

# Financial Management Competence of Principals and Attainment of Secondary School Goals in Calabar Education Zone of Cross River State, Nigeria

Udoh-Uwah, Okon Effiong Ubok-Obong, Ime Etim, Mary Effanga  
Department of Educational Administration and Planning University of Calabar

## Abstract:

The study sought to examine the financial management competence of principals as it relate to their secondary school goal attainment in Calabar Education Zone of Cross River State, Nigeria. Two researcher made questionnaires validated by experts in Measurement and Evaluation, University of Calabar were used to collect data from a sample of 120 respondents (30 principals and 90 teachers) startifiedly selected from the seven Local Government Areas that make up the study area. All hypotheses were tested at 0.5 level of significance using Pearson Product Moment Correlation Analysis and the result showed that secondary school goal attainment was significantly dependent on the principals' financial management competence. It was recommended that principals be trained on financial management and that government should increase their allocation to secondary schools to ease the administrative tasks of principals and to enhance their goal attainment.

**Keywords:** Financial Management, Competence, Goal Attainment

## 1. Introduction

For secondary schools to achieve the cherished goals of preparing students for useful living within the society and to gain admission into higher institutions, the principals and teachers must be effective, committed and dedicated to their duties. The principals are managers who engage in sequential coordinated activities or events to achieve the school goals while teachers are the implementers of the educational curriculum which come from educational policies and programmes. The both work hand in hand and in conjunction with other support staff to achieve the overall goal of education. These goals are said to focus on producing quality graduates with employability skills, abilities and competences so as to harness the available resources to better the standard of living in the society and for national development. The principal as the head need some leadership competences mostly in the area of fiancé management which would place him/her above the staff that work under him/her.

Funding of any project or programme in secondary school entails providing finance for the execution of such projects and school programmes. Funding of secondary schools programmes in Nigeria has been a major challenge (Agi & Nnokam, 2013; Popoola, Bello & Atauda, 2009). Facilities and infrastructure available for use in the public secondary schools in Nigeria and indeed Cross River State are not adequate. The renovation of old classroom blocks and construction of new ones in Cross River State are not adequate to accommodate the students (Denga, 2002; Onyeachu, 2009).

Furthermore, for the job of the principal to be effective, he/she needs finance to run the affairs of the school. For the principal to be effective, to manage the students as well as physical facilities, teaching aids, invite resources persons in some areas, and to make known the school programmes/ideas to the public he/she needs money/funds. Fund is required to maintain school plant and other services that will keep the school going. Money is then regarded as the life wire of the school. It is the fuel and lubricant which propels the school to move on, it is money that provides all the essential purchasing power with which education acquires its human, material resources and physical input.

One of the major roles of the principal is to source for fund, allocate the fund judiciously as well as manage the fund effectively to achieve the set educational goals. The sources of school fund as outlined in Akpan (2011) includes government allocation, foreign aid, community effort, mission support, PTA levy, school fee charges, individual philanthropist donations, Non-Governmental Organisations (NGOs) support and so on. The population explosion in public secondary schools due to free education is becoming a challenge as there are no enough classrooms to accommodate the student enrolment. The number of teachers available is not enough to teach these students even with the Federal Teachers intervention Scheme and N-Power Teachers scheme. Secondary schools in Cross River State and in particular Calabar Education Zone also lack technical and professional staff to help in the implementation of the curriculum towards the attainment of secondary school goals (Uzomah & Okereke, 2010).

Some principals only rely on government allocations and school fees as sources of school finance to run the school. Most times they fail because the allocation is not enough to pay the bills and maintain the school. The lack of prerequisite competences in school administration can affect the process of teaching and the overall performance of the students, thereby posing a threat to the survival of the secondary school system. These lapses are pointer to the principals' financial management incompetence and lack of innovative tendencies in sourcing

for school finance. These and more seem to make them fail to achieve the set secondary school goals. The Government of Cross River State do organize seminars for principals at the beginning of every school session yet the problem persist. It was based on this backdrop that the study sought to investigate how financial management competence of principals can influence the attainment of secondary school goals in Calabar Education Zone of Cross River State.

Nwobe (2013) studied the administrative competence of 246 principals of secondary schools and administration of UBE programme and reported that principals' financial management skills significantly influenced effective implementation of UBE scheme in Anambra State. Ogbonnaya (2000) submitted that the objective of financial management is not just to raise funds but to ensure effective and efficient utilization of the funds so mobilized. From the forgoing, it therefore means that for the principal to succeed in achieving the school goals, he/she needs good financial management competences. Ugwu (2005) studied 1600 primary school teachers from 160 schools in Nsukka, Enugu State Nigeria. The research which adopted descriptive research design utilized a researcher-made questionnaire validated through Cronbach Alpha method to collect data for the research. The findings reported that Head teachers needed financial management competences so as to source for funds, prudentially manage the funds and to keep proper accounting records of the school funds.

## **2. Statement of the problem**

High moral decadence has been observed among secondary school students and a yearly decline in students' academic performance in Nigeria and Calabar Education Zone in particular. Between 2010 and 2014, the percentage of students who obtained credit in five subjects and above including Mathematics and English Language has not been above forty (40) ([www.naija – techguide.com](http://www.naija-techguide.com)). Most students who graduate from secondary schools lack basic technical and entrepreneurial skills that would put them in the position of employability so as to live functionally in the society or be self reliant.

