

Efficient Management of Financial Resource and Constraints in Implementation of Budget at Secondary Schools

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Abstract

Financial resources and allocations play a pivotal role in improving the learning and teaching system in any country. In that context, this study aims to explore the perceptions of secondary head-teachers relating to Budgetary Allocations and Financial Constraints in the context of Effective Management. A qualitative research method was employed in which semi-structured interviews were conducted with 40 head-teachers working in secondary schools. The result from the interview data shows that the majority of the head-teachers were not satisfied with the budgets and funds provided to the schools, and found aspects of the procedures employed to be unhelpful. There was a tendency to expect more of schools on diminishing budgets and difficulties in being able to spend allocations efficiently and effectively for the maximum benefit of learners. The keys issues are identified and some positive ways forward suggested.

Key Words:

Head-Teacher,
Budget,
Constraint,
Management

Introduction

Education depends on teachers and teachers require to be remunerated. Thus, the greatest financial cost in education relates to staffing. In this way, financial resources play a pivotal role in improving the learning and teaching system in any country. In most countries, head-teachers play a pivotal role in the way budgets are employed in schools. It is, therefore, important that head-teachers can handle school finances, using technology as needed, to manage the effective and efficient deployment of resources (Masood and Sabir, 2004).

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The study seeks to explore how secondary head-teachers in the Punjab province see their role and the problems that they identify in managing school budgets. The financial management relates to the provision of salaries but also includes the management of resources provided for the maintenance of the building, capital equipment, and the day-to-day running costs of the schools.

Objectives of the Study

The objectives of this research area:

- To explore the perceptions of secondary head-teachers in the province of Punjab relating to budget in developing effective management.
- To examine the perceptions of secondary head-teachers relating to the constraints using the budget keeping in view the needs and actual requirements of the schools

The aim is that the study will identify the way secondary head-teachers see their role in financial management but, more importantly, it is hoped that the study will identify areas where they experience difficulties, the aim being that improvements can be introduced.

Review of the Related Literature

One of the problems in Pakistan is that educational provision is divided. For example, there are Urdu-medium school and English-Medium schools. There are government schools and fee-paying schools. Some schools present their students for the English 'A' and 'O' level system, those that prepare their students for the Secondary and Higher Secondary certificates, and well as a few that follow the International Baccalaureate system. In the public mind, there is a hierarchy of schools and there is a great need for the selection of the teachers on merit and not being questioned by the others (Behlol, 2011).

In Punjab, there are further difficulties. The curricula are determined by those outside schools and often do not reflect modern trends. Schools are dominated by following set textbooks, with a lack of use of modern IT resources. In rural areas, the ratio of boys to girls is 10:3, with many not seeing the value of education for girls. Teachers are left with impossible tasks to fulfill, being required to teach inappropriate curricula with inadequate resources, often seeing the better students '*creamed off*' into more selective schools. Establishing universal education, with any measure of equality, is not going to be easy (John, 2003).

The value of education is not always seen and there are differences between urban and rural areas. Poverty and illiteracy among parents do not help and perhaps the types of curricula imposed on schools are also a hindrance. The literacy rate among girls is poor. Enrolment of rural girls is 45% lower than that of urban

girls while for boys the difference is 10% only. Early marriage for girls is a factor here. Despite much that is excellent in government schools, there is still a perception that the private sector offers better education, perhaps because it is funded better (Frankie, 2002).

Shah (2009) identifies numerous problems. This includes the way funds allocated to specific projects often fail to be used correctly, the lack of quality in textbooks (which dominate education in Pakistan), and the lack of clarity about what is meant by quality in education. Indeed, appointments to key positions (including faculty appointments) can be politicized and nepotism exists. This does not help teacher education and the development of future generations of teachers. On top of this, lack of resources (and their misuse or abuse) undermines quality seriously and leads to a teaching profession that is often disillusioned and disenchanted. It is, therefore, unsurprising if parents are not convinced that education brings benefits, especially to daughters.

