

Principals' adoption of budgetary control principles and their job performance in private secondary schools in UYO local government Area

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Abstract: The study examined the extent to which principals' adoption of budgetary control principles (P-ABCP) predict their job performance in public secondary schools in Uyo Local Government Area. The study adopted ex-post facto research design. The population of the study consisted of 41 principals in the 41 private secondary schools in Uyo Local Government Area from which a sample of 21 principals were derived using census sampling approach. Data was collected with designed instruments tagged: "Principals Adoption of Budgetary Control Scale (PABCS)" and "Principals' Job Performance Scale (PJPS)". Data collected was analysed using mean while hypothesis was tested with linear regression. The results indicate that the extent of P-ABCP was low (1.88), implying that most of the principals did not utilize feasible budget in administering their schools. The results also showed that the extent to which P-ABCP predicts their job performance in secondary schools was very low. However, though to a very low extent, it was revealed that P-ABCP does significantly predict principals' job performance. It is concluded the potentials of budgetary control in school administration has shown to be ineffective in enhancing sustainably, the principals' job performance in public secondary schools. It is recommended that schools owners should mandate the principals to subject their budget and budgetary control plans for assessment before the commencement of an academic session and at the end of the session. This will spur the consciousness of the principals to the importance of having a clear-cut blueprint in the course of achieving effectiveness in school administration.

Keywords: *Adoption, Budgetary control principles, Budgetary control, Budgeting, Job performance.*

1. Introduction

The concept of job performance has been variously defined by scholars (Okunola in (Feng, 2010; Onaolapo, Olajiga, & Onaolapo, 2019; Summermatter & Siegel, 2009; Umar, 2018)). It could be regarded as an effectiveness in accomplishing statutory tasks assigned to an individual (employee) in a functional organization. Issues of principals' job performance in public secondary schools in Nigeria have attracted diverse concern from scholars due to the poor quality of administrative effectiveness observed which often than not is believed to be responsible for the rising level of students' deviant tendencies (Akomolafe, 2012; Asiyai, 2019); teachers' attrition (Alabi, 2011); teachers job dissatisfaction; and poor quality of education outcome. More worrisome is that studies have shown that most of the schools lack basic school plants that are essential in the actualization of secondary education goals. These challenges can be incriminated on the state of school administration.

The effectiveness of school administration which is a product of principals' job performance revolves around effective management of the input and process factors, comprising of funds and human resource factors respectively. The principal's proficiency in managing the human resources and financial aspects of the school are coordinate of the success or failure of the school. Aside from the human resource coordinate which plays significant roles in translating the established blueprint of the school to tangible

success; serving as implementers of programmes; and indicators of the quality of outcome generated from the school system, financial aspect plays the primary role in guaranteeing the commencement and sustainability of school system.

Availability of funds and the financial aspect of public secondary schools has remained one of the prominently argued challenges (Mngomezulu, Dhunpath, & Munro, 2017; Nelius & Onyango, 2022; Wildschut, Megbowon, & Miselo, 2020). Many scholars argued that inadequate funding contribute to the poor job performance of principals, and insufficiency in the provision of school plants (Enyi, 2001; Nathaniel, 2019; Sisungu, Kaberia, & Buhere, 2014). However, the case of Akwa Ibom State tends to differ as the State Government appropriated huge amount of allocation to the educational sector in the State budget, and equally approved the collection of intervention fund from students (₦1500 for senior classes and ₦750 for the junior classes) per term by the principals. In the case of privately owned schools, the principals are entitled to peg their fees at will be based on the fact that all the administrative responsibilities are catered for by the management of the schools. However, whether this is evident in the job performance of the principals is a contemplation for examination.

Nevertheless, it is a reality that no organization with functional units and targeted goals can attain it desire target without effectively budgeting its prospect. Budgeting in this perspective is a systematically presented financial and ideological blueprint of a durational target that must be accomplished for the improvement of an organization. Egbunike (2014) explains it as a comprehensive and coordinated plan exposed in financial terms for the operation of an enterprise for some specific period of times in the future. Achieving the effectiveness in budgeting depends on the control exerted on it, which encompasses a system which utilize planning and controlling all aspects of the organization (Batty, 1982).

