Practices and challenges of school financial resource management implementation in Bahir Dar City administration of Ethiopia: A comparative study between government and private secondary schools

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Abstract: The ultimate purpose of this study was to investigate the practice and challenges of school financial resource management implementation in Bahir Dar city administration. The study employed mixed methods with descriptive survey research design from a comparative perspective. Simple random sampling method was employed to draw 126 teachers. Besides, seven principals, seven vice principals and seven finance heads were taken through purposive sampling technique. Questionnaires, interviews and document analysis were data collection tools. To analyze the collected data, frequency, percentages, one sample t-test, independent t-test, one-way ANOVA and post-hoc multiple comparisons were applied. Findings showed that there is a statistically significant mean score difference between government and private secondary schools in financial resource management.

Subjects: Education; Teacher Education & Training; Secondary Education; Accounting Education; Management Education

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PUBLIC INTEREST STATEMENT
This study is designed to assess the challenges and practices of school financial resource management implementation in government and private secondary schools of Bahir Dar city administration in Ethiopia. The study may help to provide relevant information on the major practices and challenges of financial resource management for government and private schools, education leaders and other stakeholders. The information gained from the research may be useful for the concerned government authorities and Ministry of Education (MoE) planners. It may initiate others for further study on practices and challenges of financial resource management and related fields.
1. Introduction

1.1. Background of the study

Financial management is the use of financial information, skills and methods to make the best use of an organization’s resources. Financial management means planning, organizing, directing, monitoring and controlling the financial activities of an organization (Denis, 2018). Resources are the valuable engine and play pivotal role to run the effective performance of tasks and for the growth and development of human organizations. Financial resource is a significant resource often assumed to be a part of physical capital. It is actually the basis for the procurement, utilization and maintenance of all other types of resources. Without a strong financial base, it will be difficult to produce the right types of goods and services in desirable quantity and quality. Since the human economy is a monetary economy, the availability of funds in any organization or institution is vital to its productive process and the quality of its product and service (Tadiwos, 2014).

According to Mgbodile (2002), some of the factors that lead to mismanagement of school funds are: delay in release of funds to schools, diversion of funds to other sectors of the economy, lack of training or inadequate training of heads of educational institutions on issues of finance management, negligence of financial clerks in school finance matters, outright appointments of unqualified personnel to manage school finances and other related issues. In Ethiopia, as stated by MoE (1994), the financing of education must be just, efficient and appropriate to promote equity and quality education. Furthermore, MoE (2002) indicated that education and training institutions can generate their own income and use it to strengthen the educational process. However, MoE (2007) showed that as if there is weak administrative capacity of educational finance management, low capacity to practice finance, lack of training or inadequate training, un qualified personnel to manage to school finance solve such challenges, researchers have been done on the content of financial problem by different researchers at different countries to found.

Financial resources are important organizational resources. No organization has ever succeeded without financial resources. Therefore, it becomes imperative for institutions, firms, organizations and business entities to consider financial management in order to enhance their performance and more so mitigate exposure to financial risks (Munge, Kimani & Ngugi, 2016). According to Ogbonnaya (2000) the main purpose of financial management is to ensure that funds sourced are utilized in the most efficient and effective manner. He further argues that resources are scarce and therefore it is the duty of educational administrators to optimally and prudently use available resources for the attainment of institutional objectives. Poor management of available funds leads to embezzlement, diversion of funds from prioritized projects and misappropriations.

As a component of development, education is a fundamental instrument in the poverty reduction process of any country. Education has the power to transform human life (UNESCO, 2013/4). It is the process of bringing out the potentialities of an individual and developing the natural abilities and interests of the citizens. It brings out the internal capacities of a child and helps also to fulfill the needs of the society by raising the productivity of the population which in turn leads to better living of standard. This helps to improve how to think, how to do, what to do, why to do and speed up science and technology. Education plays a great role for economic growth and reduction of poverty (World Bank, 1995). It also broadens peoples’ freedom of choices and actions and empowers them to participate in social and political lives of their society, and equipping them with the skills they need to transform their livelihood (UNESCO, 2010). Therefore, education helps as an instrument for achieving human capital and national development.
Education resources are no doubt important in the development of a conducive teaching-learning environment. The use of these resources could give more valuable and powerful direction to the teacher than any personal efforts without the materials. In school administration, education resources are not only limited but can be effectively and efficiently managed when management activities are properly harmonized, organized, coordinated and controlled by the school management team. This is in agreement with Blunt’s (1990) opinion that: it is not the availability of these resources alone that guarantees effective performance of school, but their adequacy and effective utilization and management. However, no matter how well packaged a school administration or a school system is at any level of education, without adequate and efficient utilization and management of the available resources, the system may fail to achieve its desired results (Usman, 2016).

School financial management comprises the planning and implementation of a financial plan, accounting, reporting and the protection of assets from loss, damage and fraud. Schools can regulate their financial management with internal rules. If the school does not have the internal rules, there is a risk that internal controls are not set. The school leader is accountable for setting the internal controls and internal auditing. The main products of financial management are the financial plan and the annual report. The reporting process is closely linked to the planning process, the definition of objectives and measuring (Tatjana, 2000). Financial resources are significant resources often assumed to be a part of physical capital. It is actually the basis for procurement; utilization and maintenance of all other types of resources. Without strong financial base it will be difficult to produce the right of goods and services in desirable quality and quantity (Mercy et al., 2014).

Mestry (2004) emphasized that many school principals and their board members do not have the necessary financial skills, so they are not in a position to solve any financial crisis in their schools. Various forms of trainings were given to secondary school principals on financial resource management (MoE, 2007). Even if the accountability of schools’ principals is very high the indicated trainings did not improve the financial resource management practices in secondary schools as expected. Therefore, it needs hard work and commitment from schools’ managers to improve financial resource management in secondary schools.

With regards to financing public education in Ethiopia, the education and training policy suggest sufficient budget allocation and proper utilization of the educational budget for the intended purpose. It remarked that the financing of education must be just, efficient and appropriate for equity and equality of education (Berhanu, 2019). Therefore, financial resource management is a crucial issue for the achievement of educational goals. There is a problem in effective and efficient management and practices of financial resources in secondary schools of this study area. This initiates researchers to conduct the present study to assess the problems encountered and the gaps seen, and may try to forward the possible suggestions to improve the existing financial resource management particularly in public and private secondary schools in Bahirdar city administration. For this reason, the aim of this study is to examine practices and challenges of school financial resource management in public and private secondary schools of Bahirdar city administration.

