementation competencies needed by principals of public secondary schools in Ogoja Education Zones of Cross River State?

### **Hypotheses**

The following null hypotheses guided this study at 0.05 level of significance.

**H<sub>01</sub>:** There is no significant difference in the mean ratings of principals and bursars on the principals' competencies needed in budget planning.



**H02:** There is no significant difference in the mean ratings of principals and bursars on the competencies needed in budget implementation.

### **Methodology**

The research design that was used for this study is descriptive survey design. A descriptive survey design is one in which a group of people or items are studied by collecting and analyzing data from only a few people or items considered to be representative of the entire group (Nworgu, 2006). The design is considered suitable because the study aims at determining the principals' competency needs in financial resource management. The population of the study consisted of all the Public Secondary School principals and bursars in Ogoja Education Zones of Cross River State. Statistics revealed that there are eighty-four (84) secondary schools in Cross River state, eight-four (84) principal and eight-four (84) bursars in the state. The sample size of the study was 40. This comprised of 20 principals as well as 20 bursars from the public secondary schools in the zones. Purposive sampling technique was used in selecting the Ogoja Education Zones of Cross River State. Questionnaire that was used for data collection is titled Competency Needs of Principals in Financial Resource Management (CNPFRM). The questionnaire was developed by the researcher. The

questionnaire has two sections: A and B. section A contains personal data of the respondents while section B contains twenty items built in five clusters, A, B, C, and D. The questionnaire was face validated by three experts, two experts in Educational Administration and Planning and one expert in Measurement and Evaluation both from the Federal College of Education, Obudu. The essence is to determine the relevance and appropriateness of the items to the purpose of the study.

In order to determine the reliability of the instrument, the instrument was trial-tested. In doing this, six secondary schools in Ikom Educational zone of Cross River was used. The reliability coefficients obtained were 0.79 and 0.71. The average reliability coefficient was 0.78. These results showed that the instrument is reliable. The services of two research assistants were used for the distribution and retrieval of the instrument through the guidance of the researcher to ensure safe handling. The collected data was analyzed using descriptive statistics. The Mean and Standard Deviation were used to answer the research questions while t-test statistics was used in testing the null hypotheses at 0.05 level of significance. Real limit of numbers was used to find the extent. The degree of acceptance was between 2.50 below and above.



## Results

**Research Question One:** To what extent do secondary school principals need competencies in budget planning?

**Table 1:** Mean scores of school principals and school bursars on the extent to which secondary school principals need competencies in budget planning.

S/N	Items	Principal		Rmk	Bursars		Rmk
		Mean	SD		Mean	SD	
1	Principals usually make careful study of educational needs of their school.	3.81	0.50	VGE	3.49	0.70	GE
2	Principal usually procure the necessary revenue to implement educational programmes which is usually agreed upon among stakeholders of the school.	3.71	0.51	VGE	3.41	0.84	GE
3	Principals usually make sure that available revenue is allocated in such a way as to avoid waste of resources.	3.81	0.46	VGE	3.42	0.72	GE
4	School principals always act according to the planned budget in resource allocation.	3.77	0.47	VGE	3.17	0.97	GE
5	School principals always act according to the planned budget in resource allocation.	3.83	0.45	VGE	3.27	0.86	GE

The above table 1 showed the mean scores of principals and bursars on the extent to which secondary school principals need competencies in budget planning. With the average mean of 3.78 for school principals and 3.40 for school bursars, it indicates that the respondents unanimously acknowledged that school principals usually make careful study of educational needs of their school; usually procure the necessary revenue to implement educational programme which are usually agreed upon among stakeholders of school, usually estimate the revenue that will be available for the execution of educational programme, usually make sure that available revenue is allocated in such a way as to avoid waste of resources, and always act according to the planned budget of resource allocation.

**Research Question Two:** To what extent do secondary school principals need competencies in budget implementation?

**Table 2:** Mean scores of school principals and school bursars on the extent to which secondary school principals need competencies in budget implementation.