Many studies were done to highlight the potentials of budgetary control on organisation performance. Jayalakshmi et al. (2023) for instance maintained that budgetary control is a process that controls the financial income and expenditure of a business industry. According to the authors, it importance in the controlling process makes a positive impact on the financial and the economical purpose of the business industry. Also, Keng'ara and Makina (2020) in their study on the effect of budgetary processes and the performance of an organization in relation to non-commercial marine agencies, Kenya revealed that there was a positive significant relationship between budgetary processes for intense budgetary planning, budgetary control and budgetary implementation, monitoring and evaluation on organization performance. The regression was 0.834a and R. square of 0.65. For the correlation, there was a positive coefficient between budgetary processes and organization performance. The findings supported the conclusion drawn by Miraji (2017) that there are statistically significant predictors in relationship between budgetary control system and organization performance with poor budget execution, poor expenditure management, and government bureaucracy.

More so, Joseph (2012) studies the effect of budgetary control in an organisation's performance and found that budgetary control exists in AAU though not fully enhanced by managers who are not strong enough to commit to these controls and this has resulted in a failure to achieve the objective of the organisation. Instead of committing the funds to planned activities, the funds are instead directed to the plans and this really leads AAU with threat of liquidation.

In other words, the accomplishment of school's quality outcome requires the principals to consider at all times the basic characteristics of a good budget which according to Iyoha (2021) include: participation of stakeholders in the budget preparation and implementation process; comprehensiveness; follow standard and flexibility requires, and provides functional platforms for feedback, appraisal and evaluation. In other words, the requirement for effective budgetary control includes:

1. Participation of stakeholders in the budget preparation and implementation process.
2. Comprehensiveness of the plans.
3. Adherence to standards and flexibility requires.
4. Providing functional platforms for feedbacks, appraisal and evaluation.
5. Creation of clear definition of objective at each level of undertaking.

6. Creation of clear definition of responsibility at each level of undertaking.
7. Provision of budget manual.
8. Establishment of budget committee who will oversee the all plans.
9. Establishment of organization chart for easy recognition of stakeholders' functions.

When these budgetary control principles are not observed, the likelihood is that schools will lack basic infrastructures due to misappropriation of funds, fraud, embezzlement, and contentions may arise among human resource unit may be due to welfare negligence (Michael Olarewaju Ogundele, Dakwat, & Bwoi, 2019). These indicators are insinuated to be the prominent features of some of the public secondary schools. Studies indicates that some of the schools Heads are not effective in controlling funds (Gaudiose, 2017; Nyandoro, 2013); lacks competence, training and transparency; cooperation with stakeholders (Mpolokeng, 2011; Nelius & Onyango, 2022). Other challenges affecting principals in budgeting control includes: unnecessary intervention from the government, political instability, and negative attitude of the school administrators towards budgeting plan (Nelius & Onyango, 2022; Ogundele, 2018). However, a study done by Oboegbulem and Kalu (2013) on budgeting practices of principals of secondary schools in South East Geo-Political Zone of Nigeria, it was revealed that principals follow the budget guideline specifications in planning and implementing budget, though they do not buy science equipment, maintain school vehicles, buildings and furniture, they do not organize workshops, seminars and conferences, and do not defend budget with their bursars. When the principals are faced with these challenges, it becomes most likely that they may not find or have appropriate solutions to different financial problems. Arising from this position, it becomes critically urgent to rethink if there is similarity in the status of the challenges bedeviling the principals by examining their state of adoption of budgeting control principles in their respective school administration. This contemplation is premised on the fact that in spite the government approval of school subventions and intervention funds to principals, it is glaring that some of the schools still lacks basic educational resources especially the science laboratories, functional library, sporting facilities and competitiveness. These tend to have ripple effect on students' education wastage and the education quality outcome. Therefore, it was imperative to examine the extent to which principals' adoption of budgetary control principles predict their job performance in private secondary schools in Uyo Local Government Area. Specifically, the study was geared to:

1. Examine the extent of principals' adoption of budgetary control principles in private secondary schools in Local Government Area.
2. Examine the extent to which principals' adoption of budgetary control predicts their job performance in private secondary schools in Uyo Local Government Area.

2. Research Questions

The research questions raised for the study were:

1. What is the extent of principals' adoption of budgetary control principles in private secondary schools in Uyo Local Government Area?
2. What is the extent to which principals' adoption of budgetary control predicts their job performance in private secondary schools in Uyo Local Government Area?

3. Research Hypothesis

The research hypothesis formulated for the study was:

1. The extent to which principals' adoption of budgetary control principles predicts their job performance in private secondary schools in Uyo Local Government Area is not significant.

