

# Practices and Challenges of Financial Management in Schools: The Impact on Selected Schools in Kawambwa District, Luapula Province

Lazarous Mwape<sup>1\*</sup>

<sup>1</sup>Doctor of Philosophy Degree in Educational Leadership and Management, Gideon Robert University, Zambia.  
Corresponding Author (Lazarous Mwape) Email: [mwape.lazarous@yahoo.com](mailto:mwape.lazarous@yahoo.com)\*



DOI: <https://doi.org/10.38177/ajast/2026.10108>

Copyright © 2026 Lazarous Mwape. This is an open-access article distributed under the terms of the Creative Commons Attribution License, which permits unrestricted use, distribution, and reproduction in any medium, provided the original author and source are credited.

Article Received: 24 November 2025

Article Accepted: 26 January 2026

Article Published: 30 January 2026

## ABSTRACT

This study aimed to investigate the practices and challenges of financial management in selected schools within Kawambwa District. The study focused on Kawambwa Central Zone, consisting of ten (10) schools. The population comprised one hundred ten (110) participants that included head teachers (10), Deputy Head teachers (10), school accounting officers (10), standards officers (2), teachers (50), learners (18), and parents (10). The researcher adopted the research involved experimental research design to establish a relationship between the cause and effect of poor financial management in schools. It was both qualitative and quantitative. The independent and dependent variables were under study. That was an effective method as it contributed to solving poor financial management in schools. The researcher used questionnaires, interviews, and observation as instruments for collecting data.

The study established that most headteachers had poor financial management due to accounting illiteracy. Because of a lack of accounting literacy required for effective management of school finances, there was little or no supervision at all from the Ministry of Education through District Education Standards officers on financial management issues. Poor involvement of stakeholders in school expenditures, such as teachers, learners, parents, and not consulting supervisors on expenditures of school funds. Poor prioritising of the needs of learners as a result of money spent on non-essential activities.

The study recommends that there should be capacity building programmes for headteachers of schools, deputy headteachers, senior teachers, school accounting officers, as well as all stakeholders in the school development committee or finance committee. The Ministry of Education should increase both announced and unannounced visits to schools to monitor the use of finances in schools.

**Keywords:** Financial Management; School Leadership; Budgeting; Accountability; School Effectiveness; Zambia Education; Decentralization; Educational Administration; Kawambwa District; Luapula Province; Public Schools; Stakeholders.

## 1. Introduction

The government of the Republic of Zambia had brought full political stability and peace in the country, which was the baseline for sustainable development. The government had also implemented good policies in education, such as free education, teacher recruitment, desk production, and school funding. Many changes had been made, including data base for civil servants, the use of a technology system to manage human resources, screening of payroll, paying of retirees, and the arrangement and integration of new employment classification. Provision of equal Constituency Development Fund throughout the country that enhanced work efficiency in line with the decentralization policy. The council had been given a mandate to manage district activities by ensuring that the Constituency Development Fund was apportioned to the developmental needs of the District.

In the education sector, the Government of the Republic of Zambia, through the Ministry of education started implementing a free education school finance system in 2022. The financing system aimed to enhance the quality of education and improve access to education by eliminating school fees. The policy has improved the effectiveness of the school financing Programme and strengthened education services. Despite the fact that the school finance system in Zambia has been implemented since 2022, little is known about the impact of the reform at the school level on expenditure. The school financing policy had identified a gap in the financial support received between large and smaller schools. Schools with a large population of learners receive a larger amount of financial support,

while schools with a smaller population of learners get lesser amount. The money received was allocated to support the operation of the schools. Only a few amounts were allocated to other aspects of school operation that included repair and maintenance, school environment, extra-curricular activities, and continuous professional development. Because of that, heads as leaders of schools had challenges of poor financial management.

Accountability and transparency, as Lewis (2003) describes, financial accountability as a moral or legal duty placed on an individual, group, or organisation, to explain how funds, equipment, or authority given by a third party have been used. In the school's study, which includes parents, learners, and the District Education Board secretary. School accountability refers to reporting about school finances to school stakeholders. Van Deventer and Kruger (2003) maintain that an important characteristic of the present approach to education management and financial management was the emphasis on transparency and information-sharing among all stakeholders. Accountability involves collective responsibility, which should include all stakeholders. For the head teacher and school finance committee, that means they should deal with funds in a responsible manner, and they are accountable to the parents, learners, community, and Ministry of Education.

Helle et al. (2011) state that transparency involves clear and public disclosure of information, rules, plans, processes, and actions by government, companies, organisation and individuals. Additionally, public affairs need to be conducted in an open operation. Questions designed to evaluate transparency on financial management, financial record-keeping, and stakeholders' knowledge on school's financial status.

The Public Finance Management Act, No. 1 of 2018, explains how to ensure that effective, efficient, economical, and transparent usage of school financial and other resources within the school, which should include taking appropriate steps to prevent any unauthorised, irregular, and fruitless as well as wasteful expenditure, which, in essence, implies being accountable for the school's finances. Accountability and transparency in the management of school finances refer to financial openness practiced by public schools to ensure that school finances are effectively managed.

Management of school finances involved following the performance of management financial aspects of schools aimed at achieving effective education, carried out by head teachers in authority. Financial management is a process with several activities, such as identification, measurement, accumulation, analysis, preparation, interpretation, and communication of information based on the operation of institutions on the management of state funding, school grants, and money raised through fundraising activities in all schools (Rangongo, 2016).

The Zambian Financial Management Act, No. 1 of 2018, provides tools that stakeholders such as parents, teachers, learners, and community members must participate in the activities of the school. The School Financial Management Act stipulates the functions of the school finance committee. The committee should be comprised of parents, the head teacher, learners, accountant to ensure proper utilisation of school grants followed (MOE, 2018).

The study focused on practices and challenges of financial management in schools. Poor financial management involved failure to follow guidelines in the utilisation of school grants, which affected the performance of most schools in the District of Kawambwa. Therefore, the research findings of the present study identified practices and challenges of financial management in some selected schools of Kawambwa District. The study provided in-depth

information for the Ministry of Education to act by addressing challenges of poor financial management to enhance quality education in Kawambwa District and the National at large.

### **1.1. Statement of the Problem**

School leaders were expected to ensure that financial management in schools was well applied according to the needs of the schools. School heads were required to prepare financial statements, relevant costs, and financial shortages. On the contrary, school heads faced a lot of challenges of poor financial management, ranging from inadequate financial management skills, such as incompetence in school financial statement preparation, failure to determine the cost variability and relevant cost as well as financial shortages. Other challenges of poor financial management included spending beyond the budget and not spending the allocated funds. Problems with double-entry bookkeeping, and underpayment of supporting staff by the accounting officer. Another challenge of poor financial management is using unqualified school accounting, procurement, and store officers. Absence of supporting documents, not using petty cash imprest retirement, defaulting on school fees, and not having capable procurement.

Apart from various efforts made by the government to guide headteachers on financial management, heads of schools continued to encounter challenges of poor financial management in schools. That affected the quality of education provision in government schools. The challenges of poor financial management resulted in poor allocation and utilization of funds, leading to insufficient school requirements, low staff morale, poor academic performance of learners in their final examinations, and school-based assessments. These are attributed to below-average school supervision (Jokipii, 2009). The challenges of poor financial management were due to inadequate in-service training among school heads or the absence of qualified school accounting officers, as most schools relied on teachers who worked as school accountants. Those were trained teachers, not qualified accountants.

### **1.2. Research Objectives**

The following were the research objectives:

1. To determine the challenges of poor financial management in schools.
2. To determine the extent to which school leaders were aware of financial management in government.
3. To establish reasons why financial management committees were required in schools.
4. To find out if schools had functional financial management committees.
5. To evaluate appropriate strategies for poor financial management in schools.

### **1.3. Research Questions**

The following were research questions:

1. What were the challenges of poor financial management in schools?
2. To what extent were school leaders aware of financial management in schools?

3. Why are financial management committees required in schools?
4. What were the functions of the financial management committee in schools?
5. What strategies could be appropriate for poor financial management in schools?

#### **1.4. Significance of the Study**

The importance of the study was to inform the school leadership on practices and challenges of financial management in schools. Also, to provide appropriate strategies needed for the performance of schools. The other significant part of the study was to inform the government on how school funds were being utilised in schools and provide appropriate strategies by government officials on the impact of mismanagement of school funds by school administrators.

## **2. Literature Review**

The education sector has changed drastically in school management responsibilities arising from technology applications, abiding by the pressure of the global economy. The demand for the development of the educational sector relies on the financial resource management to fulfill school obligations. School leaders need financial resources for various needs. This includes school buildings and maintenance, academic field practice costs, extra-curricular activities, and continuing professional development. The school leaders need to adopt modern teaching and learning technology, acquire new school facilities, books, laboratory operator. This indicates that the success of any school plans depends on the management of financial resources, which in turn improves the overall school performance (Van, 2004).

African countries acknowledged the importance of all government institutions and are expected to perform well. Thenga (2012) explained that education sectors, like any other institutions require proper financial resource management for survival. The success or failure of any educational institution in terms of quality education provision rests highly on effective management of financial resources, leading to sustainable development. School heads must utilize the available financial resources to foster education. That involves maintaining school financial management effectively, efficiently, equitably, responsively, relevantly, reflexivity focusing on sustainability. Which will ensure a quality teaching and learning process from pre-grade to secondary levels. Proper financial management in the education sector, especially in Zambia, like other parts of the African continent, remains important for the promotion of quality education in order to meet the needs of all learners at different levels of education. Van Wyk (2004) stated that quality education can only be achieved by providing the required school resources for quality, equity, and excellence in education delivery. The school leaders have to ensure that physical infrastructure, curriculum, and human resource management are available in all schools for proper financial management to enhance quality education delivery based on the standards of the education system (World Bank, 2008).

On the other hand, school leaders face challenges of poor financial management, ranging from inadequate financial management skills, which involve incompetence in preparing school financial statements, failure to determine the cost variability, and relevant cost and financial shortages. Other financial challenges include spending beyond the

budget or spending the allocated funds. Problems with double-entry bookkeeping, underpayments to school accountants, using unqualified accountants, and stores officers. Poor petty cash imprest retirement, no procurement committees, and defaulting payment. Poor financial management of school funds affects the quality of education provision in schools. These are inadequate skills of financial management and below-average school performance. Because of not having financial literacy skills (Guthrie et al., 2005).

### **2.1. School Heads' Financial Management Skills Fundamentals: Securing Financial Resources for School Plan and Development**

School leaders as financial managers of institutions from pre-grade to secondary school are required to have financial management skills to identify various sources of funding for the daily financing of academic and extracurricular activities. There is a need to have the ability to generate resources to facilitate the quality education delivery (Rosalind and Downes, 2004). This can only be achieved through established and consolidated school-based income-generating activities.

Schools can engage in school-based income-generating activities, for example, poultry farming, fish farming, goat raising, vegetable farming, and crop farming. All these income activities can improve school performance. School leaders have the mandate to develop their institutions. Even more, school heads must have the mandate and be able to generate funds by using the non-budgetary sources of funds instead of focusing on the government and students' fees as the only sources of income for the school (Hallack and Poisson, 2007).

### **2.2. Monitoring and evaluation of the school budget**

Jajo (2005) mentioned that regular monitoring and evaluation of financial resources facilitates smooth and proper financial reports prepared for any school. Preparing such statements at least every month would create measures to address the financial challenges and resolve them ahead of time. For that reason, school heads should be competent in the school budget preparation and execution to link the school improvement plans and the school budget. School heads should possess budget preparation skills. Such skills help to equip school heads with competence in procurement practices, for example, acquiring goods and services based on financial principles and guidelines. School heads must work diligently to become effective in monitoring and evaluating the school budget. This is one of the most important duties of school heads, demanding them to manage scarce available school resources through proper management at all levels while focusing on school priorities (Radzi et al., 2018).

### **2.3. Auditing of school accounts and financial reports**

In the process of financial management, school heads need auditing skills to help them detect financial errors, fraud, and understand the sources of financial gains or losses in the school (Boddy, 2011). The educational institutions generate funds from different sources, including grants from the government, local authority, non-governmental organisation, inheritances, and cash donations. The school funds should be audited to verify the faithfulness of persons charged with financial responsibilities (Neuman, 2003). Heads of school, who also serve as internal auditors, are responsible for checking the income and expenditure accounts and verifying the school's financial statements for the quality provision of education outcomes. This can enhance quality teaching and learning performance.

#### **2.4. Heads of Schools' challenges in Financial Management: Scarcity of financial resources**

In an attempt to address challenges that school heads encounter in the process of financial management. The shortages of school funds are a major concern in schools, mostly due to a small number of students enrolled in schools, delay of funds from educational supporters, and fee avoidance. According to Ndlovu (2013), a shortage of school funds leads to low performance of learners and teachers; in turn, it leads to the inability of schools to invest in students' essential teaching and learning materials. Once again, as Momoniat (2012) has highlighted, the high poverty rate in schools affects quality educational provision, and it affects specifically students with special needs as they learn in an unfriendly teaching and learning environment where parents provide less educational priorities for children with special needs. School heads struggle with how to allocate scarce financial resources due to the growing demands of quality education (Joo, 2008).

#### **2.5. Inadequate training of school heads in financial management**

The inadequate skills in school financing accounting, budgeting and auditing in many schools do not match with the financial management problems as most of the schools operate without professional accountants/bursars or even auditors poor professional accountants knowledgeable bursars create difficulties for schools to prepare and compile accurate accounting records, reports, identify operational errors, or even collect school fees dues from parents' and affects school heads' financial management (MoEYS, 2010).

#### **2.6. Lack of Skills, Knowledge, and Expertise required in Finances**

Most participants in the interviews indicated that school governing body members and principals lacked the necessary skills, knowledge, and expertise to effectively manage school finances. This is cited as the main cause of financial mismanagement in public schools. The following excerpts illustrate the responses that were given in this regard: P1 states that "the main cause of financial mismanagement is the lack of knowledge of the financial prescripts and other regulations."

FO1 indicated that factors that contribute to financial mismanagement in her school are "limited knowledge and understanding of the legislation, finance policy, and financial prescripts by the principals and the governing body members." P3's opinion was that "teachers, principals, school governing body members, and finance officers who have no financial and accounting skills." P5 indicated that "principals and school governing body members who don't have a clear understanding of financial responsibilities [to which] they are legally bound."