1.2. Statement of the problem

Financial resource is one of the fundamental resources to get quality education. To increase quality education, it is mandatory to make sure that the required finance is obtained on time and the existing financial resources should be managed properly in schools. According to MoE (1994), Ethiopian government budgeted a large amount of money for education since it plays a major role in promoting economic development and improvement in the life standard of a society. However, allocating large amount of budget alone couldn’t bring change in the quality of education. Thus, effective management of school financial resources is a very essential issue for the provision of the quality of education and the achievement of educational objectives. Lack of
capacity in financial management will lead to the absence of quality of education. In addition, lack of finance, capacity to plan and manage funds and coordinate different actions at the ground level results in low implementation level of policies and objectives. Authors of this article argued that there are different problems in financial management in education. A critical look in different secondary schools of the city administration revealed that educational leaders and finance officers haven’t well knowledge and experience and adequate training, lack of planning on achieved financial resource objectives and results, lack of recording systems, lack of internal and external control of financial activities, the financial officers paid low salary and unqualified personnel to manage to school finance. Hence, the authors of this study argued that this creates a wide variation among secondary schools.

1.3. Basic research questions
(1) Is there a significant difference among stakeholders’ participation in budget, preparation of school financial resource management in government and private secondary school of Bahir Dar city administration?

(2) To what extent financial resource management planning, reporting and controlling implemented in government and public secondary schools by Bahirdar city administration?

(3) Which financial resource management practices (financial planning, reporting and controlling) are implemented effectively in public and private secondary schools?

(4) What are the major challenges of school financial resource management in government and private secondary schools in Bahir Dar city administration?

2. Review of related literature

2.1. Budget participation and financial management practices
School managers may come up with plans for the school but the plans may fail to work if they are not linked to the budget (Mobegi et al., 2012). It is only through budgeting that schools can be able to allocate resources effectively. According to Simiyu (2014), it is always important for people within the school system to be involved in preparing the budget because they are part of the system and share in the operation of the whole program. Mestry’s (2004) study also revealed that in South Africa school budgets were poorly done, while Mobegi et al. (2012) noted that in most secondary schools budgeting is just a paper document and its actual implementation is a mystery. Moreover, Macharia (2005) pointed out that it is wrong for schools to strain parents by initiating costly projects like the purchase of buses that had no direct impact on the improvement of education standards. He explained that it is high time the principals prioritized the schools’ needs by implementing development plans that are less taxing on the parents and at the same time enhance learning. Plans need to have long-term objectives, and the school managers need to carry out the major analysis of the school’s current performance and the school situation to determine future needs. Furthermore, it is important to scrutinize the budget at school level so as to minimize opportunities for financial mismanagement and be in a position to monitor the actual performance of the school (Ziebell, Grable & Joo, 1991).

2.2. Challenges of financial management in secondary education
The study of Barasa (2009) recognized that, efficient management of financial resources is an important task for head teachers. Without adequate financial resources, institutions cannot carry out their defined tasks effectively. Money must be available to run the different departments of the school. The available funds will be used to purchase the required teaching and learning apparatus such as chalks, textbooks, paying of the support staff and building and improvement of infrastructures. The study of Getahun (2018) showed that low participation of stakeholders to increase school income, lack of skilled and experienced, lack of training, lack of budget allocation criteria, not enough structured guideline and procedures, lack of budget, low controlling systems, low participation of concerned bodies or school personnel involve in the budget planning and
decision-making process, improper utilization of financial resources and lack of auditing school finance can affect highly the effectiveness and efficiency of financial management in the studied schools.

Likewise, the study by Tadiwos (2014) indicated that the critical challenges for ineffective utilization of financial resources in the studied schools are a release of budget allocated to schools very lately, lack of adequate skilled manpower that controls effective budget utilization, engagement of school management on different duties. lack of planning and performing the school activities together with stakeholders, school principals working by their own without inviting others, interferences of school principals in all works, lack of team work approach among Kebele Education and Training Board (KETB), Parent Teacher Association (PTA) and school management and no relevant training on financial control and utilization to stakeholders.

2.2.1. Challenges related to financial planning
Sarah (2013) explored that efficient management of financial resources is an important task for head teachers. Without adequate financial resources, institutions cannot carry out their defined tasks effectively. Money must be available to run the different departments of the school. The available funds will be used to purchase the required teaching and learning apparatus such as chalks, textbooks, paying of the support staff and building and improvement of infrastructures. Financial management in education is concerned with the cost of education, sources of income to meet the educational costs and the spending of the income in an objective manner in order to achieve the educational objectives (Okumbe, 2001). However, educational managers are being challenged to justify their financial requests in terms of educational programs rather than the costs, if education has to compete equitably for public funds (Okumbe, 2001). In the preparation of the budget, the principal or head teacher must seek the cooperation of the Business Owners Group (BOG), the parents, the teachers and other school employees.

2.2.2. Challenges related to financial reports
Financial reports usually need accounting and its products such as an organization’s annual report as a platform upon which to build many decisions and activities. Organizations must follow specific rules and formats of presentation for their annual reports and financial statements. The key accounting event for any organization is the publication of the annual report which records the financial performance over a book year. Financial reports help managers to discuss results and spending and performance against budget, they usually work from management reports, which have been prepared by the school accountants using accounting information systems. Such reports show budgeted revenues and costs for the period or year to date, actual revenue and costs to date and the variances between them. Cole & Kelly (2011) in their study established that organizations may create and adopt a number of statements to communicate the corporation’s view on the subject of ethics. They stipulated common issues in business ethics to be included are accountability (transparency and reporting) business conduct (compliance with the law, competitive conduct, and corruption and bribery conflicts of interest. The existence of a code of practice in ethics, supported by senior management and made a natural feature of a company’s culture, will enable better distinctions to be made between what is acceptable business practice and what is sharp practice. It is well known that leadership by example is the most effective way to improve business conscience (Abbas et al., 2020). Leaders must therefore be honest and trustworthy with high integrity (even though this is not measurable). To be perceived as an ethical leader, it is not enough to just be an ethical person. An executive ethical leader must also find ways to focus the organization’s attention on ethics and values and to infuse the organization with principles that will guide the actions of all employees. Deegan & Unerman (2011) at the core of the accounting process is an expectation that accountants should be objective and free from bias when performing their duties.

Deegan & Unerman (2011) although many people might argue that accounting regulations just effect how underlying economic transactions and events are reflected in the financial reports, without impact on the nature or shape of this underlying economic reality, there is a considerable
body of evidence which demonstrates that accounting regulations have real social and economic consequences for many organizations and people as well as schools in Kenya. Berk & Demarzo (2008) investors, financial analysts, managers and other interested parties such as creditors rely on financial statements to obtain reliable information about a corporation. The main types of financial statements are the balance sheet, the income statement and the statement of cash flows. The balance sheet shows the current financial position (assets, liabilities and stockholder’s equity) of the firm at a single point in time.

2.2.3. Challenges related to financial controls
Information systematically which relates to actual performance (usually on a monthly or four-weekly period basis) identifies the variances between target and actual performance. The primary aims of financial control are to; establish short-term business plans, determine progress towards the achievement of short-term plans, ensure coordination between key areas of the organization, delegate measurable responsibilities to managers without loss of control and provide a controlled flexibility for meeting change in the short-term Berk & Demarzo (2008) laments that most projects require the firm to invest in net working capital where in this case is secondary schools.