4. Methods

The study adopted ex-post facto research design. The adoption of this research design emanates from the fact that issues of principals' budgetary control has already occurred, as such, details were gathered as existed in the schools. The study was conducted in Uyo Local Government Area situated in

Akwa Ibom Northeast Senatorial District. The Uyo Local Government Area is among the 31 Local Government Areas in Akwa Ibom State, and lies between longitude 7° 40' and 8° 40' East, and latitude 4° 40' and 5° 40' North of the Equator. Being the Local Government Area that hosts the seat of government in Akwa Ibom State, the choice of Uyo was because it has the highest population of students and teachers among the 31 Local Government Areas in the State. Therefore, what is obtained here can be used to generalized the status quo in other Local Government Areas.

The population of the study consisted of 21 principals in the 21 private secondary schools in Uyo Local Government Area. The raters of the principals' job performance were the 1934 teachers in public secondary schools in Uyo Local Government Area (Source: Akwa Ibom State Secondary Education Board, 2023). The sample of the study consisted of 21 principals and 210 teachers. This sample was derived from the population using census sampling approach because of the manageable size of the principals in private secondary schools in the study area. In this case, all the principals in the 21 private schools in Uyo Local Government Area served as respondents in the study.

Data was collected with designed instruments tagged: "Principals Adoption of Budgetary Control Scale (PABCS)" and "Principals' Job Performance Scale (PJPS)". The instrument, PABCS had seven items structured on four options of very high extent (VHE), high extent (HE), low extent (LE), and very low extent (VLE), eliciting information from the principals on the extent of principals' adoption of budgetary control principles. In the same vein, the PJPS had 10 items structured on the four-rating scale of VHE, HE, LE and VLE, eliciting information from the raters (teachers) on the principals' job performance in school. The items were designed on a positive perspective and coded thus: 4, 3, 2, and 1 for VEH, HE, LE, and VLE respectively.

Data administration was done with the assistance of research adhoc using instant retrieval approach. Data collected was analysed based on the research questions raised (using mean scores) and hypothesis (using linear regression).

5. Results

Question 1: What is the extent of principals' adoption of budgetary control principles in private secondary schools in Uyo Local Government Area?

Table 1.

Extent of principals adoption of budgetary control principles in private secondary schools in Uyo Local government area.

SN	Items description <i>In your school, the extent you...</i>	Mean scores	Remarks
1	Have budget manual submitted to teachers for idea contribution.	1.26	VLE
2	Brief the teachers on the details of plans in the budget.	2.12	LE
3	Have clear dateline for attainment of each plan.	2.67	HE
4	Involved your teachers in budget delivery at each of the stages	1.62	LE
5	Set up a committee to strategically monitor plans in the budget.	1.21	LE
6	Have formidable mechanism for tracking your spending.	1.17	VLE
7	Establish a clear definition of each responsibility to be undertaken.	3.17	HE
	Average	1.88	LE

Source: Field survey, 2023.

Table 1 indicates that the mean score on the extent of principals' adoption of budgetary control in public secondary schools in Uyo Local Government Area was low (1.88), implying that most of the principals did not utilize feasible budget in administering their schools. This may be connected with the leadership style practice by the principals in schools and their incompetence on the importance of

budgetary control in achieving efficiency in school administration. This finding was in variant with the study done by [Oboegbulem and Kalu \(2013\)](#) on budgeting practices of principals of secondary schools in SouthEast Geo-Political Zone of Nigeria, which revealed that principals follow the budget guideline specifications in planning and implementing budget. The dissimilarity of this study with the present study could be attributed to principals' competence in the potentials of budgeting and budgetary control.

Question 2: What is the extent to which principals' adoption of budgetary control predict their job performance in private secondary schools in Uyo Local Government Area?

Table 2.

Result of simple linear regression of the prediction of principals' job performance (PJP) by principals' adoption of budgetary control (PABC) (N =21).

Variable	R	R ²	Adjusted R ²	Remark
P-ABC	0.3891	0.9243	0.2782	
PJP	0.150	0.113	0.152	VL. Extent

Source: Field survey, 2023.

Testing the Hypothesis: The extent to which principals' adoption of budgetary control principles predicts their job performance in public secondary schools in Uyo Local Government Area is not significant.

Table 3.

Simple linear regression of the prediction of principals' job performance by principals' adoption of budgetary control principles. (N=21).