DO1 commented that "there is a lack of knowledge, skills, and understanding of the directives and legislation by the principals, SGBs, and finance officers." These responses suggest that the participants should have been intensively and thoroughly capacitated and upskilled through training by the Department. These findings are in line with what Bagarette (2011, 2012), Bush and Heystek (2003), Department of Basic Education, Republic of South Africa (2016), Joubert and Van Rooyen (2008), Rangongo (2011, 2016) found in their studies, namely that there are limited skills and understanding of financial management, where school principals and school governing body members battle to understand the responsibilities about the management of finances in schools; that schools do not interpret and approach budgets and audited financial statements uniformly; and that there is uncertainty in schools about the interpretation of current legislation.

Mestry (2006) also indicates that many principals and school governing body members are placed under tremendous pressure to manage their schools' finances because they are unable to work out practical solutions to financial problems, on account of their lack of financial knowledge, skills, and expertise. One of the factors raised was the unavailability and violation of financial policies. P1's understanding was that "if you don't have the finance policy and the transport tariffs, you are calling for financial mismanagement."

DO4 also highlighted that "principals assist the SGBs and teachers to overlook their own finance policies, violate their budgets, and not to adhere to the financial prescripts for self-enrichment with state funds." FO5 commented that "the school finance policy and school transport tariffs are there but not followed," and DO6 commented that "schools have a budget, finance

## **2.7. Temptations**

Most of the participants' perceptions indicated that temptation seems to play the most important part in financial mismanagement. The majority of the principals in the selected schools were honest enough to shoulder the blame for the financial mismanagement in their schools. These principals indicated that principals, teachers, and SGB members are embezzling school monies as a result of the temptation to do so. P1 indicated that "sometimes we, as the principals we claim too much for transport, unnecessary trips, as a result of temptations, and intention for personal gains." P2 commented that "principals and teachers are tempted and try their luck with dubious activities that lead them into trouble." P6 also mentioned: "temptation and poor financial management skills." There are temptations and personal gains. Principals take financial books to their friends for auditing, where they end up influencing the outcomes of the audit. They hide financial irregularities through collusion with auditors.

Mentioned that "temptations lead to excessive transport claims and inflated prices." FO2 added that "principals are tempted to create unnecessary trips, catering, and inflation of prices."

**DO6** echoed this sentiment, saying that "most of the principals are tempted to authorise transport claims in cahoots with teachers. Principals just make unauthorized payments without any verification." It appears that the participants' perceptions are that the principals, teachers, and SGB members in public schools are often tempted to engage in illegal activities related to school finances. It would appear, as indicated by the majority of the participants (DO1, P3, 4, and 6), that temptation leads to unnecessary claims for transport and catering. Misuse of money collected from learners, collusion, kickbacks, inflated prices, and signing of blank cheques are the order of the day. These findings seem to corroborate the findings by Corruption Watch (2012, 2015), Døssing et al. (2011), Hallak and Poisson (2007), Mestry (2004, 2006), Mobegi, Ondigi, and Simatwa (2012), Ochse (2004), the Public Service Commission, Republic of South Africa (2011), Rangongo (2016), Talane and Pillay (2013), who also indicate that rampant corruption in public schools is caused by temptations and poor financial management.

## **2.8. Ignorance of the Law**

The participants also pointed out ignorance of the law as one of the factors contributing to financial mismanagement in public schools. The following excerpts demonstrate the responses that were given in this regard. FO5 commented that "financial mismanagement occurs as a result of ignorance of law for personal interest and self-enrichment,

which originates with the finance manager.” FO6 added the following: There is ignorance of checking and monitoring school financial books by the principal; failure to submit monthly financial returns due to the lack of some lost receipts and invoices. FO5 commented as follows: “The principal always undermines and overrides School Governing Bodies and insists on the signing of blank cheques and cashes cheques against the departmental regulations of prohibiting such conduct.” DO1 commented that “there is negligence and ignorance of the law for personal gains.” DO3 explained the following: “principals ignore the law, legislation, and the prescripts. They do not comply with and adhere to the policies and do not follow the budget.” DO4 lamented the fact that “the principal misleads the school governing body in the drafting of financial policies, establishment of finance committee, election of the SGBs including teacher components from their staff, appointment of finance officers, petty-cash officers, and when drafting the budget for their own benefit.” DO3 also indicated the following: “the principals ignore the legislation.” DO5 indicated that “the law is ignorant and an abuse of power by the SGBs.” It seems that all the participants in their responses echoed the same sentiment, namely that ignorance of the law is one of the factors contributing to the financial mismanagement in public schools.

## **2.8. Decentralization of financial management decision-making**

The involvement of local stakeholders such as school heads, financial committees, and students, parents’ associations, enhances a school-based management system that enables relevant decision-making on school finances towards quality education provisions. School-based management stimulates decentralized decision-making on school projects from the design stages to implementation. It enables school heads to identify the needs of students, teaching, and non-teaching staff as the most important assets in school development (Mobegi et al., 2012).

In order to enhance effective participation in decision-making, school heads should develop a financial management committee to create autonomy in financial decision-making and support school heads in financial management. The schools should establish a special procurement team to ensure collective decision-making in financial management, which is vital for the provision of quality education (Macharia, 2005).

## **2.9. Developing a relevant school vision and mission to enhance financial management**

In his study, Karlson (2002) highlighted that a clear vision, mission statement, goals, and aphorism of the school remain among the best qualities of educational ambitions for high-quality education excellence, as well as the implementation of the high-quality educational curriculum. On the other hand, the study will provide necessary information that the school vision and mission should be a guiding tool for financial management in any school. A proper school vision and mission serve as a school driver for school stakeholders to improve the school finance plan and allocate school resource utilization in the achievement of the school's identified vision and mission (Council of Administration Reform, 2010).

## **3. Methodology**

The research methodology included research design, research approach, sampling techniques, data collection, and data analysis. That systematically provided clear data collection. Research methodology has been defined by Kumar (2008) as a systematic and orderly manner of collecting data by following all necessary stages.

### **3.1. Research Design**

The research involved an experimental research design to establish a relationship between the cause and effect of challenges of poor financial management in schools. The independent and dependent variables under study. That was an effective method as it contributed to solving poor financial management in schools.

### **3.2. Pragmatists Approach**

Pragmatists research approach provided a combination of qualitative and quantitative methods to investigate the research problem under study. Those mixed research methods were appropriate to answer the research questions. The information was continually interpreted and renegotiated against the backdrop of new and unpredictable circumstances.

### **3.3. Population Sample**

The population sample of the study was 2010 respondents from ten (10) schools in Kawambwa Central Zone. Kawambwa Primary School, Kawambwa Central Secondary School, Chisulo Primary School, Lusambo Primary School, Kani Primary School, Mpota Primary School, Ng'ona Secondary School, Ntulo Primary School, Kampemba Community School, and Paraffin Community School. The participants were headteachers, deputy headteachers, school accountants, teachers, learners, parents, and standards officers.

### **3.4. Study Sample**

A sample was a small amount or part of the population used as an example of the character or features. The sample was a portion of the population, which referred to the number of participants selected from the larger population to be representative of the population (Carr, 2005). For the study, the sample population consisted of one hundred ten (110) headteachers (10), deputy head teachers (10), school accountants (10), teachers (50), learners (18), parents (10), and standards officers (2) from ten (10) schools of Kawambwa central Zone. Kawambwa Primary School, Kawambwa Central Secondary School, Chisulo Primary School, Lusambo Primary School, Kani Primary School, Mpota Primary School, Ng'ona Secondary School, Ntulo Primary School, Kampemba Community School, and Paraffin Community School. The participants were headteachers, deputy headteachers, school accountants, teachers, learners, parents, and standards officers from the Kawambwa District Education Board secretary's office.

### **3.5. Sampling Procedure**

The researcher used random sampling techniques to select one hundred ten (110) participants, headteachers (10), deputy head teachers (10), school accountants (10), teachers (50), learners (18), parents (10), and standards officers (2).

### **3.6. Instruments for Data Collection**

During data collection, the researcher used the following instruments: questionnaires, observation, interviews, focus group discussion and text. These instruments provided in-depth data collection.

### **3.7. Data Analysis**

The study adopted a mixed method; both qualitative and quantitative data were collected, and qualitative data were analysed through a thematic approach, where data were tabulated and categorized. On the other hand, quantitative data was analysed in three phases. First, data was entered in Microsoft Excel. Secondly, software known as Statistical Package for Social Sciences (SPSS) was employed to analyze the data. Finally, data were presented in the form of bar charts, pie charts, and frequency and percentage tables. The type of analysis enabled the researcher to generate conclusions about the phenomenon under study by critically examining the frequencies of numerical data percentages (Hair et al., 2003).

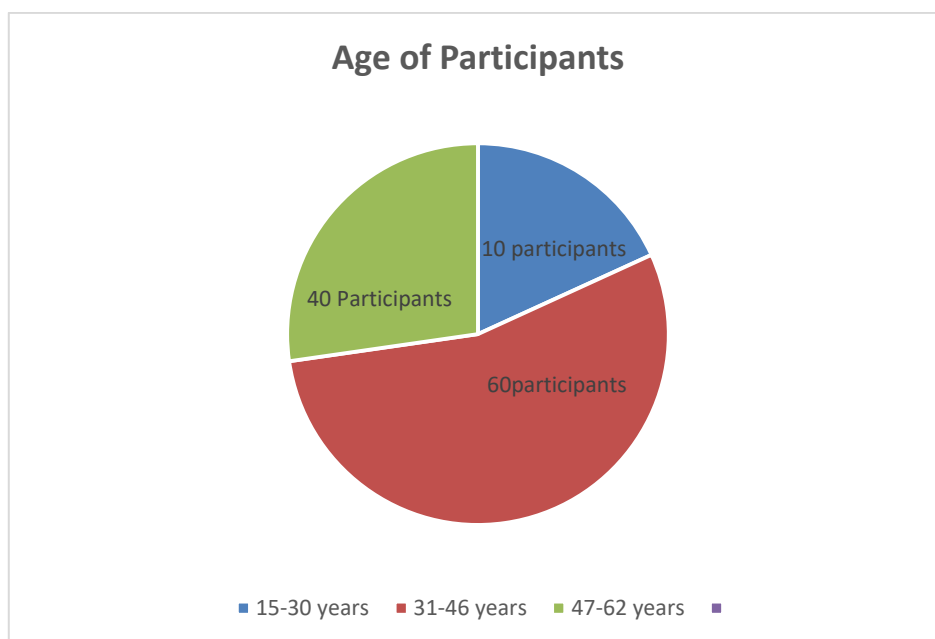
### 3.8. Ethical Consideration

The information collected was treated confidentially and used for research purposes only. The researcher abided by research ethics. The participants were not allowed to use their names, addresses, other identities, or national registration cards. All respondents were respected by the researcher. Consent forms were signed by participants.

## 4. Findings

### 4.1. Presentation of Findings

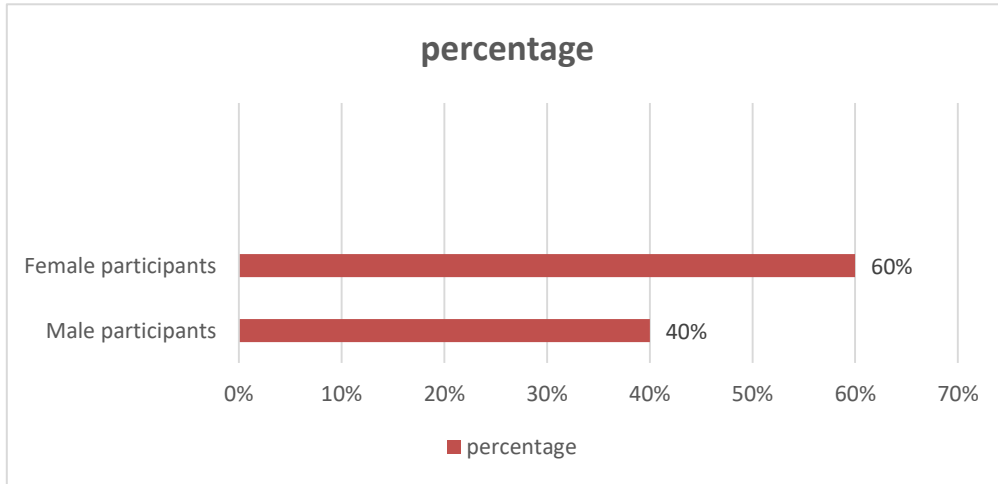
This chapter presents the findings, collected practices, and challenges of financial management in schools. It outlined data on challenges of poor financial management in schools, the extent school leaders were aware of financial management in schools, the importance of financial management committees in schools, the functions of financial management committee in schools, the school finances audited by school finance committee, effectiveness of the ministry of education through District Education Board Secretary advice and monitored schools on financial administration and Strategies that could be appropriate for poor financial management in schools.