The main components of net working capital are cash, inventory, receivables and payables. Working capital includes the cash that is needed to run the firm on a day-to-day basis. It does not include excess cash, which is cash that is not required to run the business and can be invested at a market rate. Inventory management; receives extensive coverage in a course on operations management. Nevertheless, it is the firm’s financial manager who must arrange for the financing necessary to support the firm’s inventory policy and who is responsible for ensuring the firm’s overall profitability. Therefore the role of the inventory manager is to balance the costs and benefits associated with inventory, because excessive inventory uses cash, efficient management of inventory increases firm value. There is a need for precautionary balance which is the amount of cash a firm holds to counter the uncertainty surrounding firm’s cash flows. These control activities lead us to corporate governance which in this case refers to the system of controls, regulations and incentives designed to prevent fraud from happening.

Boddy (2011) laments that financial control process incorporates four elements: setting objectives or targets, measuring actual performance, comparing this against the standard and taking action to correct any significant gap between the two. Therefore controlling is the counterpart of planning and is the process of monitoring activities to ensure that results are in-line with the plan and taking corrective action if required. The balanced scorecard supplements measures of financial performance with those of customer satisfaction, internal process, and innovation and growth which all play a part in an overall assessment of performance.

2.3. Budget monitoring and control
Monitoring the budget involves the development of a control system or monitoring instrument (Swartz, 2012). Monitoring has also been referred to as budget variance reporting, that is, on a month by month basis the actual expenditure (and income) is compared with budgeted expenditure (income) and any variance must be identified, investigated and explained in order to avoid over expenditure. Budget Monitoring compares the actual expenditure against estimated (Knight, 1993). The author further noted that budget monitoring need not be confined to the expenditure. It can also be monitoring income, capital, or project expenditure and cash flow. Monitoring expenditure is mainly undertaken through regular budgetary tabulation. Thus, budget monitoring enables us to make adjustments to the budgets using information obtained while comparing the actual expenditure with already planned.

Budgetary control is “the power to govern the financial and operating policies of an entity or business so as to obtain benefits from its activities” (Barry Elliott and Jamie Elliott, 2011). It safeguards funds and ensures that they are as authorized (Knight, 1993). Mpolokeng (2011) further mention that for a budget to have value and be effective as a financial management tool, it must
be controlled. Therefore, controls over expenditures must be established to assure that the allocated funds are in accordance with the authorized budgetary statements (Vashist, 2008). This could be done through recording of actual performance and the provision of regular feedback that enables continuous monitoring.

2.4. Theoretical framework of the study
Bahir Dar city administration educational offices, school principals, and financial officers are expected to manage the budget properly for the intended purposes and report their performance to the relevant executive bodies. Monitoring and evaluation of school finance resources have been carried out in accordance with finance rules and regulations. However, several problems remain unsolved with regard to the budget preparation, report and control in schools of Bahir Dar city administration. This calls a comparative study of practices and challenges of financial resource management in public and private secondary school of Bahir Dar city administration. Hence, this study is well informed by the budget theory in conjunction with the theory of financial control.

One of the major proponents of budget theory (Rubin, 2007) strongly argued that it is not absolutely necessary to have a single theory of budgeting; however, there ought to be a set of theories, each specific and unique to the problem budgeting is attempting to address. In context of public secondary schools, the budgeting process should involve all stakeholders particularly, parents, government representatives, financiers, and the schools’ management. More so, the budget should be in cue with ordinary parents and students (Munje, Kimani & Ngugi, 2016).

The theory of financial control was advanced by (Ostman, 2009). The theory considers the personal functions of humans, both present and future, as its fundamental reference point. This theory holds that existing and possible functions of financial tools for organizations are most essential. It further states that, payments, financial instruments, accounting, control models, economic calculations, and related considerations, both within and outside of the organization, ought to be discussed in regard to inner characteristics but also possible effects. It is noted that establishing the relationships between various activities and financial processes, from a financial control point of view, is a general and basic issue (Ostman, 2009). The financial control theory is very pertinent to the present study in that it enables the understanding of financial controls that are an aspect of financial management in public secondary schools in Bahiridarr city administration (Munje, Kimani & Ngugi, 2016).

3. Research methodology
3.1. Research design
Methodologically, researchers called for a mixed approach (quantitative and qualitative) to fully capture practices and challenges of school financial resource management implementation in government and private secondary schools of Bahir Dar city administration. As of Creswell (2012), mixed methods design is that the combination of both forms of data provides a better understanding of a research problem than either quantitative or qualitative data by itself. The study used descriptive survey design from a comparative perspective because it helped to get adequate information to examine the practice and challenges of financial resource management implementation in government and private secondary schools of Bahirdar city.

3.2. Description of the study area
Bahir Dar is the former capital of Gojjam province and the current capital of the Amhara Regional State in Ethiopia. Administratively, Bahir Dar is a Special Zone. Bahir Dar is one of the leading tourist destinations in Ethiopia with a variety of attractions in the nearby Lake Tana and Blue Nile river. The city is known for its wide avenues lined with palm trees and a variety of colorful flowers. Based on the 2007, Census conducted by the Central Statistical Agency of Ethiopia (CSA), Bahir Dar Special Zone has a total population of 221,991, of whom 108,456 are men and 113,535 women; 180,174 (81.16%) are urban inhabitants, the rest of population are living at rural kebeles around Bahir Dar. In the town of Bahir Dar there are 155,428 inhabitants; the rest of urban population is living in Meshenti, Tis Abay
and Zege towns which are part of Bahir Dar Special Zone. The main purpose of this study was to examine the practices and challenges of financial resource management in public and private secondary school in Bahirdar city administration. The areas selected for this study were five public and five private secondary schools which found in the city. The study didn’t conduct the allocated budget of private and government schools. This may affect the quality of the study to some extent.

3.3. Sources of data
Two types of data sources were used for the purpose of this study, primary and secondary sources.

3.3.1. Primary sources
The primary data are those which are collected afresh and for the first time (Abbas et al., 2020), and thus happen to be original in character. The primary sources of data for this study were secondary school principals and financial officers working in both public and private secondary schools in Bahir Dar.

3.3.2. Secondary source
The secondary data, on the other hand, are those which have already been collected by someone else and which have already been passed through the statistical process. Secondary source was also included as sources of data in this study to gather additional information from teachers, receipts and models.

3.4. Total population, target population, and sample size

3.4.1. Total population of the study
According to the information that researchers obtained from the Bahir Dar city Administration Education department, in this academic year (2018/19 G.C.) there are eleven government schools (Bahir Dar Preparatory, Ghion, Tana Haik, Fasilo, Zegie, Meshenti, Tis Abay Fuafuate, Ethio-Japan, Shum Abbo, Diaspora and Maremia); and 10 private secondary schools (Bahir Dar Academy, Catholic, SOS Hernan Gmiener, Horayzon Academy, Ayelech Degefu Metasebia (A.D.M Academy), and Millennium Academy, Abun gorigoriorwose, Eshet academy, Rispence academy, Adventist academy) in Bahir Dar city administration. The study respondents would be teachers, academic vice principals, principals, and school finance head working at both government and private secondary schools.