In that context, the role of head-teachers is very demanding. They are required to be educational leaders in their schools as well as competent and efficient managers in a system that often does not offer enough consistent support (Maphosa and Shumba, 2007). Many research studies have considered the views and thinking of head-teachers (Foss & Kleinsasser, 1996). Some studies suggest the views of head-teachers are difficult to change (Kagan, 1992). Established views act as a filter for new information (Hollingsworth, 1989; Kagan, 1992). However, these studies were not conducted in Pakistan and may reflect different education cultures. Indeed, beliefs and attitudes already held always act as a filter to interpret new ideas.

Head-teachers develop their views and attitudes over long periods and this may be heavily influenced by past experiences. Head-teachers need to offer leadership and, to do this, they need to have a clear vision in their minds of what they see as the best way ahead. Such views will affect all areas of school life (Haney, Lumpe & Czerniak, 1996; Ghaith, 2004) and will influence their actions (Khader, 2012; Zheng, 2009; Nespar, 1987). Thus, the views of head-teachers act as a kind of chart to guide decisions about teaching (Grossman, 1990).

It is important to recognize that the attitudes of head-teachers develop over professional careers and are strongly influenced by their experiences (Holt-Reynold, 1992; Joram & Gabriele, 1998): the way they see their role is central to this (Cain, 2012). There is a place for training, often related to specific skills needed in the job but attitude development is mediated through interaction (Dart, Brownlee & Crindle, 1998) and too often training is presented didactically by those whose credibility is suspect (only those who have been head-teachers can understand the issues and pressures). In that context, the way head-teachers can work autonomously to manage budgets is important (Ali & Rizvi, 1008). The developing role of new technologies (and gaining confidence and competence in using these) is an important element (Aziz, 2004).

School finance is defined as a statutory funding mechanism that supported the number of pupils in a school district which authorizes the most (spending ceiling) a school district may spend in any financial year. Without the proper services, the functioning and working schools can't change and it has led to revenue. The school's budget varies from school to school and thus the financed modes. It additionally shifts from state to state, and from school area to class region. Generally, depict terms, for example, annual assessments, corporate charges, deals charges, and the expense of delivering around 48 percent of the permitted basic and auxiliary schools. Neighborhood areas contribute around 44 percent, principally from nearby property charges. The government spending covers around 8 percent of state training financial plans (National Center for Education Statistics, 2010).

Each state has an education plan and a funding mechanism for the shared basic education between state and local districts that is responsible for providing the required funding. Because local funding is so important for public education, the amount of money that schools receive tends to vary dramatically, depending largely on property values, not just from state to state, but from district to district, and from year to year. The recession that began in 2007 has taken a huge toll on school budgets across the country and has resulted in a one-time increase in federal funding that has led to school improvements.

Many sources of funding are short-term and must be repaid within one year. Other sources of finance are long-term and perhaps paid back over a couple of years. Internal financing sources are funds found inside the company. Profits would be held, for example, to fund the expansion. Alternatively, the company can sell assets that are no longer required for cash releases. External sources of financing (from investors or banks) are found outside the company. An external source of finance is capital that is generated outside the enterprise. All sources are external sources of capital except for the internal sources of finance. Education support is discretionary. It originates from any source.

Head-teachers have the complex role of making sense of all this and employing what finds are available to them for the benefit of their students. Good financial management is, thus, powerful (Orlosky, 1984). Headteachers that are fully responsible to manage the accounting and reviews auditing functions of financial management. Where there are serious funding problems, head-teachers have to take difficult decisions. This can mean a loss of teaching staff and a lack of teaching resources. Both have major impacts on educational quality.

Overall, the importance of levels of funding and the management of that funding are critical issues for head-teachers and the perceptions of the head-teachers relating to their financial management roles are important. Their awareness can help in using a sufficient budget that can help in building up the autonomy of head-teachers at the secondary school level.

Research Approach

The approach involved semi-structured interviews with 40 secondary head-teachers, selected randomly from the head-teachers in Punjab province. The interviews aimed to explore how the head-teachers saw their budgetary allocations about the way they tried to develop and fix the finances in their schools and provide the resources for quality education for their students. The second main aspect aimed to identify as to where effective management systems at secondary school were being hindered.