**Figure 4.1.** Individual characteristics of participants

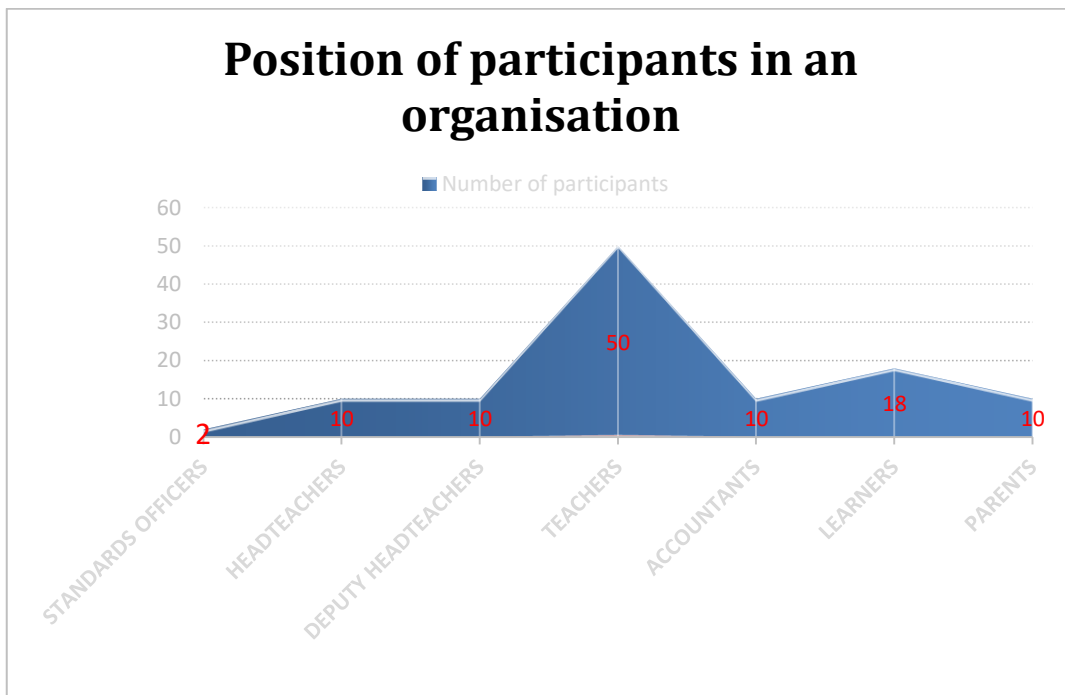
Figure 4.1 indicates that participants (n=10) who took part in the study were aged between 15 and 30 years, with the percentage of 11%. The other participants (n=40) who took part in the study were aged 31-46 years, with a

percentage of 44%, and the next group of participants (n=60) who took part in the study were aged 47-62 years, with a percentage of 66%. The participants involved were learners, headteachers, deputy headteachers, standards officers, school accounting officers, parents and teachers participated in the study. All the participants responded according to their experiences with practices and challenges involved in the management of financial resources in schools.



**Figure 4.2.** Male and Female participants

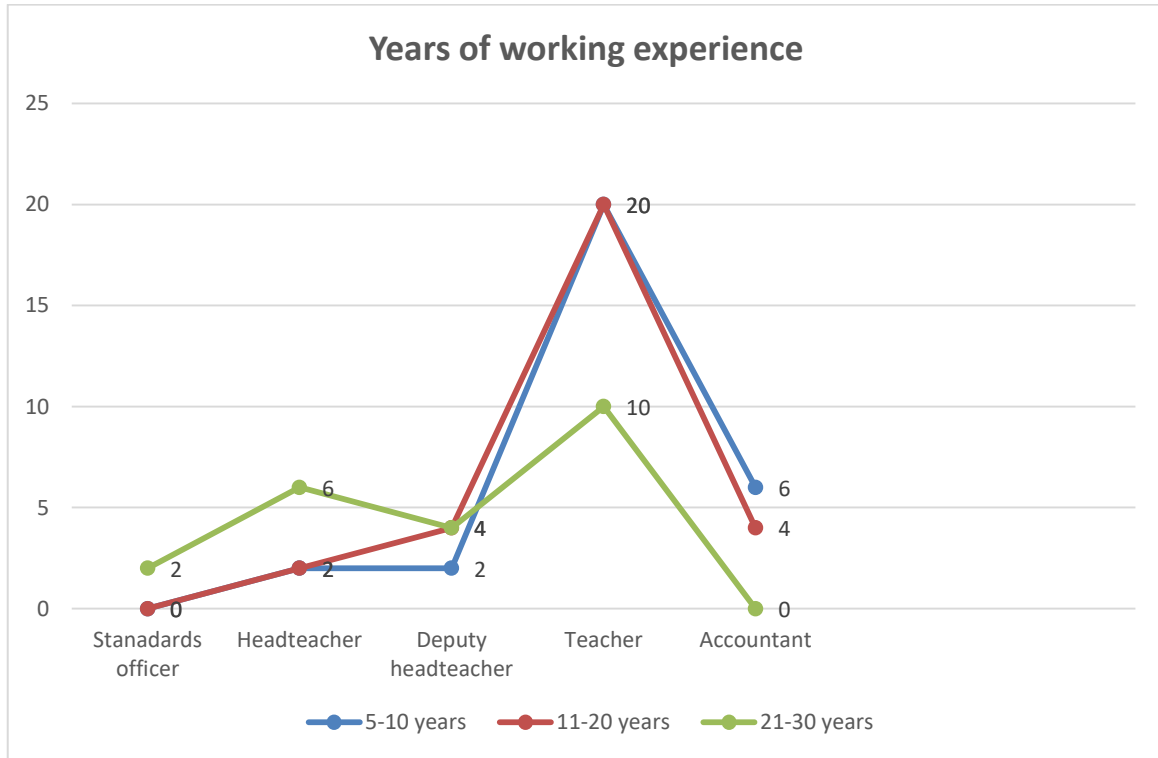
Figure 4.2 indicates that more females took part in the study, with a percentage of 60%, and a few males who participated in the study, with a percentage of 40%. The figure shows that more females were found in the sampled schools than males.



**Figure 4.3.** Position in Organisation

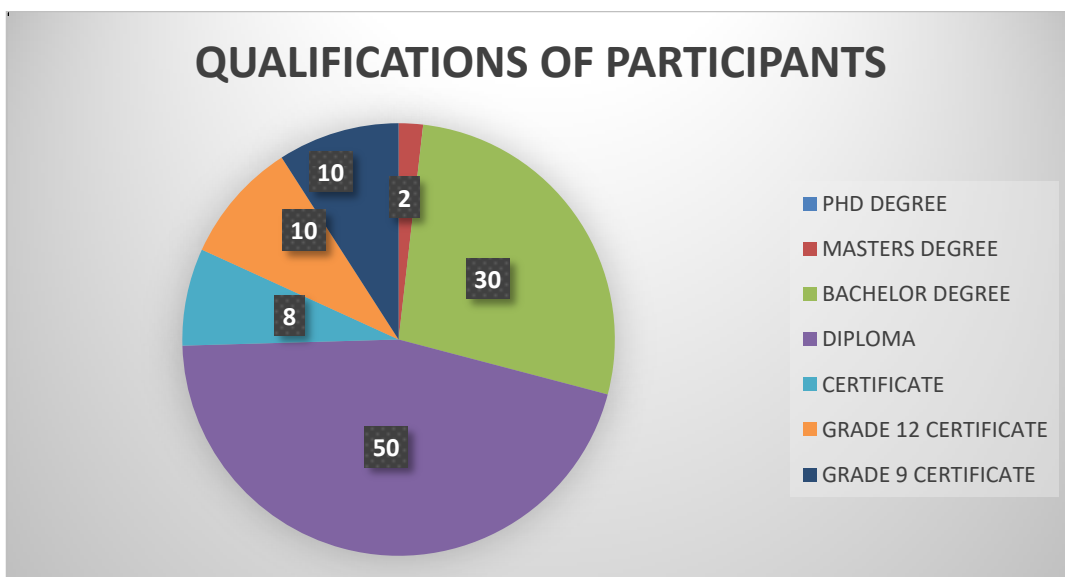
Figure 4.3 shows the positions of participants in the running of schools. Standards officers from Kawambwa District Education Board Secretary (DEBS) (n=2) with the percentage of 1.8%. The headteachers from ten (10)

selected schools (n=10) had a percentage of 9.0%. The deputy head teachers (n=10) from ten (10) selected schools, with a percentage of 9.0%. The teachers who took part in the study (n=50) with the percentage of 45.4%. The learners who took part in the study (n=18), with the percentage of 16.3%, and parents participated in the study (n=10), with the percentage of 9.0%.



**Figure 4.4.** Years of working experience in the ministry

Figure 4.4 indicates that standards officers (n=2) had worked between 21 and 30 years. The head teachers (n=6) had worked between 21-30 years, and the headteachers (n=4) worked between 5-10 years. The Deputy Headteacher (n=4) worked between 21 and 30 years, and the Deputy Headteacher (n=6) worked between 21 and 30 years.



**Figure 4.5.** Educational attainment (PhD Degree, Master’s Degree, Bachelor's Degree, Diploma

Figure 4.5 indicates the qualifications of participants who participated. Those with a PhD were (n=0), giving the percentage of 0%. The other participants who had a master's degree (n=2) had a percentage of 1.8%. The other category of participants had a Bachelor's Degree Qualification (n=30) with the percentage of 27.3%. Those with Diploma holders were (n=50), giving the percentage of 45.5%. The other group of participants with professional certificates was (n=8), with the percentage of 7.3%. The participants with a Grade 12 certificate were (n=10), giving the percentage of 9.1%, and other participants with a Grade 9 certificate (n=10), with the percentage of 9.1%.

From the figure's data, it is clearly shown that the highest number of participants had a Diploma as their highest qualification, followed by Bachelor's Degree holders.

**Table 4.1.** The challenges of poor financial management in schools

SN	Challenges of poor financial management	Frequency	Percentage
01	Poor financial record	20	18.2%
02	Poor implementation of planned activities	15	13.6%
03	Poor expenditure	30	27.3%
04	Poor and selfish utilisation of funds	5	4.5%
05	Not having financial meetings in schools with stakeholders	30	27.3%
06	Poor learner performance	5	4.5%
07	Debts	5	4.5%

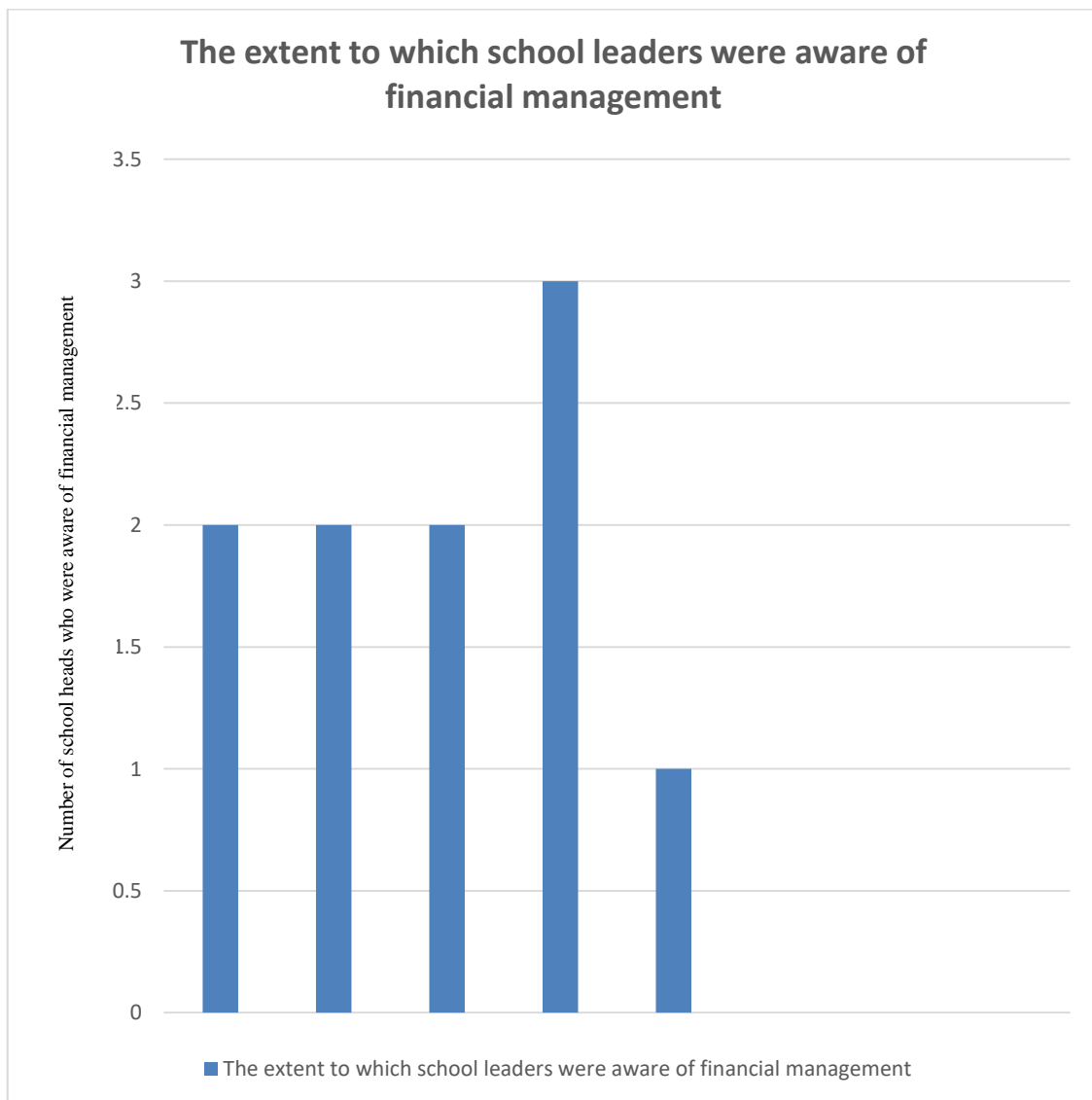
Table 4.1 shows that participants (n=20) with the percentage of 18.2% responded that the practices and challenges of poor financial management in schools were poor record keeping among school leadership. Most of the leaders in the sampled schools could spend money without records. The other participants (n=15), giving the percentage of 13.6%, pointed out that most school leaders have poor implementation of planned activities.

The money spent on activities not planned for was more than the required money for planned activities, which negatively affected the performance of the schools. Participants (n=30), with the percentage 27.3%, indicated that poor expenditure among school leaders was the most common trend, which did not support the government program on learning. The school funds were spent without following the procedures outlined for expenditure.

The other participants (n=5), with a percentage of 4.5%, indicated poor and selfish utilisation of school money by school leaders. Which involved school leaders using money without sharing information on how the money was spent. Only the school leaders and school accounting officers know where the money was spent. The other character and challenge of poor financial management in school was not having a financial meeting with stakeholders, as indicated by participants (n=30), giving the percentage of 27.3%.