3.4.2. Target population of the study
The sample for the study was drawn from the given data from Bahir Dar City Administration education office. Three government secondary schools and four private secondary schools. Accordingly, Bahir Dar Preparatory, Tana Haik and Meshentey were taken from public secondary schools, whereas, Bahir Dar Academy, Ayelech Degefu Metasebia (A.D.M), SOS and Catholic were selected from private secondary schools. Hence, seven out of twenty one were target schools. Accordingly, seven principals (one from each school), seven vice principals (one from each school), seven finance heads (one from each school), and 126 teachers were selected. Generally, a total of 147 respondents participated in the study. Table 1 shows the details.

3.4.3. Sampling technique and sample size
Researchers used comprehensive random sampling technique, random sampling technique and purposive sampling technique. According to the statistical information obtained from education office there are 21 government (public) and private secondary schools in Bahirdar city administration. According, seven schools were selected by using comprehensive sampling technique. Seven principals (one from each school), seven vice principals (one from each school), seven finance heads (one from each school) by using purposive sampling techniques because the selected sample aimed at respondents who are information rich on the subject and to get the best meet to the purpose of the study. Again, 126 teachers were selected by using random sampling method. As shown in Table 2 there are 126 teachers of which, 65 males and, 23 females in government schools.
In private schools, 31 males and 14 are females. Researchers took one-third out of the total teachers from the population for questionnaire by using random sampling method.

3.5. Instruments of data collection
In the process of collecting the relevant data for this study, questionnaires and interviews, were employed. The purpose of employing these instruments was to increase the credibility of the finding and to minimize the risk of drawing erroneous conclusion.

3.5.1 Questionnaire In this study, two sets of questionnaires, with open and closed-ended items were designed to obtain the relevant information from parents. The closed-ended items represent the likert scale and each question having five options. Open-ended questions were provided to give enough freedom to respondents in view of their coming up with innovative ideas which will have significance to the research (Creswell, 2012). For the purpose of conducting this study, researchers developed both closed-ended and open-ended questions. Awson (2002) stated that open and closed-ended questionnaire is used for its quick and easy for respondents to tick boxes might be more likely to answer all questions and enable respondents to raise new issues.

3.5.2 Document analysis
Document analysis was used in this study to collect data from relevant documents like receipts and models.

3.6. Pilot test
To test the reliability and validity of the questionnaire and interview items, a pilot-test was conducted in a small sub-sample (Creswell, 2009). For the validity, the draft instruments were given two teachers and one vice principal and one preschool supervisor. Based on their feedback (suggestions and comments) items which were found ambiguous and that are not the concern of respondents were refined and canceled. For the reliability, the draft questionnaires were administered in other secondary school out of the targeted secondary schools for 10 teachers from Ghion & it is private school millennium academy 7 teachers and it was encoded using SPSS software Version 23 and the calculated Cronbach Alpha for the five Likert-scale items was found to be 0.86 which indicated the reliability of the instrument is adequate.

3.7. Data management
The quantitative data collected through questionnaire were managed by using SPSS version 23 application software. Qualitative data were coded and interpreted thematically.

3.8. Method of data analysis
The data were analyzed using mixed methods (both quantitative and qualitative techniques). The design of the research is a descriptive survey from a comparative perspective. The quantitative data used through questionnaires were analyzed using descriptive & inferential statistical techniques such as mean, standard deviation, one sample t-test and independent sample t-test, multiple comparisons, one way of ANOVA and post-hoc test besides percentages and tables were employed to compute different variables. These statistical techniques were used to compare and contrast the relationships between the practices and challenges of school financial resource management.
| School type | School No. | School Name | Target Population | Sample population |
|-------------|------------|-------------|-------------------|-------------------|
|             |            |             | Teachers         | Principals       |
|             |            |             | Vice principals  | Finance head     |
|             |            |             | Teachers         | Principals       |
|             |            |             | Vice-principals  | Finance head     |
| public      | 1          | Bahirdar preparatory | 90 | 1 | 1 | 1 | 30 | 1 | 1 | 1 |
|             | 2          | Tana Haik   | 118 | 1 | 1 | 1 | 39 | 1 | 1 | 1 |
|             | 3          | Meshentay   | 51  | 1 | 1 | 1 | 17 | 1 | 1 | 1 |
| Sub-total   |            |             | 259 | 3 | 3 | 3 | 86 | 3 | 3 | 3 |
| Private     | 4          | Bahirdar academy | 36 | 1 | 1 | 1 | 12 | 1 | 1 | 1 |
|             | 5          | Catholic    | 24  | 1 | 1 | 1 | 9  | 1 | 1 | 1 |
|             | 6          | Ayelech Degefu Metasebia (A.D.M) | 35 | 1 | 1 | 1 | 13 | 1 | 1 | 1 |
|             | 7          | SOS         | 18  | 1 | 1 | 1 | 6  | 1 | 1 | 1 |
| Sub-total   |            |             | 113 | 4 | 4 | 4 | 40 | 4 | 4 | 4 |
| Total       |            |             | 372 | 7 | 7 | 7 | 126 | 7 | 7 | 7 |

Source: ANRS, BDU city administration Education Bureau, 2019
Figure 1. Respondents by school type.

Figure 2. Sex of respondents.

Figure 3. Educational qualifications of respondents.
Table 2. Mean score difference between stakeholder participation in budget preparation in private and public secondary schools

| Budget Preparation                | School type  | N  | Mean | SD  | t-test | df  | Sig   |
|-----------------------------------|--------------|----|------|-----|--------|-----|-------|
| Budget preparation by school principals | Government  | 88 | 4.68 | .515| 17.56  | 131 | .001  |
|                                   | Private      | 45 | 2.11 | 1.17|        |     |       |
| Budget preparation by PSTA members.    | Government  | 88 | 2.32 | 1.32| 4.193  | 131 | .001  |
|                                   | Private      | 45 | 1.42 | .783|        |     |       |
| Budget preparation by department head | Government  | 88 | 1.66 | .801| −1.331 | 131 | .186  |
|                                   | Private      | 45 | 1.84 | .673|        |     |       |
| Budget preparation by teachers      | Government  | 88 | 1.35 | .728| 2.501  | 131 | .014  |
|                                   | Private      | 45 | 1.07 | .330|        |     |       |
| Budget preparation by school accountants | Government  | 88 | 4.39 | 1.18| 1.514  | 131 | .132  |
|                                   | Private      | 45 | 4.09 | .821|        |     |       |
| Budget prepared by Education Office of the City | Government  | 88 | 3.10 | 1.37| 9.13   | 131 | .001  |
|                                   | Private      | 45 | 1.13 | .661|        |     |       |
| Finance and Economic Development Office of the City | Government  | 88 | 2.60 | 1.31| 4.32   | 131 | .001  |
|                                   | Private      | 45 | 1.69 | .763|        |     |       |
| Budget preparation by KTBS members. | Government  | 88 | 4.59 | .721| 26.09  | 131 | .001  |
|                                   | Private      | 45 | 1.22 | .670|        |     |       |
implementation in private and public preschools. Qualitative descriptive techniques were used to describe data acquired through document analysis, interview and open-ended questionnaires.