The questions were developed in the light of common views held by secondary head-teachers in Punjab as well as issues identified from the literature. The head-teachers were informed about the purpose of the interview, and consent forms were signed by them. The interviews took place in a relaxed environment at a mutually agreed time and place. The interviews were recorded and tapes were placed in computer files. The recorded files listened to several times. Then the interview talks were transcribed and the transcriptions were read carefully to determine the themes raised by the interviewees. The female head-teacher was coded as HF1, HF2.... while male head-teachers were coded as HM1, HM3....

The following themes emerged from the data:

- Finance available at schools
- Financial resources and budget by the head-teachers
- Financial constraints to the schools
- Difficulties for the head-teachers in managing finances

Finance available at Schools

The starting question considers the finance available to schools and the budget heads under which it was allocated. The head-teachers outlined the way the budget was allocated. For example, HM11 said *Farogh-e-Taleem fund, Fine fund, Government grants are there during FY2016-2017*. They outlined the types of grants that are fixed in finance. There is a fixed amount of budget that is for the Farogh-e-Taleem fund and Fine fund during 2016-2017.

In considering problems, some raised issues related to timing while others referred to budget categories. Thus, HM3. *The budget is not provided in time* while HM4 said about the *Budget is not given in proper Heads*. Others raised the general issue that there was a lack of financial support and expertise available to them. If planning is to take place so that resources are available in time for the benefit of learners, then budget allocations have to be planned and allocated well in advance. Restricting the use of certain budget allocations to specific tasks can cause a lack of flexibility for head-teachers when they see to employ the resources for the maximum benefit of the learners: different schools may have different needs and priorities.

Financial resources and budget by the head-teachers In considering the detailed way budgets are to be employed, the timing of the allocation of funds to cover teacher salaries was on time but the allocation of other funds was often late, leading to management difficulties. Thus, HF noted: *Budgetary allocation for FY2016-2017: Rs.66, 99000/- The financial matter regarding salaries payment is provided well in time Non-Salary Budget (NSB) or other grants have been never provided well in time.* This reflected a widely held view.

The complexities of budget allocations were noted with HF9 stating: *But we do not get the budget to meet such special needs of our students during FY2016-2017. Every year she tried hard to prepare and present the budget in such a way that the budget in all objects will meet the needs for the whole of the year but alas whenever she got a copy of the allocated budget, not a single figure matched with its' proposed figures in the allocated budget.*

Indeed, budget allocations were a major issue for several with many talking about the difficulties that they face during the allocation of budget and finance. They never have enough budgets to meet their extra needs for the whole year. Overall, the majority of the head-teachers seemed to face the difficulty of allocating the budget. The budget was not provided in time but there were no resources for resolving problems and, overall, inadequate budget allocations.

Financial Constraints Faced by the Schools

When discussing the problems that arose in handling finance, numerous difficulties were identified. For example, HF1 noted that: *There is a lack of staff for the difficulty of budget. There are insufficient buildings. No regular clerk/accountant in the institute. Delay in DAO matters regarding billing. There is a great difficulty to maintain record because of a lack of staff.* HF9 stated: *There is the difficulty of handling a lack of assistive staff, Attitude barriers between different offices such as Accounts Office. There are problems with having a supplementary grant. The problem is with getting appropriation in time.* The range of issues was considerable that related to finance and included the overall shortage of financial resources, shortage of staff, shortage of required buildings, and infrastructure. Thus, there were inadequate resources to employ more staff to meet shortages. In addition, clerks are not trained in schools DEO office does not co-operate. They deal with teachers lacking motivation and unhelpful attitudes from central offices. Hence, the majority of the members talk about the shortage of staff and faced many difficulties due to an insufficient budget.

Difficulties for the Head-Teachers in Managing Finances

All the headmasters were asked about the difficulties that they faced during the whole financial year. As the member HF1 said. *There is no proper way to prioritize*

these amounts and mostly the funds provided after too much delayed pervious. This becomes nausea for Head-teacher and creates difficulties for Heads. Indeed, budgets had to use too rapidly and this tended to lead to poor decisions, this being caused by late budget allocations. Many wished for training about budgetary matters while many were critical of the way changes to financial rules or policies were not communicated in time, again making decision-taking difficult.