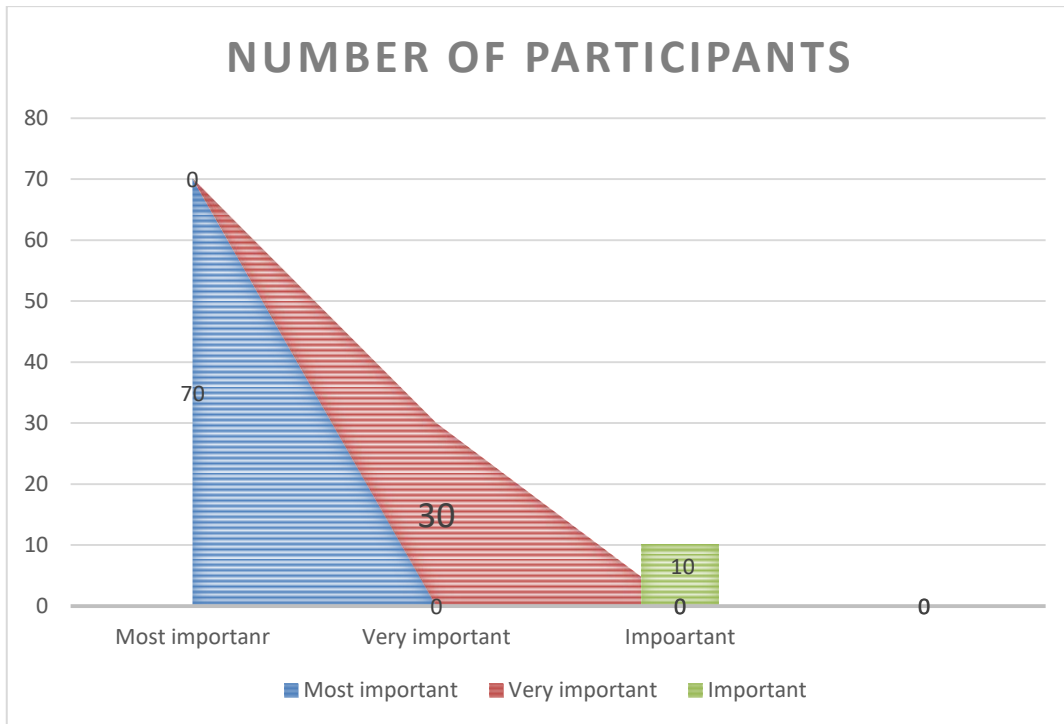
The financial reports were not made available to stakeholders on how finances were utilised in schools. The other group of participants (n=5), with the percentage of 4.5%, pointed out that poor financial management in schools results in poor performance of learners, as teaching and learning materials were not procured to support the learning of learners. Participants (n=5), with a percentage 4.5%, indicated that most school leaders had debts that affected the performance of schools. Debts without justified activities in line with the school's planned activities. Very few

funds were spent on the procurement of teaching and learning resources, as well as the maintenance of school infrastructures.



**Figure 4.6.** The extent to which school leaders were aware of financial management in schools

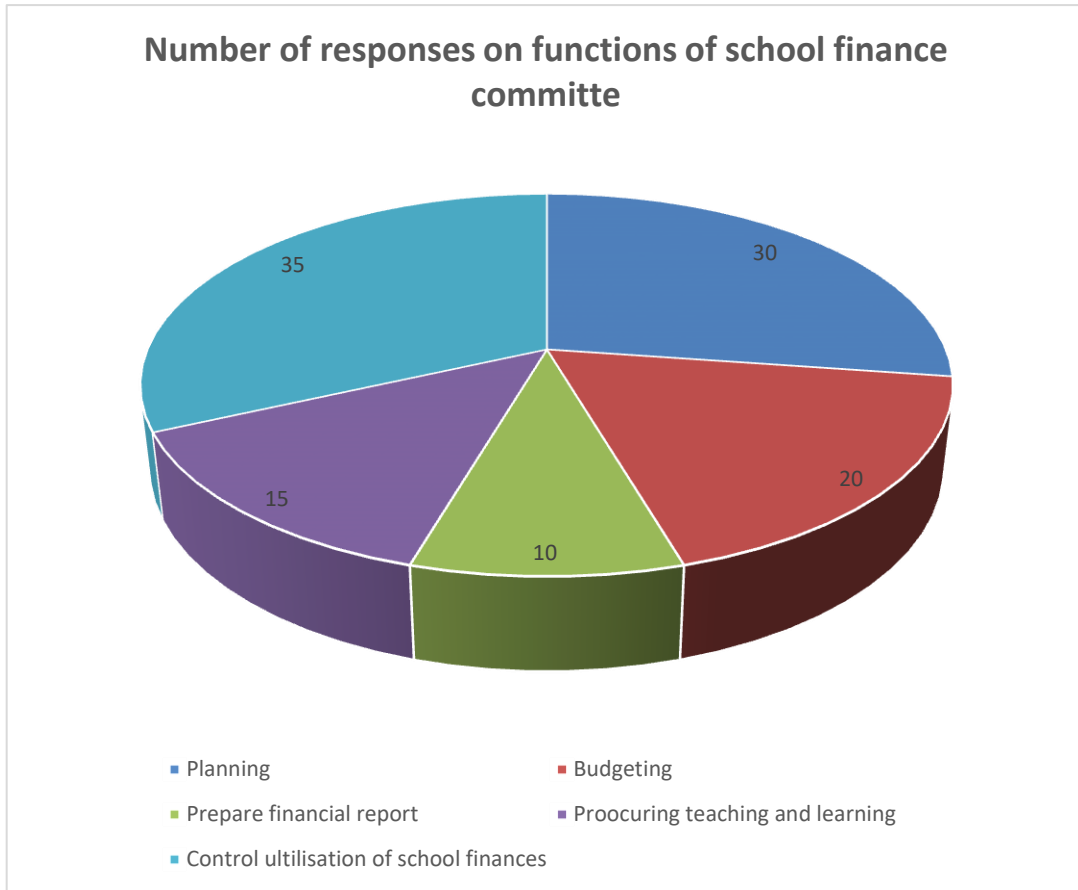
Figure 4.6 shows the number of school headteachers who believed in the extent to which they were aware of interventions done in the schools. Participants' (n=2) responses were that DEBS provided initiatives on financial management in schools to equip them with the skills required for running schools. When the school financial committee was not empowered with skills in running schools, the schools would not have been operating effectively. On the other hand, (n=2) of participants stated that they were not aware of any initiative of headteachers being trained. As a result, headteachers did not have the available skills in financial resource management of schools. If headteachers had been empowered with skills, knowledge, and financial resources, challenges would not been there, and schools would have been running effectively. Headteachers (n=2) indicated that financial literacy skills in financial management were very important. Headteachers (n=3) indicated that they were fully involved in the financial management of the school. As they were monitoring the utilisation of school funds. Headteacher (n=1) was aware of basic skills in financial accountability required for expenditure of school funds.



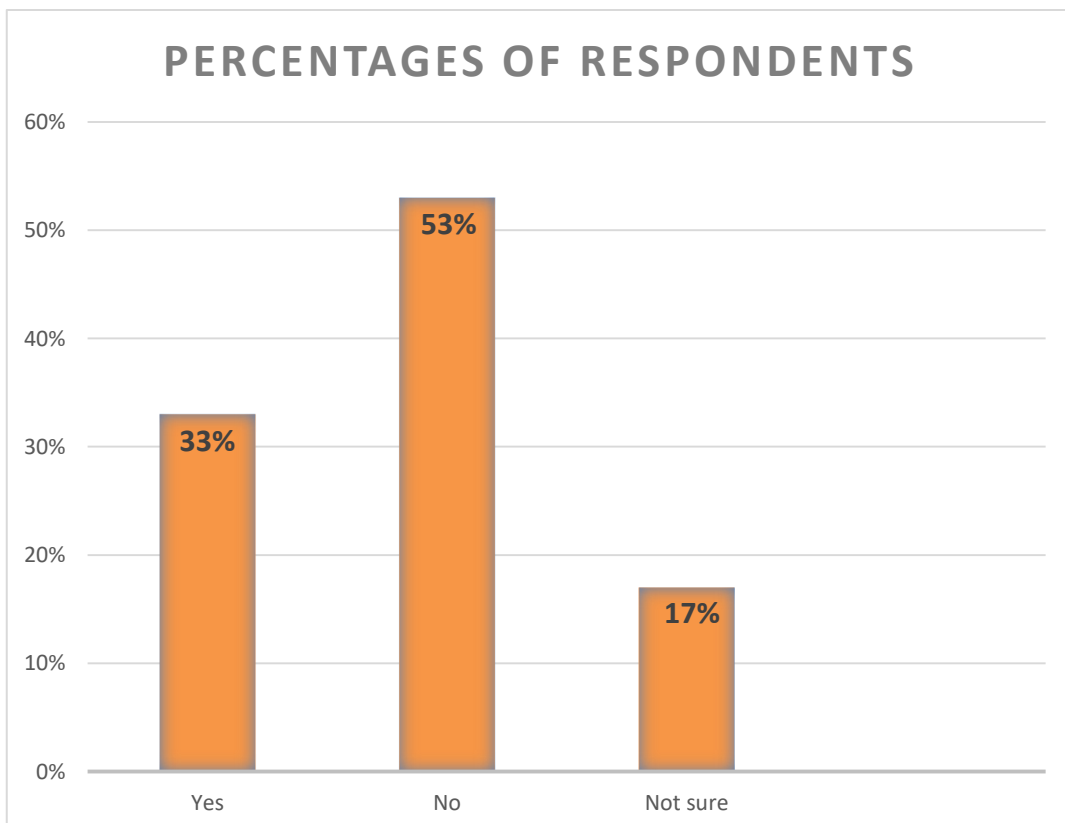
**Figure 4.7.** The financial management committees were required in schools

Figure 4.7 shows the number of participants' responses on the importance of financial management committees in schools. Participants (n=70) indicated the financial management committee was viewed to be most important in the school. The participants stated that the schools need a committee to plan, budget, and procure materials that the school requires to ensure the institution operates correctly. If the financial committee were not in schools, the performance would not have been good. Participants (n=30) believed that a financial committee is important in schools to ensure that quality education performance is provided for the benefit of learners. If the committee had not been in place, the performance would have been compromised. Participants (n=10) stated that the financial committee in school was important to foster productive education for the growth of learners and community advancement. If the financial aspect was not valued as important, the education standards in school could have been a success. The need of financial committee was needed to address the needs of learners. The committee must function in line with the school action plan and the function budget.

Figure 4.8 shows the number of responses on functions of the school financial committee. The Participants (n=30) explained that the school finance committee had the mandate to develop the function plan on how school funds were to be used. The other group of participants (n=10) mentioned that the financial committee had the duty to prepare the school's financial reports during staff meetings and during the annual parents and teachers committee for the effective running of schools. Participants (n=35) indicated that the school financial committee has the mandate to control the utilisation of the finances of schools. If the finance committee did not function, the performance would not be better. The other participants (n=20) indicated that the finance school committee had the mandate to budget for the schools. If the budget was not available in the school, the work of the school would not have been set clearly. The committee had to ensure that procurement of teaching and learning resources were bring in school. The school finance committee had to ensure that all the needs of the school were addressed.

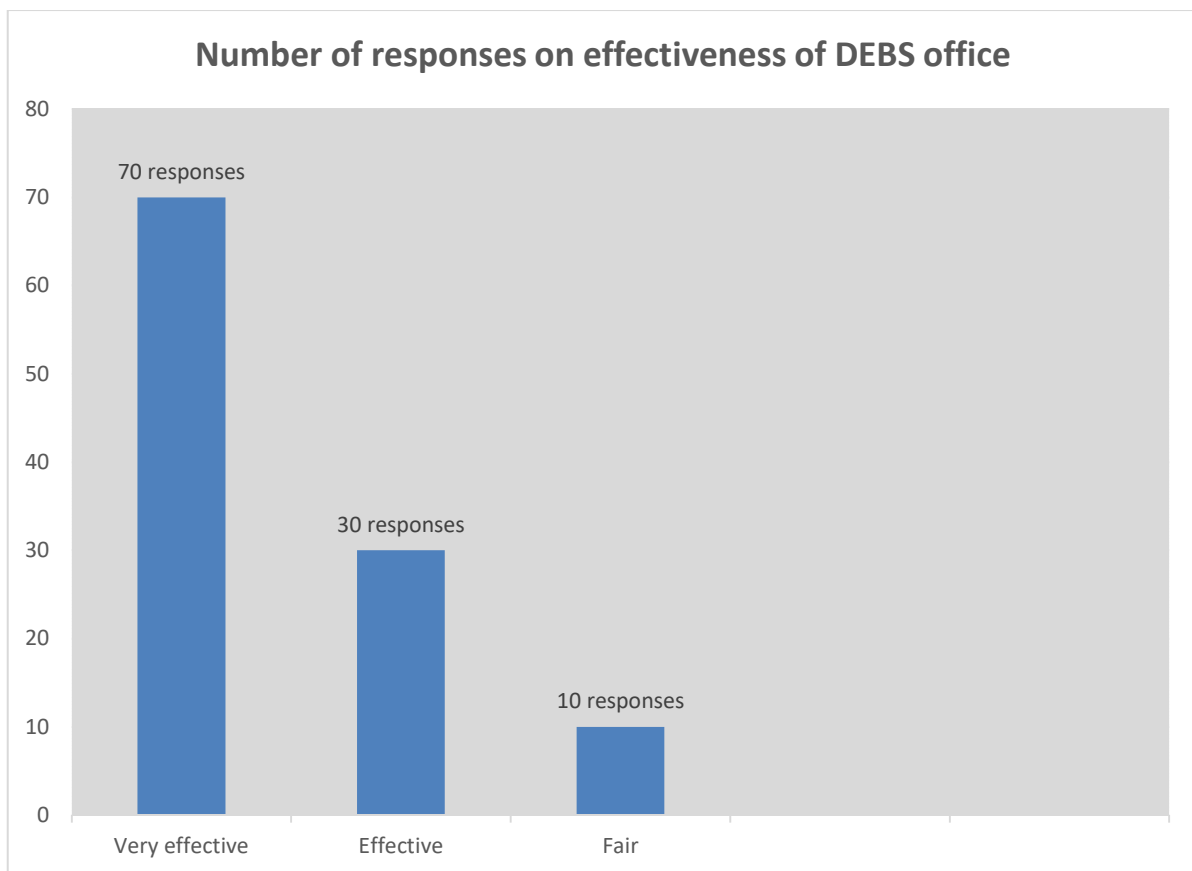


**Figure 4.8.** The functions of the financial management committee in schools



**Figure 4.9.1.** The school finances are audited by the school finance committee

Figure 4.9.1 above shows the percentages of responses of participants based on information on auditing of school accounts participants 33% indicated a **yes** response to show that the finance committee of the school audits funds on expenditure. The participants 53% shown **no** response on information that funds were not audited by the finance committee of the school. Also participants 17% shown not sure if school finances were audited by the school finance committee. Because of that, poor school financial management was noticed in the sampled schools. The outcome of poor school management of the financial budget led to bad examination results and poor school performance in different areas of school needs. The headteachers were required to ensure that financial expenditure was put in place in a transparent and integrity manner.