4. Results and discussions

4.1. Demographic characteristics of respondents
A total of 140 teachers were involved in filling out the questionnaires. Of the total 140 copies of questionnaire, 42 (30%) were given to teachers in Bahir Dar preparatory secondary school, 32 (22.8%) copies to Tana Haik secondary school, 19 (13.57%) copies to Meshenty secondary school, the rest 13 (9.28%) copies distributed to Bahirdar Academy secondary school, 11 (7.85%) copies distributed to Catholic secondary school, 16 (11.42%) copies distributed to Adm secondary school and the rest 7(5%) copies distributed to SOS secondar.

The above Figure 1 shows the respondents in sample secondary schools. According to the figure, 88 (66.9%) of teachers respondents were from government schools, while 45 (33%) private secondary schools respondents. This tells government teachers are greater in numbers than private teachers school. Among these 140 questionnaires 133 (95%) were returned with their responses and used for the analysis. An interview was also held with seven principals and seven finance heads.

The above Figure 2 shows the sex profile of the respondents of parents, accordingly, 96 (72.2%) of teachers were males, while 37 (27.8%) were females. This indicates gender imbalance of teachers who participate and fill out questionnaires in this study.

Figure 3 of this study shows the educational level of the respondents. As indicated in the table, most of the teachers 123 (92.5%) have graduated in first degree and 10 (7.5%) have graduated in second degree. As can be seen in the table, all of the teachers possessed good level of education. This indicates that the questionnaires responded and gave reliable information for the study.

4.2. Results
The first purpose of this study was to examine whether there is a statistically significant mean score difference between stakeholders participation in budget, preparation practices of financial resource management in government and private secondary schools in Bahir Dar city administration. To attain this objective independent samples t-test was computed and the results are presented in Table 1.

As indicated in Table 1 the results of independent samples t-test portrayed that there was a statistically significant mean score difference between government and private secondary schools in budget preparation by the school principals. The t-value revealed that government schools scored significantly higher mean score than private schools in budget preparation by the
school principals. As shown in Table 1 the results of independent samples t-test portrayed that there was a statistically significant mean score difference between government and private secondary schools in budget preparation by PTA members. The t-value revealed that government schools scored significantly higher mean score than private schools in budget preparation by PTA members.

As indicated in Table 1 the results of independent samples t-test portrayed that there was not a statistically significant mean score difference between government and private secondary schools in budget preparation by department heads. Even though, the mean score value of the private schools was higher than the mean score of government schools, the t-value revealed that no difference was detected between government and private schools. This illustrates that both government and private schools are similar in budget preparation by department heads.

As indicated in Table 1 the results of independent samples t-test portrayed that there was a statistically significant mean score difference between government and private secondary schools in budget preparation by teachers. The t-value revealed that government schools scored significantly higher mean score than private schools in budget preparation by teachers. As demonstrated in Table 1 the results of independent samples t-test depicted that there was not a statistically significant mean score difference between government and private secondary schools in budget preparation by school accountants. Although the mean score value of the government school was higher than the mean score of private schools, the t-value revealed that no difference observed between government and private schools in budget preparation by school accountants. This shows that both schools are similar in budget preparation by school accountants.

As designated in Table 1 the results of independent samples t-test portrayed that there was a statistically significant mean score difference between government and private secondary schools in the budget prepared by Education Office of the city. The t-value revealed that government schools scored significantly higher mean score than private schools in the budget prepared by Education Office of the city. As shown in Table 1 the results of independent samples t-test portrayed that there was a statistically significant mean score difference between government and private secondary schools in Finance and Economic Development Office of the city. The t-value revealed that government schools scored significantly higher mean score than private schools in budget preparation by the finance and Economic Development Office of the city.

As portrayed in Table 1 the results of independent samples t-test portrayed that there was a statistically significant mean score difference between government and private secondary schools in budget preparation by KTBS members. The t-value revealed that government schools scored significantly higher mean score than private schools in budget preparation by KTBS members. The second purpose of this study was to compare the extent to which the functions of financial resource management for planning, reporting and controlling implemented and an attempt was to examine if there are statistically significant mean score difference between private and public secondary school of Bahir Dar city administration. To achieve this purpose independent samples t-test was calculated and the results are presented in Table 2.

| F Financial R Resource | School type     | N   | Mean | SD  | t- test | df  | Sig  |
|-----------------------|----------------|-----|------|-----|---------|-----|------|
| Over all Practice    | Government     | 88  | 2.06 | .531| -2.401 | 131 | .018 |
|                       | Private School | 45  | 2.27 | .351|         |     |      |
As shown in Table 2 the results of independent samples t-test portrayed that there was a statistically significant mean score difference between government and private secondary schools in financial resource management function of planning. The t-test discovered that private schools scored significantly higher mean score than government schools in financial resource management function of planning. This result shows that private schools in Bahir Dar city are better at planning financial resource management function. As indicated in Table 2 the results of independent samples t-test signified that there was a statistically significant mean score difference between government and private secondary schools in financial resource management function of reporting. The t-test revealed that private schools scored significantly higher mean score than government schools in financial resource management function of planning. This result shows that private schools in Bahir Dar city are advanced in reporting financial resource management function.

As specified in Table 2 the results of independent samples t-test indicated that there was a statistically significant mean score difference between government and private secondary schools in financial resource management function of controlling. The t-test revealed that private schools scored significantly higher mean score than government schools in financial resource management function of controlling. This result shows that private schools in Bahir Dar city are advanced in controlling financial resource management function. In addition to the dimensions of the practice of financial resource management an effort was made to see the total financial resource management practice of both government and private schools of Bahir Dar city administration. To accomplish this independent samples t-test was computed and the results are presented in Table 3.

As shown in Table 3 the results of two samples t-test demonstrated that there was a statistically significant mean score difference between government and private secondary schools in overall financial resource management practices. The t-test discovered that private schools scored significantly higher mean score than government schools in overall financial resource management practices. This result shows that private schools in Bahir Dar city are better at overall financial resource management practices.

The third purpose of this study was to investigate which financial resource management practices (financial planning, reporting and controlling) implemented effectively in government...
and private secondary schools as an important effort and to distinguish if there are statistically significant mean score differences between private and public secondary school of Bahir Dar city administration. To do this, a one-way analysis of variance (ANOVA) is performed and the results are presented in Tables 4 and Table 5. Table 4 presents descriptive statistics of financial resource management practices (financial planning, reporting and controlling) implemented more successfully or not in government secondary schools as an important duty.