Model	Sum of square	Df	Mean square	F-	Sig.	Decision @ P<.05
Regression	328.37	1	285.37	11.02	0.00 ^b	Significant
Residual	1370.92	20	40.90	0.00	---	---
Total	1699.29	21	326.27	11.02	0.00 ^b	

Note: b probability value.

Source: Field survey, 2023.

The result presented in [Table 2](#) revealed that the R-value of .150 as the strength of the relationship between principals' adoption of budgetary control principles and their job performance. The R² value of .113 also shown indicates that only 11.3 percent variation in principals' job performance is explained or predicted by principals' adoption of budgetary control principles. This result implies that principals' adoption of budgetary control principles predicts their job performance in private secondary schools in Uyo Local Government Area to a very low extent.

The result in [Table 3](#) showed that the calculated F-value of the prediction of principals' job performance by principals' adoption of budgetary control principles at 1 and 20 degree of freedom is 11.02, while its corresponding calculated level of significance is 0.00 alpha. This level of significance is less than .05 in which the decision is based. With this result, the null hypothesis was rejected. This result implies that principals' adoption of budgetary control principles does significantly predict principals' job performance in private secondary schools in Uyo Local Government Area of Akwa Ibom State. The finding aligned with the position of [Jayalakshmi et al. \(2023\)](#), that budgetary control is a process that controls the financial income and expenditure of a business industry, because it makes a positive impact on the financial and the economical purpose of the business industry. Also, the result is supported by the [Keng'ara and Makina \(2020\)](#) assessment on the effect of budgetary processes and the performance of an organization in relation to non-commercial marine agencies in Kenya which revealed that there was a positive significant relationship between budgetary processes for intense budgetary planning, budgetary control, budgetary implementation, monitoring, and evaluation on organization performance. The regression was 0.834a and R. square of 0.65. For the correlation, there was a positive coefficient between budgetary processes and organization performance.

The significance of very low extent contribution of principals' adoption of budgetary control principles in enhancing their job performance is unfortunately the precursor/indicator of the inefficiency and inconsistency in the administration of schools by the principals. It is noteworthy to states that without properly designed budgetary control, it almost likely that: funds are misappropriated to sector of less value; inconsistency in programmes execution arise; principal-teachers' relationship become stall/strain; and issues of unavailability or inadequacy of educational resources for effective teaching and learning emerged. The implication is that poor budgetary control subsequently undermines principals' job performance in public secondary schools. The finding corroborated the study conducted by [Joseph \(2012\)](#) on the effect of budgetary control in an organisation's performance which found that budgetary control exists in AAU though not fully enhanced by managers who are not strong enough to commit to these controls and this has resulted in a failure to achieve the objective of the organisation. Instead of committing the funds to planned activities, the funds are instead directed to the plans and this really leads AAU with threat of liquidation.

6. Conclusion and Recommendations

The potentials of budgetary control in school administration in Uyo Local Government Area has shown to be ineffective in enhancing sustainably, the principals' job performance in public secondary schools. It is majorly a pointer that principals of schools do not rely on effective budgetary control principles in the operation of their school administration vis-à-vis, this could be responsible for the poor implementation or execution of their statutory job responsibilities. The low extent of principals' adoption of budgetary control principles undermines their priority in programme choice; teachers' active participation in school programmes execution; principal-staff relationship; provision of educational resources; as well as, promoting inconsistency, misappropriation and ideal ineffectiveness of the school administration in delivery quality education outcome.

However, reversing this unfortunate trend of poor school principals' job performance and re-instating quality administration in schools, it is recommended that:

1. Proprietors of schools should as a matter of priority mandate the principals to subject their budget and budgetary control plans for assessment before the commencement of an academic session and at the end of the session. This will spur the consciousness of the principals to the importance of having a clear-cut blueprint in the course of achieving effectiveness in school administration.
2. Proprietors should make it compulsory for principals to acquire competence in budgeting and budgetary control. This serving as prerequisite for appointment into principalship will encourage the principals to be proactive, effective and efficient in their school administration.
3. Principals should be transparent with their teachers at each stage of the budgeting to guarantee participatory administration of school plans for quality education outcome.

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Institutional Review Board Statement:

The Ethical Committee of the National Association of Proprietors of Private Schools, Nigeria has granted approval for this study.

Transparency:

The author confirms that the manuscript is an honest, accurate, and transparent account of the study; that no vital features of the study have been omitted; and that any discrepancies from the study as planned have been explained. This study followed all ethical practices during writing.

Competing Interests:

The author declares that there are no conflicts of interests regarding the publication of this paper.

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