S/N	Items	Principal		Rmk	Bursars		Rmk
		Mean	SD		Mean	SD	
1	Principals usually provide the necessary school account books for the purpose of entering the detailed account budgeted for.	3.13	1.02	GE	2.68	1.03	GE
2	Principals provide double checks on expenditure	3.45	0.88	GE	3.27	0.81	GE
3	Principals properly handle the reserved fund set up to handle special needs as they arise.	3.21	0.82	GE	3.38	0.85	GE
4	Principals follow specifications on the budget carefully.	3.33	0.89	GE	3.18	0.99	GE
5	Principals exhibit self-control in budget implementations.	3.29	0.72	GE	3.14	0.50	GE

The above table 2 showed the mean scores of school principals and school bursars on the extent to which secondary school principals need competencies in budget implementation. With the average mean of 3.28 for school principals and 3.13 for school bursars, it indicate that the respondents unanimously acknowledge that the competencies need of secondary school principals include provision of necessary school account books for the purpose of entering the detail account budgeted for; provide double checks on expenditure, properly handle the reserved fund set up to handle special needs as they arise, follow specifications on the budget carefully and exhibit self-control in budget implementation.

**Table 3:** t-test analysis of the mean rating of principals and bursars on the extent to which secondary school principals need competencies in budget planning.

S/N	Variable	N	$\bar{X}$	SD	t-cal	t-tab	Level of signif.	df	Decision
1	Principals	67	3.78	0.48					Accepted
2	Bursars	67	3.40	0.82	1.12	1.946	0.05	132	

The above 3 showed a significant relationship between the responses of principals and bursars on the competencies needs of principals in budget planning. At 0.05 level of significant, the table value stood at 1.946 while the calculated value (C value) remains at 1.12 and going by the decision rule we therefore accept the null hypotheses which stated that there is no significant difference in the mean rating of principals and bursars.

**Table 4:** t-test analysis of the mean rating of principals and bursars on the extent to which secondary school principals need competencies in budget implementation.





S/N	Variable	N	$\bar{X}$	SD	t-cal	t-tab	Level of signif.	df	Decision
1	Principals	20	3.2	0.87					
2	Bursars	20	3.13	0.84	0.05	0.946	0.05	132	Accepted

The above Table 4 showed a significant relationship between the responses of principals and bursars on the competencies need of principals in budget implementation. At 0.05 level of significant, the table value stood at 1.946 while the calculated value (C value) remains at 0.05, and going by the decision rule we therefore accept the null hypotheses which stated no significant difference in the mean rating of principals and bursars.

### Discussion

To what extent do secondary school principals need competencies in budget planning? The evidence obtained in this study as presented on Table 1 revealed that competencies need of principals in budget planning includes careful study of educational need, procurement of necessary revenues, estimation of revenue, allocation of resources appropriately and acting according to the budget. The finding of this study is in line with the work of Campbell (1999) who viewed principal as an influential agent responsible for obtaining resources for his/her school in attempt to establish and maintain an environment conducive for higher staff productivity. In the same vein, Adedipe (2001) stressed that the school head has to see to it that adequate financial provision is made in the budget, making sure that sectional and departmental heads have prior notification and consultation about their departmental needs. It is also the responsibility of the school head to see that the allocations in the school budget are spent according to the directives of his employer and in accordance with financial regulations and procedure.

To what extent do secondary school principals need competencies on budget implementation? The summary of data analysis for research question 2 as shown on table 2 indicate that the competencies need of principals in budget implementation includes the provision of necessary school account books for the purpose of entering the detailed account budgeted for, providing double checks on expenditure, proper handling of reserved fund set up to handle special needs, following of specifications on the budget and exhibiting of self-control in budget implementation. The finding of this study is in line with the work of Okereke (2002) who stated that adherence to budget is certainly a positive behaviour in public sector financial management. He stressed that it provides the benchmark or parameters for measuring performance. This view is supported by Aderalegbe in Agusiobo (2001) who stated that a budget is not an effective instrument for implementing an educational plan if it is filed away and referred to only at intervals.

### Conclusion



From the results obtained from the study, the following conclusions were drawn.

Competencies needs required of principals in budget planning include careful study of educational needs, procurement of necessary revenues, estimation of revenues, allocation of resources appropriately and lastly acting according to the planned budget. Competencies needs required of principals in budget implementation includes provision of necessary school account books, provision of double checks on expenditure, proper handling of reserved fund, following of specifications on the budget and lastly exhibiting of self-control in budget implementation.

### **Recommendations**

The data collected for this study have been interpreted and the results of the study discussed. Based on the discussion, some implications of the findings of this study for educational practice were derived. The recommendations stated below are as a result of these implications:

1. Government should train principals on skills that are associated with budget planning, intricacy that are involving in effective planning in any organization that is objective driven.
2. Skills in budget implementation is required among school principals, thus, school managers such as boards, Ministry of Education at all level should endeavor to equip school heads with the necessary skills, knowledge and attitude that are associated with budget implementation.

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