As indicated in Table 4 the results of descriptive statistics demonstrated that the planning function of financial resource management practice mean score was found to be higher than the mean score of reporting function of financial resource management practice. Similarly, the planning function of financial resource management practice mean score was found to be higher than the mean score of controlling function of financial resource management practice. Correspondingly, the reporting function of financial resource management practice mean score was found to be higher than the mean score of controlling function of financial resource management practice. On the other hand, the controlling function of financial resource management practice mean score was found to be the least compared to planning and reporting functions of financial resource management practice. Table 4 presents summary table of ANOVA for the practice of financial resource management functions.

As indicated in Table 5 the summary of one-way analysis of variance (ANOVA) displayed that there was statistically significant mean score difference between financial resource management practices of planning, reporting and controlling implementation in government schools of Bahir Dar city administration $F(2, 261) = 13.537, P < 0.001$. Furthermore, to discover which financial resource management practices of planning, reporting and controlling implementation have a significantly higher mean score. Post-hoc multiple comparisons of means were performed and the results demonstrated that financial resource management practices of planning function had a significant higher mean score than financial resource management practices of controlling function. On the other hand, there was not statistically mean score difference was observed between financial resource management practice of planning function and financial resource management practice of reporting functions.

### Table 7. Descriptive statistics of financial resource management practices of financial planning, reporting and controlling implementation in private secondary schools

| Financial Resource Management Practices | N  | Mean  | SD    |
|-----------------------------------------|----|-------|-------|
| Planning function                       | 45 | 2.6259| .51634|
| Reporting function                      | 45 | 2.6635| .43731|
| Controlling function                    | 45 | 1.5302| .51803|
| Total                                   | 135| 2.2844| .71557|

### Table 8. Summary of ANOVA of financial resource management practices for planning, reporting and controlling implementation in private secondary schools

| Financial Practice | Sum of Square | df | Mean square | F        | Sig  |
|--------------------|---------------|----|-------------|----------|------|
| Between Groups     | 36.173        | 2  | 18.086      | 74.842   | .001 |
| Within Groups      | 31.416        | 130| .242        |          |      |
| Total              | 67.589        | 132|             |          |      |
### Table 9. Major challenges to school financial resource management practices in government secondary schools

| No | Challenges of School Financial Resource Management Practices | N  | Mean | Rank |
|----|-------------------------------------------------------------|----|------|------|
| 1  | Shortage of budget allocating by other stakeholders (i.e., community participation, school internal income etc.) | 88 | 2.71 | 17   |
| 2  | Limitation of disseminating financial reporting to concerned bodies on time | 88 | 3.08 | 15   |
| 3  | Absence of participation of concerned bodies in budget preparation | 88 | 3.10 | 14   |
| 4  | Poor financial budget planning of school | 88 | 3.66 | 9    |
| 5  | Poor financial budget reporting system by the school according to time schedule | 88 | 3.57 | 11   |
| 6  | Lack of adequate skilled accountant personnel in relation to financial reporting | 88 | 3.89 | 6    |
| 7  | Lack of experience among school accountant personnel and other finance workers | 88 | 3.90 | 5    |
| 8  | Lack of training for school accountant personnel, auditors and other finance workers | 88 | 3.21 | 13   |
| 9  | Problem of reporting and documenting financial activities of the school | 88 | 3.38 | 12   |
| 10 | The school does not request its budget within the schedule of the finance office | 88 | 3.61 | 10   |
| 11 | Not regularly submitted financial utilization report | 88 | 3.78 | 7    |

(Continued)
Table 9. (Continued)

| No | Challenges of School Financial Resource Management Practices | N  | Mean | Rank |
|----|-----------------------------------------------------------|----|-----|------|
| 12 | Not properly implementing financial guidelines, rules and regulations of finance at the school level | 88 | 3.69 | 8    |
| 13 | Lack of transparency on financial activities for the school community | 88 | 4.13 | 3    |
| 14 | Not properly using auditing comment | 88 | 4.03 | 4    |
| 15 | Lack of experience of the school principals on budget preparation | 88 | 4.33 | 2    |
| 16 | Lack of experience of the school principals on budgetary control | 88 | 4.49 | 1    |
| 17 | Lack of control and follow up from Bahir Dar city administration, education and finance office | 88 | 2.82 | 16   |

Similarly, the results showed that financial resource management practices of reporting function had a significantly higher mean score than financial resource management practices of controlling function. On the other hand, there was no statistically mean score difference observed between financial resource management practice of the reporting function and financial resource management practice of the planning function. In general the results indicated that both planning and reporting financial resource management practices are implemented over controlling function in government secondary schools of Bahir Dar city administration being planning function is the first and reporting function is the second respectively.

In the same way, an attempt was made to investigate which financial resource management practices (financial planning, reporting and controlling) implemented effectively as an important exertion and to differentiate if there are statistically significant mean score differences in the private secondary schools of Bahir Dar city administration. To achieve this, a one-way analysis of variance (ANOVA) is carried out and the results are presented in Tables 5 and Tables 6. Table 3 presents the descriptive statistics of the financial resource management practices (financial planning, reporting and controlling) implemented more productively in private secondary schools as an imperative task.

As indicated in Table 6 the results of descriptive statistics demonstrated that the reporting function of financial resource management practice mean score was found to be higher than the mean score of planning function of financial resource management practice. Similarly, the reporting function of financial resource management practice mean score was found to be higher than the mean score of controlling function of financial resource management practice.
Table 10. Major challenges for school financial resource management practices in private secondary schools

| No | Challenges of School Financial Resource Management Practices | N  | Mean  | Rank |
|----|------------------------------------------------------------|----|-------|------|
| 1  | Shortage of budget allocating by other stakeholders (i.e., community participation, school internal income, etc.) | 45 | 2.844 | 12   |
| 2  | Limitation of disseminating financial reporting to concerned bodies on time. | 45 | 3.711 | 11   |
| 3  | Absence of participation of concerned bodies in budget preparation | 45 | 4.022 | 9    |
| 4  | Poor financial budget planning of school | 45 | 2.088 | 13   |
| 5  | Poor financial budget reporting system by the school according to time schedule | 45 | 4.400 | 6    |
| 6  | Lack of adequate skilled accountant personnel in relation to financial reporting. | 45 | 3.956 | 10   |
| 7  | Lack of experience among school accountant personnel and other finance workers | 45 | 4.533 | 4    |
| 8  | Lack of training for school accountant personnel, auditors and other finance workers | 45 | 4.467 | 5    |
| 9  | Problem of reporting and documenting financial activities of the school | 45 | 4.311 | 7    |
| 10 | The school does not request its budget within the schedule of the finance office | 45 | 4.156 | 8    |
| 11 | Not regularly submitted financial utilization report | 45 | 4.578 | 3    |

(Continued)
Correspondingly, the planning function of financial resource management practice mean score was found to be higher than the mean score of controlling function of financial resource management practice. On the other hand, the controlling function of financial resource management practice mean score was found to be the least compared to reporting and planning functions of financial resource management practice in private secondary schools of Bahir Dar City administration. Table 4 presents summary of ANOVA of the practice of financial resource management functions in private secondary schools.