Others saw the budgetary problems inter-relating with wide problems facing schools. Thus, HM2 said: *These were many challenges where he joined as Head of the institution. Lack of teachers, lack of required infrastructures, lack of motivation necessary teachers, and lack of basic and necessary requirement low standard of educational quality and the inability of teachers are the hurdles to cope with new curriculum and teaching strategies.* Staff shortages were left for head-teachers to solve but, at the same time, head-teachers were expected to be responsible for education quality. It is not easy to justify demands for quality when the resources to ensure such quality are often not in place. Many head-teachers refereed to changes in school enrolments, shortage of basic furniture, lack of funds to support non-teaching staff, lack of basic physical resources for teachers such as furniture and rooms as well as educational resources that teachers needed.

Findings

The interviews revealed something of the vast range of responsibilities that head-teachers faced - anything from handling student enrolment and minimizing dropout rates right across to matters relating to security and safety as well as handling parents and District Education monitoring visits. The head-teachers were aware that they were being held accountable for a wide range of areas related to student welfare, staff welfare and the effective management of their schools while, at the same time, they felt that they were not receiving adequate resources for the tasks and adequate positive support from education officials.

There were pressures on head-teachers so that their students performed well while, at the same time, the head-teachers were facing practical and pressing issues like late release of budgets, problems related to school cleanliness, building safety, lack of basic school furniture, missing facilities like boundary walls, toilets, additional rooms for classes, along with a scarcity of funds for areas like electricity, stationery, and maintenance of school assets and laboratories in the school. At the same time, head-teachers faced expectations from parents, and what they saw as unhelpful interventions from monitoring teams like District Education Officer, CEOs, MEAS, while the education offices did not provide timely release of budgets and reconciliation of expenditure.

The interviews left a very clear impression of the key issues and some that extended beyond the strict confines of budgets and resources although most had resource implications:

- Schools were faced with more and more targets but they did not receive the resources to meet such targets.
- Central planning related to schools was largely ineffective and unhelpful.
- Monitoring and evaluation which was destructive, given that the necessary resources were not available.
- Rules imposed on them that created increasing and unnecessary demands on head-teachers, the impression being given that head-teachers were not trusted.
- On top of this, given the lack of support and resources, head-teachers were faced with teaching and support staff who were dissatisfied and frustrated, giving head-teachers an almost impossible task to generate positive enthusiasm.

Discussions

The interviews revealed that the head-teachers were positive about their role as education leaders in secondary education and that they also felt positive about their roles in managing budgets. However, the central problem related to the inadequacy of the budget allocations for the tasks they faced when compared to elsewhere (European Research Associates, 2006). The head-teachers were also acutely aware of the vast range of demands placed on them and the budgetary implications of these. In this, they faced a lack of overall resources, and central support to enable them to address all the issues (Behlol, 2011).

Similar to the findings of the study by Ngidi and Sibaya (2003) in a different context, head-teachers were faced with many practical demands relating to basic school structure and furniture as well as the resources for maintaining and developing quality educational experiences. In such situations, they needed more resources, adequately and on time, and greater flexibility. At times they felt the need for training and support. They felt strongly that changes in financial rules or policies must be communicated in a timely fashion by the authorities. The head-teachers saw their role in terms of offering educational leadership and professional growth for their teachers but were being hindered by problems in management inadequate resources, with inadequate central support and an element of central monitoring that was unhelpful (Cain, 2012).

Conclusion

Many issues have been identified relating to budgetary issues in secondary schools. These can be grouped:

- (1) The overall budgets are inadequate but this reflects the situation in Pakistan

where the spending on school education as a percentage of GDP is the lowest in East Asia. It has to be recognized that this places limits on what head-teachers and their schools can achieve.

- (2) The way resources are allocated in terms of timing and budget heads need to review to enable head-teachers to spend limited resources more efficiently and effectively.
- (3) The support from education officials at the provincial level is not proving to be effective or positive. This includes a practical mechanism for budget allocation, changes in 'rules', and aspects of monitoring. This raises questions about whether the resources that fund provincial support activities might be spent better in schools.
- (4) Given the limitations in resources, there need to be sensitive activities to help parents and the wider public not to expect what is impossible to achieve.
- (5) Given the limitations in resources, there is a need to allow head-teacher much greater flexibility in spending where the needs are greatest and a recognition that this may vary from school to school, including decisions about staffing needs.

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