**Figure 4.9.2.** Effectiveness of the Ministry of Education through the District education board secretary, who advises and monitors schools on financial administration

Figure 4.9.2 shows the monitoring responses on school funds by the DEBS office. Participants' (n=30) responses indicated that DEBS's monitoring of utilisation of school funds was very effective. While participants (n=30) proved that DEBS auditing of funds was effective, participants (n=10) responses were on fair auditing of school funds on expenditure was fair.

**Table 4.2.** Strategies appropriate for poor financial management in schools

SN	Strategies	Frequency	Percentage
01	Auditing of school accounts on expenditure by standards officers	40	36.4%

02	Intensive school financial management training	40	36.4%
03	Involving all stakeholders in planning and budgeting	20	18.2%
04	Transparent in expenditure	70	63.6%
05	Conducting a financial meeting with stakeholders	50	45.5%
06	Using money for the intended purpose	60	54.5%
07	School accounting officers are to give financial reports during staff meetings	100	90.9%

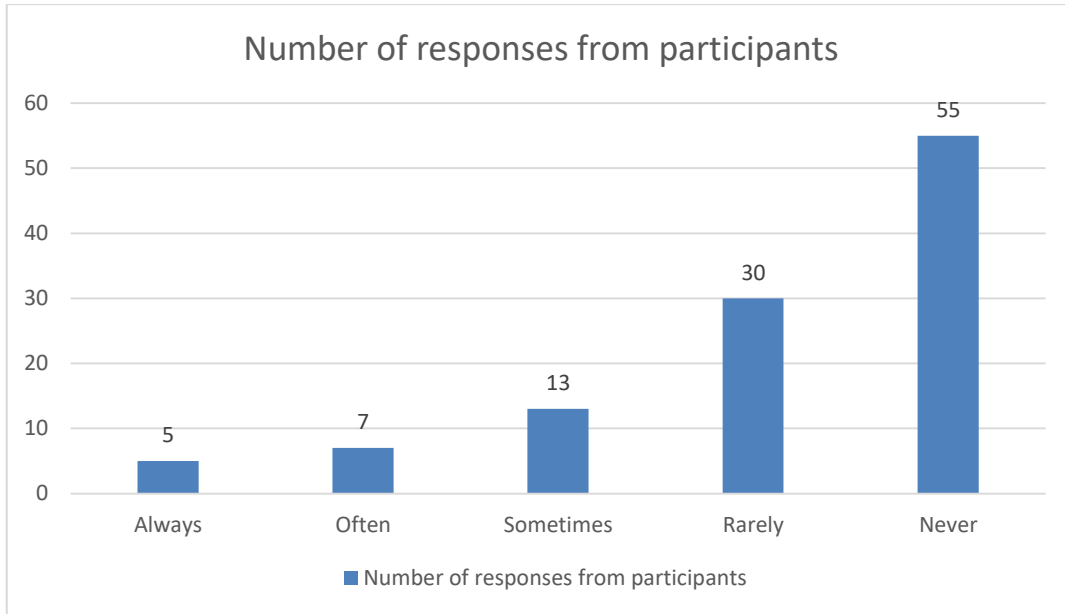
Table 4.2 Shows strategies that are appropriate for poor financial management in schools, needed for headteachers in schools for the effective running of schools. Participants (n=40), with the percentage of 36.4%, stated that auditing of school accounts on expenditure by standards officers was done in schools. Other participants (n=40) gave the percentage of 36.4%. Intensive school financial management training was required by school headteachers to undergo for financial management training for them to have adequate skills for effective delivery of leadership on school funds usage.

Participants (n=20) with the percentage of 18.2% stated that headteachers were required to involve all stakeholders in planning and budgeting for school development. Participants (n=70), giving a percentage of 63.6%, indicated that transparency in expenditure was important, not to work in isolation was not good. Participants (n=50) with 65.5% stated that conducting full financial meetings with stakeholders was vital for financial management in schools. Without engagement of stakeholders led to poor financial challenges in schools.

Participants (n=60) with 54.5% mentioned that headteachers were mandated to use money for the intended purpose instead of spending money on non-programmed activities affecting the intended needs of learners and teachers. Participants (n=100) with the percentage of 90.9% suggested that school accounting officers should give financial reports during staff meetings to enhance transparency on expenditure for school funds. The reports on income and expenditure provides re-assurance by the government. The financial reports were important as the basis of satisfying compliance requirements and the law. Transparency gives confidence and trust for all members in the school and beyond, as well as improves performance. Reports enable headteachers to be supported fairly in decisions regarding the expansion of schools in academic and professional development.

All the mentioned strategies were thought to be effective for headteachers in line with the management of schools. Avoiding these strategies would put the school in a negative position on financial management. Stakeholders were required to be engaged in the financial management of the school to facilitate appropriate intervention on the usage of funds.

Figure 4.9.3 shares responses from participants concerning headteachers seeking support from other schools to enhance performance in school finances. Participants (n=5) experienced that headteachers ask for technical support from others. Participants (n=7) felt that headteachers often ask for technical support from others. Participants (n=13) indicated that headteachers sometimes ask for technical support from other schools to enhance performance.

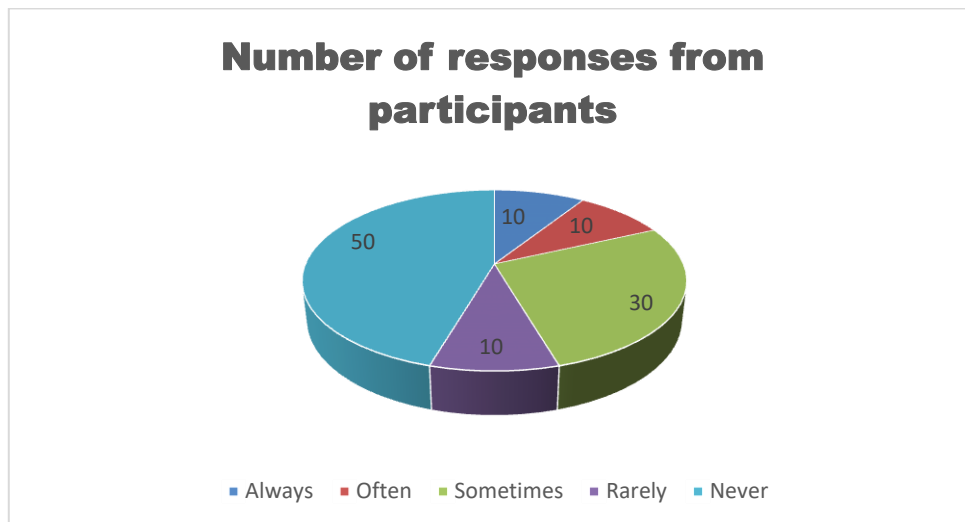


**Figure 4.93.** Dealing with the challenges by asking for help from other Schools.

Always ..... Often.....Sometimes.....Rarely.....Never.....

Participants (n=30) stated that headteachers rarely asked for technical support from others on the management of their schools. These headteachers believed in themselves that they knew everything; as a result, their performance had been poor. Participants (n=55) indicated that the school headteachers never asked for technical support from other stakeholders on spending school funds in line with the planned needs of the schools. That contributed to the poor management of finances in schools.

In line with responses given by participants who took part in the study, the largest percentage was that headteachers did not seek feedback from other stakeholders on the expenditure of school finances. Participants mentioned that if headteachers seek feedback, stakeholders would have known ways in which money had been misused.

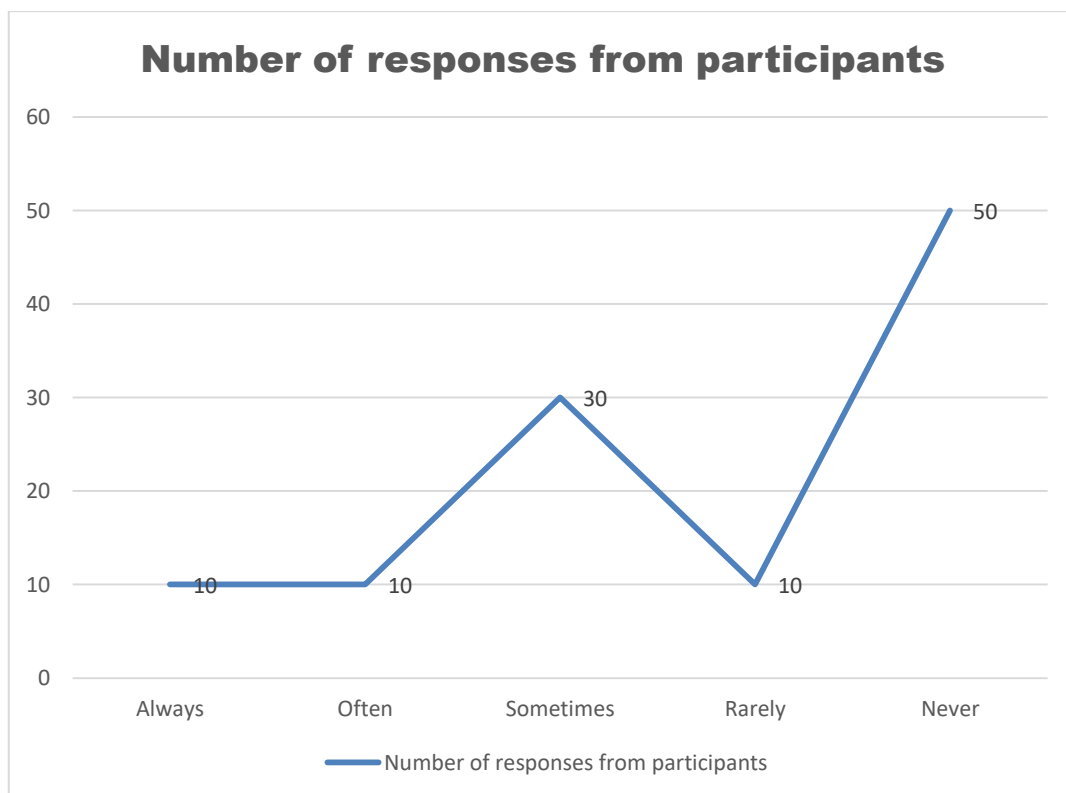


**Figure 4.94.** Participating in any school activities related to financial management

Always..... Often.....Sometimes.....Rarely.....Never.....

Figure 4.9.4 shows different numbers of responses from participants on their experiences of participating in the financial expenditure of the schools. Participants (n=50) indicated that they had never participated in the management of school expenditure. Because there were no regular review meetings on the financial expenditure of school funds, as a result no participation in the running of schools. Other participants (n=10) mentioned that they rarely participate in the school budget and expenditure. As a result of non-participation in school expenditure, nothing had been provided for them to understand the ways in which school funds were exhausted. Participants (n=30) experienced that sometimes they used to take part in the financial activities of the school.

On the other hand, their participation did not make any positive impact on the financial management of school funds, as headteachers were not willing to be advised. Participants (n=10) indicated that they often participated in financial management activities of the school, which made it difficult to contribute positively to the effective management of schools. The management of school finances was under the control of headteachers without seeking perspectives from teachers and members of the school community. As a result, poor financial management hurts the running of schools.



**Figure 4.9.5.** Participating in your school's financial management

Always ..... Often..... Sometimes.... Rarely.... Never.....

Figure 4.9.5 indicates the responses of participants concerning taking part in the management of the finances of schools. Participants (n=10) mentioned that they always participate in the management of school finances. While participants (n=10) often took part in planning, budgeting, resource distribution, item procurement, expenditure, and budget review meetings. Participants (n=30) shared that sometimes they participated in the financial management of school funds. On the other hand, participants (n=10) mentioned that they rarely participated in the

financial management of the school funds. Participants (n=50) indicated that they never participated in the management of school budgeting and expenditure.

## **4.2. Summary**

The chapter has provided information on data presentations on practices and poor financial management in schools by giving narratives on participants' views on fund usage in schools by headteachers. The negatives they have on seeking feedback on financial management for the intended needs of learners in schools. The strategies are required for good performance. Teamwork was required in the budgeting and expenditure of school funds. If collaboration had been enhanced, financial performance could have been improved in schools.

## **5. Discussion**

### **5.1. The challenges of poor financial management in schools**

The other part of the questionnaire looked at the challenges of poor financial management in schools. What initiatives government put in place for improving the leadership framework in schools? A few participants had different perceptions with government initiative for improving school leadership. A few participants (n=5) agreed that the government had put measures for improving school leadership by allowing school leaders to go for in-service leadership training programmes (Lee and Terrence, 2017). Some participants (n=15) did not experience the government sending school leaders for in-service leadership training. They believed that the government had not created short-term courses for improving school leadership, where leaders were allowed to attend leadership courses.

The government, through the Ministry of Finance and National Planning, in collaboration with the Ministry of education had the duty to conduct financial regulations for school leaders, such as capital markets, so that the authority should come up with new financial policies on expenditure. Because the schools under the study had under-scored the liquidity and capital budgeting management in schools as mandatory skills for executives in government. The participants indicated that school leaders needed to work with non-financial companies with skills in the management of resources to ensure the smooth running of schools.