As indicated in Table 7 the summary table of one-way analysis of variance (ANOVA) presented that there was statistically significant mean score difference between financial resource management practices of planning, reporting and controlling implementation in private schools of Bahir Dar city administration $F(2, 130) = 74.842, P < 0.001$. Moreover, to determine which financial resource management practices of planning, reporting and controlling implementation have a significantly higher mean score, Post-hoc multiple comparisons of means were performed and the results demonstrated that financial resource management practices of reporting function had a significant higher mean score than financial resource management practices of controlling function.

Similarly, the results showed that financial resource management practices of reporting function had a significantly higher mean score than financial resource management practices of controlling function. On the other hand, there was no statistically mean score difference observed between financial resource management practice of the reporting function and financial resource management practice of the planning function. In general, the results indicated that both reporting and

| No | Challenges of School Financial Resource Management Practices | N  | Mean  | Rank |
|----|-------------------------------------------------------------|----|-------|------|
| 12 | Not properly implementing financial guidelines, rules and regulations of finance at the school level | 45 | 4.533 | 4    |
| 13 | Lack of transparency on financial activities for the school community | 45 | 4.578 | 3    |
| 14 | Not properly using auditing comment. | 45 | 4.667 | 2    |
| 15 | Lack of experience of the school principals on budget preparation | 45 | 4.667 | 2    |
| 16 | Lack of experience of the school principals on budgetary control | 45 | 4.733 | 1    |
| 17 | Lack of control and follow up from Bahir Dar city administration, education and finance office. | 45 | 4.733 | 1    |
planning of financial resource management practices are implemented greater than controlling function in private secondary schools of Bahir Dar city administration. One can be aware that from Tables 4 and Table 6 the trend shows that financial resource management practices of planning function mainly carried out by government schools whereas financial resource management practice of reporting function implemented mostly by private secondary schools of Bahir Dar city administration. The fourth objective of this study was to identify the major challenges of school financial resource management practices in government and private secondary schools in Bahir Dar city administration. To accomplish this objective, mean rank was worked out and the results are presented in Table 8 and Table 9.

As indicated in Table 8 the results of mean rank exhibited that the first challenge rated by government schools was the lack of experience of the school principals on budgetary control. The data gathered from interview 5 school principals also supports the above ideas. The second challenge was the lack of experience of the school principals in budget preparation. The third challenge identified was the lack of transparency on financial activities for the school community. The fourth challenge rated by government schools was not properly using auditing comment. The fifth challenge was lack of experience among school accountant personnel and other finance workers. The sixth challenge identified was lack of adequate skilled accountant personnel in relation to financial reporting. The seventh challenge identified was not regularly submitted financial utilization report. The eighth challenge rated by government schools was the improper implementation of financial guidelines, rules and regulations of finance at the school level. The ninth challenge was poor financial budget planning for the schools. The tenth challenge identified was that schools do not request their budget within the schedule of the finance office. The eleventh challenge identified was poor financial budget reporting system by the school according to time schedule. The twelfth challenge identified was the problem of reporting and documenting financial activities of the school. The thirteenth challenge rated by government schools was the lack of training for school accountant personnel, auditors and other financial workers. The fourteenth challenge was an absence of participation of concerned bodies in budget preparation. The fifteenth challenge identified was a shortage of disseminating financial reporting to concerned bodies on time. The second least challenging, rated by government schools was not properly using auditing comments. The last challenge was the shortage of budgets allocation by other stakeholders (i.e., community participation, school internal income, etc.) lack of experience among school accountant personnel and other finance workers. Correspondingly, an effort was made to identify the major challenges of financial resource management practices in private secondary schools in Bahir Dar city administration. To get this purpose done, mean rank was carried out and the results are presented in Table 9.

As indicated in Table 10 the results of mean rank show evidence of that the first challenge identified by private schools was the lack of experience of the school principals on budgetary control and lack of control and follow up from Bahir Dar city administration, education and finance office. The second challenge identified was lack of experience of the school principals on budget preparation and not properly using auditing comment. The third challenge identified was lack of transparency in financial activities for the school community and not regularly submitting financial utilization report. The fourth challenge identified by private schools was the lack of experience among school accountant personnel and other finance workers and not properly implementing financial guidelines, rules and regulations of finance at the school level. The fifth challenge identified was lack of training for school accountant personnel auditors and other financial workers. The sixth challenge identified was poor financial budget reporting system by the school according to time schedule. The seventh challenge identified was problem of reporting and documenting financial activities of the school. The eighth challenge rated by private schools was that the school does not request its budget within the schedule of the finance office. The ninth challenge identified was an absence of participation of concerned bodies in budget preparation. The tenth challenge identified was lack of adequate skilled accountant personnel in relation to financial reporting. The eleventh challenge identified was limited to disseminating financial reports
to concerned bodies on time. The twelfth challenge identified was a shortage of budget allocation by other stakeholders (i.e., community participation, school internal income etc.). The thirteenth challenge rated by private schools was poor financial budget planning of the school. Among the findings of the major challenges identified by both government and private secondary schools were: lack of experience of the school principals in budgetary control, lack of experience of the school principals in budget preparation and lack of transparency in financial activities for the school community as reported identically by both the schools.

4.3. Discussion
The first purpose of this study was to examine whether there is statistically significant mean score difference between stakeholder participation in budget, preparation practices for financial resource management implementation in government and private secondary schools. The results obtained in this study showed that there was a statistically significant mean score difference between government and private secondary schools in budget preparation by the school principals. The t-value revealed that government schools scored significantly higher mean score than private schools in budget preparation by the school principals. MoE (2002) states that school principals, finance personnel and Parent Teacher Associations (PTA) have great responsibility to manage school financial resources. Effective financial management requires managers to take responsibility for the actions and achievements in exchange for greater managerial discretion over their inputs. There was a statistically significant mean score difference between government and private secondary schools in budget preparation by PTA members. The t-value revealed that government schools scored significantly higher mean score than private schools in budget preparation by PTA members.

Stakeholders: educational stakeholders, presenting a collection of initiatives and policies that have been making gains in student achievement and can be expanded to improve the education system, especially if they continue to engage all segments of the population from the government to the private sector to teachers and parents (Jacqueline, 2008). The second purpose of this study was to compare the extent to which the functions for financial resource management of planning, reporting and controlling implemented between private and public secondary school of Bahir Dar city administration. The results of independent samples t-test portrayed that there was a statistically significant mean score difference between government and private secondary schools in financial resource management function of planning. The t-test discovered that private schools scored significantly higher mean score than government schools in financial resource management function of planning. This result shows that private schools in Bahir Dar city are better in planning financial resource management function. According to Dixon (1986) planning provides the base and orderly approach to future action. It is the method of deciding what to do with the money at hand. This means that this attempt leads to compressive programming and budgeting of the future operation.