Some public secondary schools in Calabar Education Zone of Cross River State lack facilities for sports, games and other co-curricular activities. Some lack good drainage system and learning facilities like laboratory, Information and Communication Technology (ICT) equipment, library as well as students' seats. Some principals have also been blamed for their poor financial management competence in sourcing for funds and managing the available school funds at their disposal. As a result, secondary schools have failed to attain the set goals.

## **3.0. Methodology:**

The study adopted a descriptive survey design to study a sample size of 120 respondents (30 principals and 90 teachers) stratifiedly selected from the seven Local Government Areas that make up the study area. Two research instruments called Financial Management Competence Questionnaire (FMCQ) and Secondary School Goal Attainment Questionnaire (SSGAQ) constructed by the researchers and validated by experts were used for data collection. The 4-points response scale type of questionnaires consisted of two sections. Section A measured respondent's personal data while section B consisted of statements of financial management competence and school goal attainment. They were subjected to Cronbach Alpha Reliability Test to ascertain their internal consistencies. The items were scored as follows: Strongly Agree (SA = 4 points), Agree (A = 3 points), Disagree (D = 2 points), Strongly Disagree (SD =1 point) for positively constructed items and the reverse for negatively constructed items. Three teachers per school were selected to assess one principal on the financial management competence while the Principals responded to Secondary School Goal Attainment Questionnaire (SSGAQ). The average scores of the three teachers were correlated with the responses of one principal to have equal responses for the two variables.

## **3.1. Research hypotheses:**

The two null hypotheses were stated thus;

H1: Principals' sourcing for school finance has no significant relationship with secondary school goal attainment.

H2: There is no significant relationship between principals' financial management competence and secondary school goal attainment.

All hypotheses were tested using Pearson Product Moment Correlation Analysis at .05 level of significance.

## **4. Result:**

The result of the analysis is presented in table 1 and 2

Table 1

Pearson product moment correlation coefficient analysis for the relationship between principals' sourcing for school finance and school goal attainment N=120

Variables	$\cdot X$	$\cdot X^2$	$\cdot Y$	$\cdot Y^2$	$\cdot XY$	$r_{xy}$
Principals' sourcing for school finance ( $X_1$ )	2412	41730				
Secondary school goal attainment ( $Y_1$ )	4055	874533	93610			0.52

The result of table 1 revealed that the calculated r-value of 0.52 was greater than the table value at 118 degree of freedom therefore the null hypothesis was rejected. This indicated that there existed a significant relationship between principals' sourcing for school finance and secondary school goal attainment. It therefore means that the greater the school finance generated by the principal, the higher the goal attainment of secondary schools in Cross River State.

Table 2

Pearson product moment correlation coefficient analysis for the relationship between principals' financial management competence and school goal attainment N=120

Variables	$\cdot X$	$\cdot X^2$	$\cdot Y$	$\cdot Y^2$	$\cdot XY$	$r_{xy}$
Principals' financial mgt competence ( $X_1$ )	2514	43520				
Secondary school goal attainment ( $Y_1$ )	4055	874533	95413			0.61

The result of table 2 revealed that the calculated r-value of 0.61 was greater than the table value at 118 degree of freedom therefore the null hypothesis was rejected. This indicated that there existed a significant relationship between principals' financial management competence and secondary school goal attainment. It therefore reveals that the higher the principals' financial management competence, the higher the likelihood of secondary school goal attainment in Cross River State.

#### 4.1 Discussion of findings:

Principals who can generate funds internally through various means which could help to complement the allocations got from the government and other stake holders in education are bound to succeed in attaining school goals. Such principals need to be innovative and charismatic in generating finance from every available source. Seventy percent of the schools under study indicated that the principals generate funds internally from school business such as sales of school farm produce, community support, organisational donations, old students association and so. The result is in agreement with the views of Akpan (2011) who posited that principals who engage in various means of generating revenue for the school may do better in goal achievement.

Principals who are very prudential in spending money by making judicious use of school finance are bound to control the funds of the school and make meaningful use of it. Those principals who are not prudent financially may not be efficient in implementing the programmes in order to achieve the set goals in the schools. Where principals make effective use of budgets and controls unnecessary eventualities in the school, he/she may avoid unnecessary spending of the available school fund. The result is in consonant with Nwobe (2013) who reported that school heads need financial management competence so as to succeed in implementing school programmes.

#### 5. Conclusion

The success of any secondary school in achieving set goal is to a greater extent dependent on the principals' financial management competence. Principals may generate enough funds in the school but if he/she does not manage the funds effectively the school goals may not be attained.

#### 6. Recommendations

Based on the findings of the study, the following recommendations were made.

1. Principals should be trained on financial management courses to equip them well for the present day financial challenges.
2. Government at various levels should increase their allocation to secondary schools to ease the administrative tasks of principals and enhance their goal attainment.
3. Principals should not depend solely on government allocation and school fees but venture into school business and other innovative sources of generating funds to run the school.

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