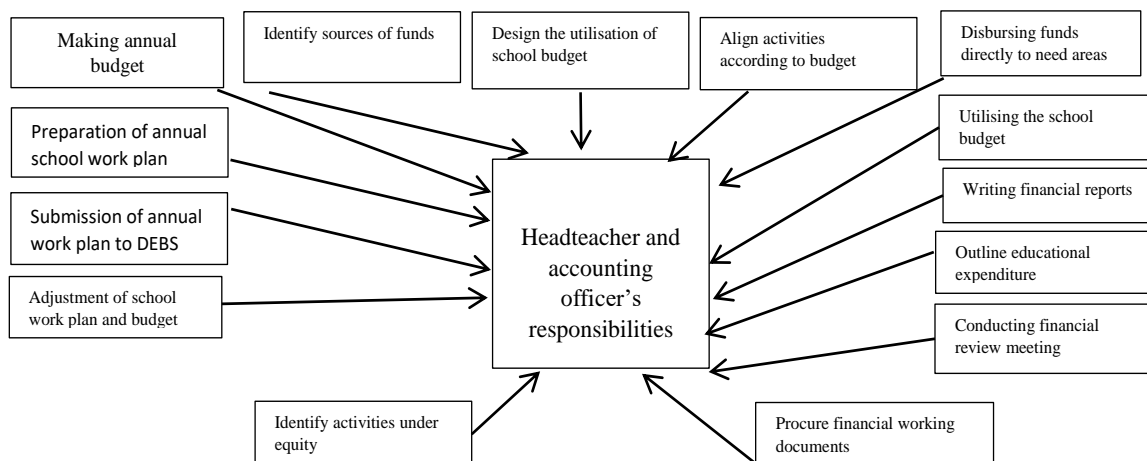
The schools could have been helped in methods of raising funds to improve expenditure and investment. The participants also suggested that the policymakers would be working together with schools to assist in the management of school resources, as many school leaders did not have the required skills. Because school leaders did not want to collaborate with other stakeholders, the management of school resources had been a challenge. Most leaders were spending the money without following the outlined budget for schools. That had affected the school's performance.

The research findings indicated few participants (n=7) believed that the government had encouraged school leaders to network with other schools to improve school performance. While some participants rejected the development of government, the responses indicated that participants did not accept that strategy for improving school leadership (Michael and Morgan, 2017).

### **5.2. The extent to which school leaders were aware of financial management in schools**

The research findings indicated that participants (n=35) agreed that school leaders were aware of financial management in schools, despite not using the funds according to the intended purpose. All school leaders received the usage of school funds guideline, which provided a step-by-step approach that assisted school leadership at all levels in the financial management of the school funds. In addition, the guidelines are present on all the relevant forms and templates required and distributed in schools for the management of school funds. All school leaders were guided on eligible and ineligible expenditures. The roles and responsibilities of all stakeholders involved in financial management and procurement of goods and services. They were also guided on best practices in procurement of goods and services to guarantee value for money, reasonableness in prices, and timelines in delivery of goods and services procured. The school leaders knew financial regulations in line with financial regulations. Because of their negligence to duty, schools performed badly as finances were not used in line with planned activities.

The findings from the data collected revealed that headteachers and school accounting officers were provided with responsibilities for school financial management. The figure below indicates the responsibilities.



**Figure 5.1.** The responsibilities of the headteacher and the accountant

The following tables show financial guide expenditure from the early childhood level to the secondary level.

**Table 5.1.** Guide Use Cap-Early Childhood Education

SN	Programme/Subprogramme	Approved allocation %	
5501	5501 Early Childhood Education	Allocation by %	
		Action	Sub/Prog.
1001	PRIMARY Education Provision		50%
3002	Teacher Education and Specialised Services	15%	
3003	Curriculum and material production	25%	
	Co-curricular	25%	
2004	Education Standards, Assessment, and Evaluation	15%	
3005	Open and Distance Learning	5%	

3006	Infrastructure Development	15%	
	<b>Programme Sub Total</b>	<b>100%</b>	<b>50%</b>
5599	Management and Support System	Allocation by %	
9001	Executive office management		<b>50%</b>
9002	Human Resource Management and Administration	60%	
9003	Financial Management- Accounting	10%	
9005	Procurement Management	10%	
9006	Planning, Policy, Coordination, and Equity	20%	
	<b>Programme Total</b>	<b>100%</b>	
<b>Grand Total</b>			<b>100%</b>

Table 5.1 revealed that the government had guided the utilisation of school funds allocated to ECE, as seen from the above table. The funds were distributed to public institutions offering Early Childhood Education services. The grant is meant to facilitate quality services to eligible children to prepare successful transition into primary school, as reviewed from the financial management guidelines of (MOE, 2023). The usage of ECE Grant caters to school requisites, infrastructure development (Rehabilitation and Maintenance, age-appropriate furniture, utility bills, wages to caregivers and supporting staff, equity issues, enhance quality of services to early childhood, school readiness, and continuing professional development. The funds should be used for supporting continuing professional development (CPD) and co-curricular activities.

**Table 5.2.** Guide use Cap-Primary Education

SN	Programme/Subprogramme	Approved allocation %	
<b>5501</b>	<b>5501 Early Childhood Education</b>	<b>Allocation by %</b>	
		<b>Action</b>	<b>Sub/Prog</b>
1001	PRIMARY Education Provision		<b>50%</b>
3002	Teacher Education and Specialised Services	15%	
3003	Curriculum and material production	25%	
	Co-curricular	25%	
2004	Education Standards, Assessment, and Evaluation	15%	
3005	Open and Distance Learning	5%	
3006	Infrastructure Development	15%	
	<b>Programme Sub Total</b>	<b>100%</b>	
5599	Management and Support System	Allocation by %	
9001	Executive office management		
9002	Human Resource Management and Administration	60%	

9003	Financial Management- Accounting	10%	<b>50%</b>
9005	Procurement Management	10%	
9006	Planning, Policy, Coordination, and Equity	20%	
	<b>Programme Total</b>	<b>100%</b>	
<b>Grand Total</b>			<b>100%</b>

Table 5.2 shows a review of findings on the outlined allocation of expenditure for primary school. For the primary sector, the funds are meant for public institutions offering primary education services. The grant is meant to facilitate quality services to primary school-going children for the procurement of Teaching and Learning materials. The procurement involved paying utility bills, rehabilitation and maintenance of school infrastructure, and purchase of desks, wages for supporting staff not on government payroll, ensuring school-based continuing professional development (SCPD) is done in school, and co-curricular and extra-curricular activities are done in schools. Supporting school health and nutrition, funding production units in schools. Ensuring that the inputs and support for the production unit were provided. Also, the procurement of equipment for practical subjects.

**Table 5.3.** Guide use Cap-Day Secondary Education

SN	Programme/Subprogramme	Approved allocation %	
<b>5503</b>	<b>5503 Early Childhood Education</b>	<b>Allocation by %</b>	
		<b>Action</b>	<b>Sub/Prog</b>
3001	Secondary Education Provision		<b>50%</b>
3002	Teacher Education and Specialised Services	10%	
3003	Curriculum and material production	30%	
	Co-curricular	25%	
2004	Education Standards, Assessment, and Evaluation	15%	
3005	Open and Distance Learning	5%	
3006	Infrastructure Development	15%	
	<b>Programme Sub Total</b>	<b>100%</b>	
5599	Management and Support System	Allocation by %	
9001	Executive office management		<b>50%</b>
9002	Human Resource Management and Administration	60%	
9003	Financial Management- Accounting	10%	
9005	Procurement Management	5%	
9006	Planning, Policy, Coordination, and Equity	25%	
	<b>Programme Total</b>	<b>100%</b>	
<b>Grand Total</b>			<b>100%</b>

Table 5.3 reflects the secondary school education provision and costs under management and other support services. The secondary school grant had been initiated for free secondary education. The parents were not required to pay school fees as the government has taken on the responsibilities. The study reviewed that headteachers had been given all the guidelines to follow. On the contrary, headteachers had not been utilising funds in line with financial guidelines; as a result, challenges were many.

**Table 5.4.** Guide use Cap-Special Primary/ Special Secondary Education

SN	Programme/Subprogramme	Approved allocation %	
<b>5503</b>	<b>5503 Early Childhood Education</b>	<b>Allocation by %</b>	
		<b>Action</b>	<b>Sub/Prog</b>
3001	Secondary Education Provision		70%
3002	Teacher Education and Specialised Services	15%	
3003	Curriculum and material production	25%	
	Co-curricular	15%	
2004	Education Standards, Assessment, and Evaluation	25%	
3005	Open and Distance Learning	5%	
3006	Infrastructure Development	15%	
	<b>Programme Sub Total</b>	<b>100%</b>	<b>70%</b>
5599	Management and Support System	Allocation by %	
9001	Executive office management		30%
9002	Human Resource Management and Administration	60%	
9003	Financial Management- Accounting	10%	
9005	Procurement Management	5%	
9006	Planning, Policy, Coordination, and Equity	25%	
	<b>Programme Total</b>	<b>100%</b>	<b>30%</b>
<b>Grand Total</b>			<b>100%</b>

Table 5.4 clearly outlines how funds for special schools should be utilised for learners with special education needs. Challenges with financial expenditures were many from the review data of the study, as headteachers were not following the guidelines.

**Table 5.5.** Guide use Cap-Grant AIDED Primary/Grant AIDED Day Secondary Education

SN	Programme/Subprogramme	Approved allocation %	
<b>5503</b>	<b>5503 Secondary Education</b>	<b>Allocation by %</b>	
		<b>Action</b>	<b>Sub/Prog</b>
3001	Teacher Education and Specialised Services	10%	
3002	Curriculum and material production	25%	

3003	Education Standards, Assessment, and Evaluation	20%	50%
	Co-curricular	25%	
3005	Open and Distance Learning	5%	
3006	Infrastructure Development	15%	
	<b>Programme Sub Total</b>	<b>100%</b>	<b>50%</b>
5599	Management and Support System	Allocation by %	
9001	Executive office management		50%
9002	Human Resource Management and Administration	60%	
9003	Financial Management- Accounting	10%	
9005	Procurement Management	5%	
9006	Planning, Policy, Coordination, and Equity	25%	
	<b>Programme Total</b>	<b>100%</b>	
<b>Grand Total</b>			<b>100%</b>

Table 5.5 outlines required areas of expenditure for learners and schools with specific percentages attached to each program.

**Table 5.6.** Guide use Cap-Grant AIDED Boarding

SN	Programme/Subprogramme	Approved allocation %	
<b>5503</b>	<b>5503 Secondary Education</b>	<b>Allocation by %</b>	
		<b>Action</b>	<b>Sub/Prog</b>
3001	Teacher Education and Specialised Services	10%	30%
3002	Curriculum and material production	30%	
3003	Education Standards, Assessment, and Evaluation	10%	
	Co-curricular	25%	
3005	Open and Distance Learning	5%	
3006	Infrastructure Development	20%	
	<b>Programme Sub Total</b>	<b>100%</b>	<b>30%</b>
5599	Management and Support System	Allocation by %	
9001	Executive office management		
9002	Human Resource Management and Administration	70%	
9003	Financial Management- Accounting	5%	

9005	Procurement Management	5%	<b>70%</b>
9006	Planning, Policy, Coordination, and Equity	20%	
	<b>Programme Total</b>	<b>100%</b>	<b>70%</b>
<b>Grand Total</b>			<b>100%</b>

Table 5.6 indicates guidelines set for expenditure in grant AIDED Boarding schools, which gives clear expenditure outlines.

**Table 5.7.** Guide use the Cap-Secondary Education Boarding

SN	Programme/Subprogramme	Approved allocation %	
<b>5503</b>	<b>5503 Secondary Education</b>	<b>Allocation by %</b>	
		<b>Action</b>	<b>Sub/Prog</b>
3001	Teacher Education and Specialised Services	10%	30%
3002	Curriculum and material production	30%	
3003	Education Standards, Assessment, and Evaluation	10%	
	Co-curricular	25%	
3005	Open and Distance Learning	5%	
3006	Infrastructure Development	20%	
	<b>Programme Sub Total</b>	<b>100%</b>	<b>30%</b>
5599	Management and Support System	Allocation by %	
9001	Executive office management		<b>70%</b>
9002	Human Resource Management and Administration	70%	
9003	Financial Management- Accounting	5%	
9005	Procu-Remuneration Management	5%	
9006	Planning, Policy, Coordination, and Equity	20%	
	<b>Programme Total</b>	<b>100%</b>	<b>70</b>
<b>Grand Total</b>			<b>100%</b>

Table 5.7 provides guidelines on expenditure for secondary schools in Zambia that leaders in schools can use effectively.

Other participants (n=57) stated that school leaders were not aware of financial management in schools. Because their performance and usage of school funds had been poorly applied without following all the procedures. Not conducting school-based continuing professional development, not implementing inputs and support to production units, and failing to procure and maintain office and school equipment. Failure to implement general administrative cost such as attending meetings and procurement of office materials. As a result, many schools had their performance go down without meeting the required standards.

The participants (n=18) were not sure if school leaders were aware of financial management in schools. Because there was no connection between performance and the utilisation of school funds. The leaders were not setting targets, focusing on activities that had been designed for running school programs. All the funds could finish before the end of the budget quarter without tangible results. The school leaders could not listen to advice from stakeholders for the effective management of the school. As a result, the performance of the school had gone down due to the fact that the school had no input from all stakeholders.

### **5.3. The financial management committees were required in schools**

The research findings revealed that participants (n=70) pointed out that school financial management committees were most important in schools. If the committees were not required in schools, the performance of schools would not have been good. The financial management committee was most impressive in schools because the running of schools depends on the planning, budgeting, and procurement of material resources in schools. Without the financial management committees in schools, the running of schools would be compromised.

Other participants (n=30) indicated that financial management committees were very important in the running of schools, as committee members had to plan, budget, and procure teaching and learning resources. If committees were not in schools, headteachers would not be performing well. Participants (n=10) showed that financial management committees were important in schools.

Without the presence of financial management in schools, the running of schools could be compromised. The findings from the study showed that the majority of schools sampled in the study had financial management committees in schools. Despite schools having the financial management committees in place, their working patterns with members in the committee were compromised as members only appeared on the committee list without being actively involved in the warfare of the school. The financial management of the school was in the hands of the headteachers and the school accounting officer, without involving all committee members. Because of that, the schools under the study performed below the financial regulations as expected by the government expenditure.

It was vital for headteachers of schools to involve all the financial management committee when spending funds of the school's funds. Failure for headteachers to involve stakeholders in the financial management of funds led their schools to perform below the required financial regulations. It was vital for leaders of the school to ensure that all stakeholders were included in their financial matters.

### **5.4. The functions of the financial management committee in schools**

The other part of the research study focused on the functions of the financial management committee in schools. The findings revealed that participants (n=30) mentioned that the committee was required to plan for the school's needs. If planning was not done by the school financial committee, a lot of problems in schools were many problems in schools would arise. The study reviewed that most schools that were sampled in the study failed to provide a productive plan for their institutions, which negatively affected the performance of the schools. The financial plans that were shared lacked focus on schools, as they had no targets in their plan that would have been

traceable. Because of that, their financial plans had not yielded success. The plans had not shown distributed funds according to the activities of the schools and the time frame to achieve or complete them.

