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FINANCIAL BUDGETING IN THE MANAGEMENT OF SECONDARY SCHOOLS IN NEW DELHI

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Abstract:

The purpose of this study was to investigate the challenges faced by the Board of Management in the management of secondary schools in New Delhi. Objective of the article was to determine the effects of Financial Budgeting in the Management of Secondary Schools in New Delhi. The research question was: what are the effects of Financial Budgeting in the Management of Secondary Schools in New Delhi? The study employed survey design. The study population included all head teachers, all PTA chairpersons and all BOM members in the 20 secondary schools. Purposive sampling was employed in the study. The sample therefore comprised of 16 principals, 16 PTA chairpersons and 64 BOM members. Data was collected by use of questionnaires and interview guide. Four of the schools outside the study area was used in piloting the study to act as pre-test to the instruments of data collection to ensure their reliability. Face validity of the instruments was determined by three experts in the department of Educational Leadership and Policy. Quantitative data was analyzed by use of descriptive statistics in form of frequency counts, percentages. Statistical Package for Social Science (SPSS) software was used for data analysis. Findings revealed that there was a problem in cooperation among the members caused by lack of team work and financial knowledge which was 51 (85.0%). It was recommended that the BOM members should be involved in regular financial training and budgeting.

Key words: Delhi, Board Management, Finance, Budgeting, Schools management

Introduction:

Globally, education is considered as a basic tool for social, cultural, political and economic development. In the International Conference on Education held in Geneva (1996), education was defined as a person's individual and social development that the person gains in the teaching and learning process in school. Such gains should lead to a person's intellectual, emotional, spiritual and physical abilities to mature, thus enabling him or her to fully participate in community affairs United Nations International Children's Education Fund (UNICEF). Principals also called the secondary school head teachers are the Chief Executives in their institutions and chief accounting officers managing all physical, human and financial resources in their school set up. Therefore, they play the

most crucial role in mobilizing and translating all these resources to school effectiveness in terms of improving their students' performance in New Delhi. In Asian countries, financial management skills induction courses and support are usually limited. However, in most of these developing countries, secondary school principals are usually appointed on the basis of their past teaching records rather than their leadership potentials, points out that although the teaching experience is necessary, it should not be the only factor for a teacher to be appointed to be a principal. In New Delhi, whereas households meet only 20% of primary and 8% of University education costs, they shoulder 60% of secondary education costs. Therefore, the cost of secondary education is one of the key barriers of primary to secondary school transition among the children from the poor families. This is arguable against the background of more than half of New Delhi population living below the poverty line along with the rising cost of secondary Education. Most Principals work in poorly equipped schools in terms of physical facilities and that is why during the 2011 New Delhi's Secondary School Principals Association's conference held in New Delhi (21st to 26th June 2020), the major challenges facing secondary schools were identified as: lack of financial management skills, poor fees payment, high handedness in the management of schools. The day secondary schools are more financially challenged as most of their students come from poor parents who are not able to afford boarding secondary schools leading to poor academic performance. In New Delhi, there are 25 (twenty five) public secondary schools out of which 16 (sixteen) are day school, semi-aided with unreliable rainfall which rains twice per year. Majority of the residents are subsistence farmers who grow food crops as well as keeping livestock. Most of the parents who take their children to day secondary schools are unemployed and can't afford secondary school education. The principals are therefore challenged to manage well the finances in their schools which can be used to assist the very needy students in their schools.

Statement of the Problem:

Although the New Delhi Education Management Institute has been inducting Secondary school Head teachers on financial management skills, some Principals are still involved in financial mismanagement through: misappropriation, misallocation and embezzlement of school meager financial resources. In addition there has been unprecedented continuous poor students' academic performance in national examinations especially in schools with poorly managed finances leading to outcry from stakeholders. The poor students' academic performance in New Delhi associated to lack of facilities among other factors which are linked with financial management in schools. The situation is also exacerbated by the fact that most Principals are highly educated graduate teachers but with limited financial management skills. A study focused on the influence of head teachers financial management skills in secondary schools in New Delhi, viewed effectiveness as

performance in grade score. This study however did not cover anything to do with the factors influencing effectiveness on financial management. Financial management practices have been studied in New Delhi but factors influencing effectiveness have not been studied.

Objectives to the Study:

The study addressed the following objectives:

1. To determine the influence of principals' training on financial management on effectiveness of financial management in secondary schools in New Delhi.
2. To assess the influence of principals' experience on effectiveness of financial management in secondary schools in New Delhi.
3. To establish the influence of principals' education level on effectiveness of financial management in secondary schools in New Delhi.

Research Hypothesis:

1. There is no relationship between the principals' financial management training and financial management in secondary schools in New Delhi?
2. There is no relationship between the principals' experience and financial management in secondary schools in New Delhi?
3. There is no significant relationship between the principals' education level and financial Management in secondary schools in New Delhi?