Other participants (n=10) pointed out that the financial committee had to prepare financial reports to maintain transparency in the usage of school funds. If financial reports were not provided to stakeholders, poor financial management could be high in schools. The results indicated that the schools sampled under the study were not providing financial management reports to explain the money received in schools and how the money was spent. Because of not giving financial reports during the PTA and staff full council meeting, poor financial management in schools was identified as stakeholders were not provided with updates on school funds.

Participants (n=35) indicated that the committee had the function of controlling the utilisation of school finances. The committee had to control the finances of the school as one of its functions in financial management. On the negative performance of schools, the school leaders did not allow the school finance committee members to collaborate in ensuring that funds were used according to the required standards or intended plans. That had made the stakeholders not pay much attention to the financial expenditure of the school, as heads wanted to control all the funds without the other members' involvement.

The participants (n=20) pointed out that the function of the school financial committee was to budget for the smooth running of the school. If budgeting were not done by the committee, the performance of the school would be affected. On the contrary, head teachers were not allowing the full committee to make a comprehensive budget for their schools, as the budgets were managed by school accounting officers and head teachers who did not want to listen to other committee members. As a result, finances were mismanaged in schools. Most schools were spending money without making an effective budget.

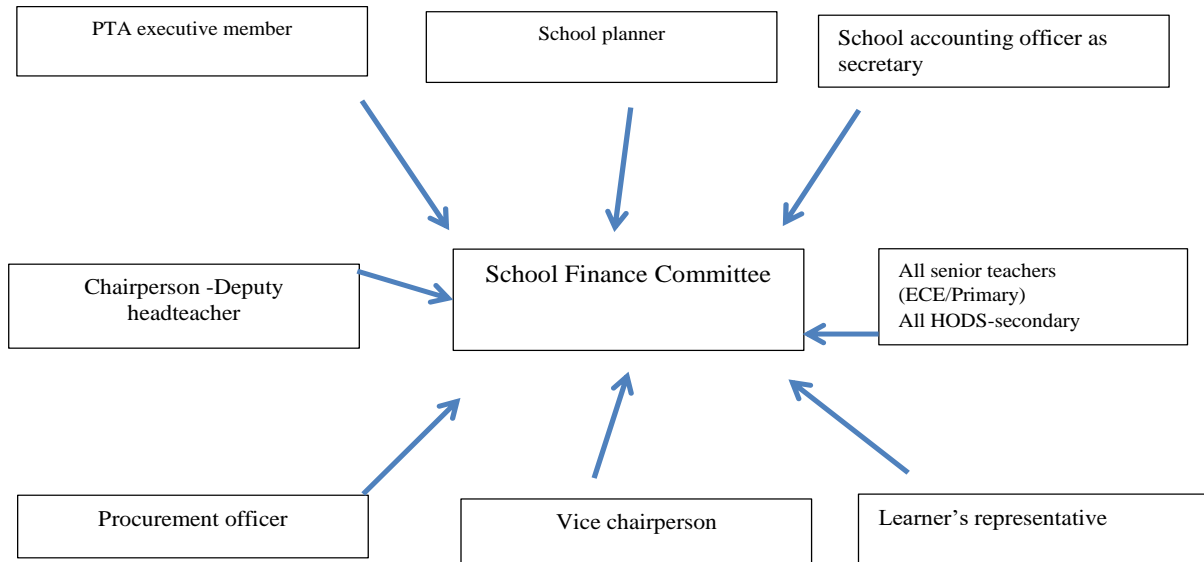
The other function reviewed by the findings was procurement of teaching and learning resources, as indicated by participants (n=15). The committee had a mandate to procure teaching and learning resources for better performance of the school. The findings from the study revealed that most school headteachers were procurement officers instead of allowing procurement officers to buy all the needs for the school. Because of the behaviour of most teachers, learners, and parents failed to question the headteachers on the procurement of school resources, and stock books were not available to indicate the items procured by the school.

### **5.5. The school finances are audited by the school finance committee**

The other part of the questionnaire covered information on school finances audited by the school finance committee. Findings showed that participants (n=33) agreed with the response yes denoting that school finance committees did audit the school funds.

Participants (n=60) responded with no response that the school finance committee had not been auditing school finances, as the committee had been controlled by headteachers of the schools. Which made it difficult for members to audit, as headteachers were not creating an enabling environment for members to audit the financial expenditure of the schools. The study reviewed that participants (n=17) were not sure if school funds were audited by the school finance committee. Because school finance committees were headed by school headteachers, it made it difficult for

the committee to audit itself. Respondents made a suggestion that headteachers were not supposed to be on the school finance committee for them to audit the committee. As long as the head teachers remained controlling officers in the school, no one would audit the expenditure within the school.



**Figure 5.2.** The findings on the review of the compositions of the School Finance Committee.

Figure 5.2 provides the composition of school finance committee that school needs for effective utilisation of school funds.

### **5.6. Effectiveness of the Ministry of Education through the District education board secretary advice and monitors schools on financial administration**

The questionnaire covered the part on the effectiveness of the Ministry of Education through the District Education Board Secretary (DEBS), who advised and monitored schools on financial administration.

The study reviewed that Participants (n=70) stated that the DEBS office had been very effective in checking that schools were following financial guidelines. On effective advice and monitoring of schools, participants (n=30) mentioned that the DEBS office had been effective.

On the other hand, participants (n=10) rated the DEBS office as fair in advising and monitoring of schools on financial regulations. Despite the DEBS office providing guidance and financial literacy skills, headteachers did not follow the guidance provided by the government. The school funds were spent on their own needs without records of expenditure. The performance of the schools had gone down below 50%, far from 90+1% the Provincial and District performance target. Headteachers were not spending the money on academic matters; instead, the school funds were diverted to unproductive expenditure where learners and teachers could not benefit.

### **5.7. Strategies appropriate for poor financial management in schools**

The other part of the questionnaire focused on strategies for improving financial challenges in schools.

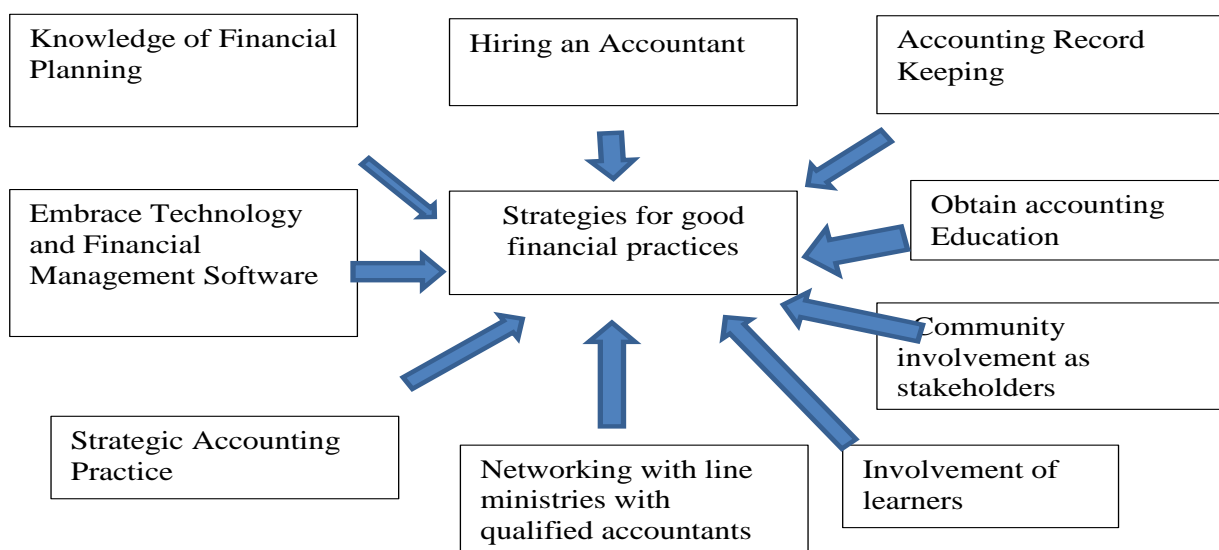
The participants (n=40) suggested that auditing of school accounts on expenditure by standards officers would minimise poor financial management in schools. The DEBS officers, to intensify financial monitoring activities in

all government schools, so that leaders would become serious with work. Responses (100%) of participants indicated that any head teacher found with the case of financial irregularity expenditure should be demoted and prosecuted by law. All the account's books were required to be checked by the DEBS team. If school leaders were not checked on financial records, the financial management of the schools was compromised. To prevent financial mismanagement in schools, the standards officers, as education leaders in the District, required full-time checking of schools.

The study reviewed that participants (n=40) indicated that the government, through the DEBS office, should intensify school financial management training for all school accounts committee members, which should include parents, local leadership, learners, and teachers. Participants (n=20) pointed out that to improve poor financial management in schools, school headteachers should involve all stakeholders in planning and budgeting of the school. The involvement of stakeholders will enable

The other strategy identified by participants (n=70) was transparent expenditure by school leadership. Money spent by schools should be made known to all stakeholders. That would encourage other stakeholders to operate freely to help the child. Participants (n=50) mentioned that the school financial committee should be conducting full financial meetings with all financial committee members to improve expenditure that would encourage good performance. The participants (n=60) stated that school headteachers should use money for the intended purpose, not to misappropriate school funds, which had led to poor financial management in schools. Because of the misappropriation of school funds, the school's performance had been compromised. Headteachers as school leaders were required to stick to budgeted activities where money was required to be spent. Other participants (n=100) included that school accounting officers should be giving financial reports by the end of each financial quarter to provide clear expenditure for schools. Most of the schools that participated in the study did not have financial reports to members of staff or stakeholders. As a result, the school leaders were not trusted by parents, community members, and teachers within the school setting.

### 5.8. Summary



**Figure 5.3.** Summarized practices for effective management of school funds.

### **5.8.1. Strategic Accounting Practice**

From the data collected and discussion of findings resulting from an analysis and interpretation of data, participants (n=110) representing 100% mentioned that strategic accounting practice is a way school leadership could adequately prepare for the financial management skills needed for good practice for financial management in schools. Strategic management was viewed to be the best way in the financial management of the school. Figure 5.3 shows the strategy enabled headteachers and other school leaders to perform well in management. Practicing the accounting standards and principles on long term could become the best approach to prepare school accounting officers for the financial management skills required for school accounting officers.

The school leadership and accounting officer would acquire sustainable knowledge to be used when running schools on financial matters by understanding all information from accounting records without necessarily having a degree in accounting or taking further education in accounting professional participation. The study reviewed that the daily practice of accounting statements was the best way for school leadership to learn the details of the principles that guide accounting policies and practices that head teachers, as leaders, should possess for school sustainability. Accounting practices were mentioned to be the rudiments and procedures in making both short-term and long term decision for effective accountability of school funds.

### **5.8.2. Knowledge of Financial Planning**

The other important part of the analysis and interpretation of data collected from the study was knowledge of financial planning. Participants (110) with 100% response indicated that knowledge of financial planning is needed for school leadership for adequate preparation of financial management skills. The school financial committee required more knowledge on financial planning for the effective performance of schools. From the discussion of findings, the school's financial committee was not working well on financial planning because accounting officers and headteachers did not have adequate knowledge of financial planning. Because of the lack of knowledge of financial management, the schools under the study failed to meet the required financial management standards, which led to poor financial management of school funds. As a result, poor performance in schools was noticed as stakeholders were frustrated on financial expenditure of schools.

Knowledge of financial management was vital as an account officer, and Headteachers were required to be equipped with skills for making informed and uniformed decision for schools, issues on purchase, pricing, and negotiation for all planned activities in schools. Without adequate knowledge on financial planning, an accounting officer stand a risk of leading the schools as organizations to collapse as participants (90) giving the percentage of 82% responses mentioned that accounting officers were not looking at the items, price, promotion and place when making financial planning for our items to buy from the common market which could show the competition in pricing. The products would reveal how well packaged and priced in line with the planned budget for teaching and learning resources for schools (MOE, 2023).

Having adequate knowledge of financial planning has been helpful in financial management, that had been sustainable in the expenditure of school funds. Participants (100) indicated that school leaders and accounting officer to follow government regulations, and inflation had been the pillar for financial management as accounting

officers perform functions of an accountant. Financial management skills are required for school leadership for the sustainable performance of the school. Failure to have knowledge of financial planning skills made the schools under study not perform well.

### **5.8.3. Hiring an Accountant**

The third emergent issue resulted from an analysis and interpretation of the data collected from the study and document review; participants with 80% mentioned that hiring an accountant was needed for financial management to be conducted effectively without misappropriation of funds for school development. The skills were needed for the sustainable performance of schools in academic and financial well-being. The hired account would bring skillful strategies for effective performance of school financial expenditure in line with the planned budget. Rather than spending money without following the required procedures and regulations. The participants indicated that the trained accountant would provide financial coaching skills to the Headteacher, stakeholders, and other members of staff, as well as the community at large (MOE, 2023).

The financial records would be updated in line with timely expenditure, as the trained accountant could use all necessary documents needed for retirement and procurement. That would avoid headteachers being called for audit queries, which would lead to them appearing before public account committee. Participants 10, 15, 30, and 40 pointed out that delegating the role of financial management to a qualified accountant was a strategy for the financial management committee to prepare for the financial management needed for school sustainability. When auditing school financial expenditures, the focus depends on planning for school expansion and daily operations. Having a trained accountant officer in school provides confidence in the professional management of financial records. All records would be handled by well-trained personnel to maintain standards in financial expenditure for schools.

### **5.8.4. Accounting Record Keeping**

The other strategy for effective financial management in school, which was derived from an analysis and interpretation of data collected from the study, was that participants (110) giving 100% mentioned that accounting record keeping was needed for effective performance of the school financial committee and school leadership. All participants pointed out that financial record keeping involved keeping payment vouchers, keeping receipts, bills, expenditure records, financial reports, government bills, and having discipline to keep records for the smooth running of school matters. Participants (n=50) agreed that schools were required to have a practiced accounting officer to keep records of school finances to avoid financial irregularities, to enable employees or stakeholders cope with financial skills in running schools. All transactions were required to be recorded for adequate accounting and reconciliation. Record keeping had become a singular factor of financial discipline as practiced by all employees (MOE, 2023).

### **5.8.5. Obtain accounting Education**

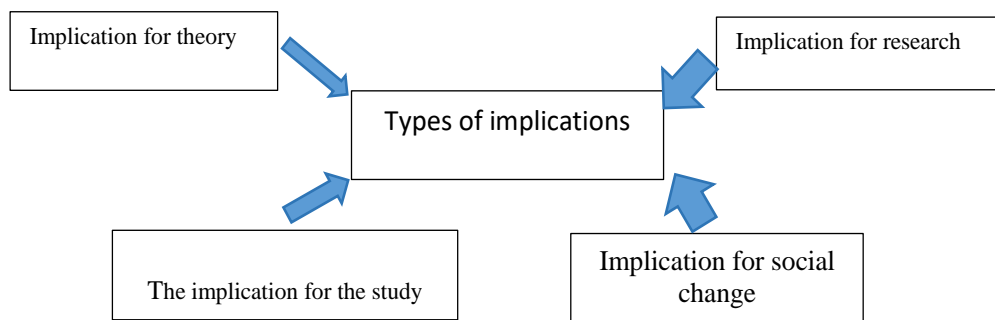
The fifth strategy stood out from an analysis and interpretation of the data collected from the study and review of findings, participants (n=110) with 100% indicated that obtaining accounting education was needed for effective management of school funds in a correct way without irregularities. School accountants were required to undergo

further education and training to deal with financial management in schools. When skilled accountants were in schools, perfect management and utilisation of school funds had to be done transparently. Skilled accounting officers in schools were needed in school to work as advisors to headteachers on record-keeping, updates of financial records, and retirement of utilized funds in the correct manner. All participants inferred at a long term that the need to obtain a qualification in accounting education became a norm and not an exception. A qualified accountant would provide a wide range of network systems, along with other accountants, to provide adequate strategies needed in school for effective management of funds in school.

### 5.8.6. Embrace Technology and Financial Management Software

The sixth strategy suggested resulted from an analysis and interpretation of the data collected, and documents review showed that participants (n=100), with 91%, mentioned that embracing technology and financial management software was needed for the school finance committee for effective management of school grants for sustainable performance of institutions. Participants added that automating the accounting records, using software, was a major decision towards enhancing financial management skills that helped the organization to survive the school performance competition. The introduction of technological devices would reduce theft and financial irregularities in schools. Online procurement of teaching and learning resources, purchasing goods and services for schools, would reduce financial mismanagement as transactions would be audited online. All payments should be made online, and electronic receipts would be issued electronically, which would promote sustainable financial management in government schools.

### 5.9. The Implication for the Study



**Figure 5.4.** Types of implications from the findings

Figure 5.4. shows successful school leaders with effective financial management strategies that could contribute to helping other small schools improve their financial management in schools. The lack of prudent financial management has been a challenge for many schools. A reflection of the study had been that with implementation of the right strategy, the possibilities were that schools would have had high performance in academic, skills development, and professional warfare. Because of that change was to increase awareness of all stakeholders in the performance of school financial matters. The strategy of adopting appropriate accounting practices could be used to measure the performance of the school and make comparisons to the project targets. Such abilities would increase the potential success of small businesses and add economic value to the District and the country at large. Also, consideration of how to govern tax were receipts required for proper record keeping.

### **5.9.1. Implication for social change**

Management of schools was very significant for the economy of the country, as schools were mandated to provide effective financial management strategies. The knowledge gained from the study on accounting practices, knowledge of financial planning, hiring school accountants, accounting record keeping, obtaining account education, and embracing technology was crucial for school leaders. The financial management software would inform the government in the development of the policy on school financial management by school leadership should run, including vocational, academic, and develop a good culture in the long term. Thereby contributing to the growth of the community by allowing all stakeholders in the management of school funds. Increasing school performance and pass percentages, to go high, and improving education standards for teachers and learners. Because of that, school leaders would avoid the occurrence of punishment that could pose any danger to the progress of schools. Consequently, resulting in the school's stability, which would boost growth in many areas of school performance.

### **5.9.2. Implication for research**

An opportunity for future study would be to explore the strategies of using an external accountant as opposed to hiring an accountant as a means to prepare for the financial management skills needed for school sustainability in the Kawambwa District of Luapula Province. An understanding of the cost attached to utilising an internal or external accountant would be critical in determining which would be the best practice to adopt for effective financial management of schools' finances in Kawambwa District. The required frequency of the accounting activities in all institutions of education, both primary and secondary schools, would be a decisive factor in the need for full-time financial expenditure of an accountant.

While the exploration of the current study included successful schools in existence for a minimum of three (3) years, it would be interesting to learn if the strategies would be applicable in existence for more than 10 years. Furthermore, there would be value in identifying the strategies that schools would use for effective performance in planning, budgeting, and expenditure on the implementation of government activities. The headteachers as leaders would be preparing for the financial management skills needed for school performance in the Kawambwa District. Identification of strategies on practices and poor financial management on what works and does not, could provide an opportunity to exist for similar studies in other Districts and schools.

### **5.9.3. Implication for theory**

The findings from the study were guided by the theoretical framework regarding the body of knowledge and professional practices that would help leaders of schools to resolve the problems of poor financial management in schools. The research findings provided additional information resolve the understanding of the experience of school leadership. The future of scholars of leadership and management could find useful information on the need to take a look at the understanding of experiences on financial management strategies for school leaders, who could be adequately prepared for financial management skills for effective leadership in line with the financial sustainability of schools in Kawambwa District, in comparison with other Districts. The study had contributed to the body of knowledge on headteachers' management of school resources in order to enhance financial usage in the

development of the school. The financial policies and their impact on the growth of education are paramount in child learning and community growth.

Finally, from discussions of findings for the study on practices and challenges of poor financial management in schools, the government of the Republic of Zambia, through the Ministry of education had provided guidelines on implementation and the utilization of school funds with an effective structure of school financial committees. The functions of the school finance committee were to ensure that school planning, annual and quarterly budgeting, review financial meetings, and the involvement of all stakeholders were done. Failure to follow government financial guidelines has made schools not perform well, which, in turn, affects the performance of learners and the schools as a whole. For headteachers and the school finance committee to perform well, effective collaboration and team work was very paramount in school funds expenditure. A well-organised school finance committee had to ensure that money for the school was spent according to planned activities, with a weighted percentage outlined by the government to be followed.

The duty of headteachers from ECE, primary, and secondary to ensure education provision to all learners is done effectively. All school financial guidelines had been developed for running of schools should be followed by all to ensure quality education in all schools as the first priority. All stakeholders should be informed of the roles and responsibilities of all players in the financial management of the school. The school leadership should be aware that schools not following the stipulated guidelines on the usage of grants would be liable to face disciplinary action. The efficient and effective implementation of those guidelines in schools would help the ministry to provide quality, inclusive education at ECE, primary, and secondary levels.

## 6. Recommendations

Based on the findings from the study, the following recommendations were made for improving poor financial management in schools:-

### ➤ **In-service training on financial management**

The Ministry of education to ensure that all headteachers, deputy headteachers, head of department, senior teachers, accounting officers, and school planners are trained in adequate financial management skills. The skills will equip these officers on how to use resources accordingly. The school leadership, as they are trained in financial management, have enhanced their budgeting skills, and that will increase performance. Record-keeping skills will be sharpened.

### ➤ **Involvement of the entire financial management committee in budgeting and expenditure**

All headteachers need to involve all financial management committees in budgeting and expenditure to enhance transparency. This will improve trustworthiness in leadership. The financial committee members will ensure that the prudent usage of resources in schools will be encouraged.

### ➤ **Financial reports to members of staff and PTA**

All school leadership should ensure that financial reports are presented to members of staff to improve accountability, enhance trust, honesty, prudence, and assurance to the institutions and parents at large.

➤ **Auditing of school accounts on expenditure by standards officers**

There is a need for standards officers to intensify auditing of school accounts so that headteachers are answerable to the needs of the education system on the proper usage of funds. If standards officers continue auditing schools, looking at all financial records, headteachers will start using the money for the intended purpose.

➤ **Conducting a full financial meeting with stakeholders**

All headteachers in schools are to start conducting full financial meetings with all stakeholders to review financial expenditure and make performance improvements. Through the meetings, stakeholders will provide other alternatives that can be used for expenditure and prioritising the needs of the school.

➤ **Setting targets for financial expenditure**

All school headteachers, through the school finance committee, set targets for financial expenditures to achieve and spend money on intended activities. This should be in line with the Ministry of Education on financial guidelines of expenditure of school grants of 2023, where programmes have been outlined where money should be spent, with weighted percentages on annual and quarterly dispatch of funds from the Ministry of Finance.

➤ **Prosecution of school leaders on financial irregularities**

All headteachers found to have mismanaged school funds received or generated by the school must be held liable for conviction due to failure to implement the government policy on free education to benefit the people of Zambia. All auditors from HQ, PEO, and DEBS or District should ensure that collusion is not part of their mandate to audit government institutions on expenditure.

➤ **Future research**

There is a need to conduct more research on practices and challenges of financial management in schools from ECE to secondary level in order enable the government to provide quality assurance in the education sector.

7. Conclusion

The conclusion was drawn from the study on poor financial management in schools of Kawambwa District. Poor financial management limited the progress of the government's vision on education, as the money received by schools was not used for the intended purpose. The majority of the participants complained of not being aware of school financial expenditure by headteachers. That had made a negative impact on learner performance and low enrolment in schools, as most of the parents and learners feared going to dirty schools, with no focus on the importance of grants given to schools. Poor financial management in schools caused mistrust among members of staff, PTA members, and learners due to the fact that positive change could not be seen in schools. The study had indicated that poor financial management in schools was a result of not involving all stakeholders in financial meetings, not having financial reports, and having no financial records. The study reviewed that poor financial management could be improved if standards officers intensify effective financial monitoring in schools. The findings of the study indicated that poor financial management could be improved through intensive financial training for headteachers, deputy headteachers, head of department, senior teachers, school planning officer, and

school accounting officer to enhance financial management skills. Poor financial management in schools requires good communication between the financial committee and stakeholders to improve budgeting as well as expenditure for the intended purpose. That would bring good learner performance achievement.

### **Declarations**

#### **Source of Funding**

This research work did not receive any grant from funding agencies in the public or not-for-profit sectors.

#### **Competing Interests Statement**

Author has declared no competing interests.

#### **Consent for publication**

The author declares that he/she consented to the publication of this study.

#### **Authors' contributions**

Author's independent contribution.

#### **Institutional Review Board Statement**

Not applicable for this study.

#### **Informed Consent**

Not applicable for this study.

### **References**

- Boddy, D. (2011). *Management: An introduction (5th Edition)*. Pearson Education.
- Burns, K.J., & Grove, S.K. (1993). Research methodology. *International Journal of America*, 9: 19–21.
- Carr, W. (2005). Philosophy, methodology, and action. *Journal of Philosophy of Education*, 40: 13–15.
- Council of Administration Reform (2010). *Handbook for civil servants (1st Edition)*. Council of Administration Reform Secretariat.
- Guthrie, L.M., Staplefoote, S., & Morganti, S. (2005). *Financial sustainability for nonprofit organizations (3rd Edition)*. Rand.
- Hair, J.F., Babin, B., Money, A.H., & Samouel, P. (2003). *Essentials of business research methods (2nd Edition)*. John Wiley & Sons.
- Hallack, J., & Poisson, M. (2007). *Corrupt schools, corrupt universities: What can be done?* International Institute for Educational Planning/UNESCO.
- Ittonen, K. (2010). *A theoretical examination of the role of auditing and the relevance of audit reports*. University of Vaasa.
- Jajo, S. (2005). *Internal audit: Internal controls and internal audit*. HDL Center of the University.

- Jokipii, A. (2009). *Determinants and consequences of internal control in firms: A contingency theory-based analysis*. Springer.
- Joo, S. (2008). Personal financial wellness. In J.J. Xiao (Eds.), *Handbook of consumer finance research*. Springer.
- Jordan, E., Lasdon, L., Lenard, M., Moore, J., Powell, S., & Willemain, T. (2008). Management of business administration. *OR/MS Today*, 24: 36–41.
- Kaguri, M., Charles, N., & Kubaison, S.T. (2014). Financial management challenges facing the implementation of free day secondary education in Imenti North District, Kenya. *Journal of Business and Management*, 12: 59–61.
- Karlson, P. (2002). *Financial solutions*. KMS Financial Solutions Pvt Ltd.
- Kumar, F.S. (2008). *Research in educational settings*. University of London.
- Macharia, C. (2005). Challenges facing the effective implementation of free secondary education in public secondary schools in Kangundo District, Kenya. Chuka University College.
- Mobegi, F., Ondigi, B., & Simatwa, E. (2012). Factors contributing to financial mismanagement and misappropriation in public secondary schools in Gucha District, Kenya. *Science Journal*, 6: 224–258.
- MoEYS (2010). *Educational strategic plan 2009–2013*. Ministry of Education, Youth and Sport.
- Momoniati, H. (2012). Financial management of the schools. *Journal of Financial Accounting*, 5: 12–15.
- Ndlovu, S. (2013). *Why are they accused of financial maladministration?* Zimbabwe Teachers' Association Press.
- Neuman, W.L. (2003). *Social research methods: Quantitative and qualitative approaches (5th Edition)*. Allyn and Bacon.
- Radzi, N.M., Ghani, M.F.A., Siraj, S., & Afshari, M. (2018). Financial decentralization in Malaysian schools: Strategies for effective implementation. *Malaysian Online Journal of Educational Sciences*, 1: 20–32.
- Rangongo, P.N. (2016). *Role players' understanding of public-school principals' legal responsibilities regarding financial management in Limpopo* [Unpublished PhD Thesis]. University of Pretoria.
- Rosalind, L., & Downes, P. (2004). *Formula funding of schools, decentralization, and corruption: A comparative analysis*. International Institute for Educational Planning.
- Thenga, C.M. (2012). *Managing school funds in selected secondary schools in Gauteng Province*. University of South Africa.
- Van Wyk, H.A. (2004). Perspectives on effective financial management in the public sector. *Journal of Public Administration*, 39: 411–416.
- Van Wyk, J.N. (2004). School governing bodies: The experiences of South African educators. *South African Journal of Education*, 24: 49–59.
- World Bank (2008). *Governance management and accountability in secondary education in Sub-Saharan Africa*. World Bank.