Literature Review:

According to the ministry of Education science and technology management guidelines, A head teacher in a secondary school performs many tasks, the most important ones being the mobilization of resources, management and control of finances, the organization and management of curriculum, management and motivation of teachers and support staff, secretary to BOG and PTA, and maintaining positive school- community relations. Principals Secondary School Head Teachers who are in or above Job Group 'M'] are therefore the managers of their schools who play the most crucial role in ensuring school effective financial management. Without the necessary leadership competencies and financial management skills, most of the Principals can hardly deliver. Besides having no prior financial management training, most Principals hardly have any formal managerial and leadership training. The Principals often rely on advice from the school BOG and the finance Department subordinate staffs like Bursars or Account Clerks and Store keeper/Cateress who are supposed to be professionals in various Job Descriptions.

METHODOLOGY:

Research by Kothari (2005) asserts that survey design was used since it is widely acknowledged as an appropriate strategy for capturing the opinions, perceptions and attitudes of

people about events and above all it can be used to generalize findings. The researcher used both simple random sampling and purposeful sampling during the study. New Delhi has many school but chooses 18 secondary schools of which 16 secondary schools will be the target. the point out that the bigger the sample the better, so out of 18 sec schools which include day and boarding, the 6 boarding schools and 10 day schools will be taken for study. The sample therefore comprised of 16 principals, 16 PTA chairpersons and 64 BO members. This study employed the use of questionnaires for head teachers and interview guides for PTA chair persons and BOM members. A pilot test was used to test validity of the instruments in the schools that are not project schools in the same area to discover weaknesses, inadequacies, ambiguities among other problems associated with data collection. Interview schedule was tested on six BOM during pilot testing, two PTA chairmen whereas two principals were involved in the pilot testing of the questionnaire. The findings from the pilot study helped to improve the final instruments and to remove ambiguity. The analyzed data results were presented using frequencies; means, percentage and presentation were done by use of pie charts bar graphs and frequency table.

RESULTS AND DISCUSSIONS:

The study also sought to establish the financial management challenges that the BOM faced in the schools. The BOM for example were asked to indicate how they sourced for funds.

Table 1 BOM responses on the sources of funds Ways of sourcing	F	%
Fund raising	9	15.0
Parents contribution	9	15.0
From donors	19	31.7
Individual contributions	23	38.3
Total	60	100.0

Data indicated that the BOM sourced funds from fund raising, parental contribution, donors and individual contributions. Asked to indicate the challenges they faced in sourcing of funds, data revealed that there was poor attitude by the parents, minimum attendance of fund raining, low income from the community and lack of accountability. These findings indicate that the BOMs faced challenges in financial administration for individual contributions was 38.3%. when they emphasized that individual donations can boost the government contributions. The BOM members were also asked to indicate the criteria used in selecting suitable bidders for tendering. Their responses are presented in Table.

Table 2. Criteria for selecting suitable bidders for tendering	F	%
Tendering criteria		
Tendering through posters	22	36.7
Supplies fill forms	19	31.7
Consider prices and quality	19	31.7
Total	60	100.0

Data showed that tendering was done through posters as indicated by 22 (36.7%), through supplies fill form and also in consideration of prices and quality. They were also asked whether they faced challenges in tendering. Data revealed that majority 51 (85.0%) faced challenges against 9 (15%) who did not face any challenge in tendering. Asked whether the BOM solicited for grants donations and bursaries, data showed that they did. Asked to explain, the headteachers responded that the secretary responds to the advertisements from governments as noted by 11 (73.3%) and also by application for grants formally as indicated so by 4 (26.7%). The headteachers were further asked to state how the BOM ensured that there was viable income generating activities in the school. In this item the head teacher responded that they created policies inviting donors and also organized fundraisings. The head teachers were further asked to indicate the challenges faced by the BOM as they carried out their duties. All the head teachers indicated that it was time consuming being a board member. Asked whether the BOMs were competent in financial management, the Head teachers indicated that they were. Asked to state the challenges that they faced data showed that there was a problem in cooperation among the members cause by lack of team work, financial knowledge which was 51 (85.0%). The PTA chairpersons were asked to rate the performance of the BOM in financial management or sourcing of funds. Data revealed that majority of them rated them as average as noted by 8 (57.1%). They were also asked to rate the BOM in tendering of goods. Data showed that they were average as indicated by 6 (42.9%). The BOMs were also rated as average in collection of school fees as was noted by 8 (57.1%).

FINDINGS:

Findings on the effects of financial budgeting on management of schools have revealed that the BOM sourced funds from fund raising, parental contribution, donors and individual contributions. It has also been established that the BOMs faced challenges in financial administration. Most of the PTA chairpersons rated the BOM members average in financial management and budgeting.

RECOMMENDATIONS:

Based on the findings of the study, it was recommended that the BOM members should be involved in regular financial training and budgeting to overcome the ever increasing economic challenges.

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