The results also signified that there was a statistically significant mean score difference between government and private secondary schools in financial resource management function of reporting. The t-test revealed that private schools scored significantly higher mean score than government schools in financial resource management function of planning. This result shows that private schools in Bahir Dar city are advanced in reporting financial resource management function. As noted by Garrison (1991) has stated, financial report is a summarized and analyzed reports of accounting information to play an important role in an organization. It makes communication to be effective and efficient and enables to investigate the existing situation and to take relevant and timely administrative action. Performance reports are a form of feedback to managers directing their attention on problems or opportunities that might otherwise go overlooked. As indicated by ESDP III (2005) underlined that quarterly, semi-annual activity and annual financial performance report to be produced at every governmental level of education sector in Ethiopia which concerning the information on issue on actual capital and recurrent expenditure. The quarterly report is mainly to serve the day-to-day management purpose at implementation level. The semi-annual and annual reports will be the main source of information on progress and achievements of the entire program as compared to plans. The
results of this study indicated that there was a statistically significant mean score difference between government and private secondary schools in financial resource management function of controlling. Private schools scored significantly higher mean score than government schools in financial resource management function of controlling. This result shows that private schools in Bahir Dar city are advanced in controlling financial resource management function.

**Financial control functions:** similarly to other managerial controlling system, it assigns organizational responsibilities for the implementation of approved plans. It involves the monitoring of actual transaction events against the plan taking prompt action, where there is a deviation from the plan. The financial control function takes appropriate measures either to improve performance or, to improve performance, revise plan target in terms of cost and output (Dixon, 1986). Swartz (2012) states that the first and most important aspect of managing a school’s finances is to be quite clear who is responsible for what. This requires probity, a combination of transparency and administrative practice that can track how and where resources have been used. Whatever the criteria for the relationship between resources and outcomes, there is a requirement that the funds are managed in the right way. Operationally, financial management is concerned with ensuring that money allocated in the budget is properly spent on authorizing purchases. It also endeavors to monitor the implementation of spending plans, according to the budget or, with good reason, as a deviation from the budget.

Therefore, controlling is the counterpart of planning and is the process of monitoring activities to ensure that results are in-line with the plan and taking corrective action if required. The balanced scorecard supplement measures of financial performance with those of customer satisfaction, internal process, and innovation and growth, which all play a part in an overall assessment of performance. Boddy (2011) found out that controls can encourage behavior that is not in the best interests of the organization can encourage people to supply the system with inaccurate information and people will resist controls that they feel threaten their ability to satisfy their needs from work. Therefore, financial management in schools is at a crisis and research needs to be carried out and help with suggesting strategies for the way forward (Kaguri, Njati, & Thiaine, 2014). The response has gotten from open-ended questionnaires and interview also explains; both schools that means government and private secondary schools had weak control mechanisms and the financial resource auditing systems are also weak.

The third purpose of this study was to investigate which financial resource management practices (financial planning, reporting and controlling) implemented effectively in government and private secondary schools as an important effort and to distinguish if there are statistically significant mean score difference between private and public secondary school of Bahir Dar city administration. The results of this study showed that financial resource management practices of planning function had a significant higher mean score than financial resource management practices of reporting and controlling function in government secondary schools. The management practices of planning function had a significantly higher mean score than financial resource management practices of reporting and controlling function. In line with this, Mbamba (1992) stated that managers accomplish those responsibilities through educational planning. Planning obviously helps to deal with the needs of the society in the processes of using scarce resources. It is a national approach in the process of resource mobilization and optimum utilization. It allows the chance of accommodation of changes in the education system. Therefore, it is important to plan for effective and efficient utilization to meet the objective of the organization.

The results of this study showed that financial resource management practices of reporting function had a significantly higher mean score than financial resource management practices of planning and controlling function in private secondary schools. In general the results indicated that both planning and reporting financial resource management practices are implemented over controlling function in government secondary schools of Bahir Dar city administration being planning function is the first and reporting function is the second respectively. The school has to
report on its work and action to the management or supervising authority, fund provider, founder and other interest groups. Reporting can be divided into annual reporting, as required also by the Slovenian legislation, and other types of reporting. Schools prepare annual reports for the financial year equal to the calendar year. Schools prepare annual reports exceptionally also during the year in case of status changes, closure and other cases. The annual report is the school's act. It is the annual presentation of achievements of school management and its management. The reporting process is closely linked to the planning process, the definition of objectives and measuring. The school annual report reflects the realization of our plan that we had foreseen for the following year (work program), thus the fulfillment or non-fulfillment of the set objectives that derive from school's long-term orientation. Reports have to explain the established facts, especially non-fulfilled objectives and tasks.

The fourth objective of this study was to identify the major challenges of school financial resource management practices in government and private secondary schools in Bahir Dar city administration. Among the findings of the major challenges identified by both government and private secondary schools were: lack of experience of the school principals in budgetary control, lack of experience of the school principals in budget preparation and lack of transparency in financial activities for the school community is reported identically by the schools. The results of mean rank exhibited that the first challenge rated by government schools was the lack of experience of the school principals on budgetary control. The second challenge was lack of experience of the school principals in budget preparation. The third challenge identified was lack of transparency on financial activities for the school community. The fourth challenge rated by government schools was not properly using auditing comment. The fifth challenge was lack of experience among school accountant personnel and other finance workers.

The results of mean rank show evidence of that the first challenge identified by private schools was the lack of experience of the school principals in budgetary control and lack of control and follow up from Bahir Dar city administration, education and finance office. The second challenge identified was lack of experience of the school principals in budget preparation and not properly using auditing comment. The third challenge identified was lack of transparency in financial activities for the school community and not regularly submitting financial utilization report. The fourth challenge identified by private schools was the lack of experience among school accountant personnel and other finance workers and not properly implementing financial guidelines, rules and regulations of finance at the school level. The fifth challenge identified was lack of training for school accountant personnel auditors and other financial workers. From the findings of the major challenges identified by both government and private secondary schools were: lack of experience of the school principals on budgetary control, lack of experience of the school principals on budget preparation and lack of transparency on financial activities for the school community is reported identically by the schools. The study of Barasa (2009) recognized that efficient management of financial resources is an important task for head teachers. Without adequate financial resources, institutions cannot carry out their defined tasks effectively.

The study of Sheberu (2015) showed that low participation of stakeholders to increase school income, lack of skilled and experienced, lack of training, lack of budget allocation criteria, not enough structured guideline and procedures, lack of budget, low controlling systems, low participation of concerned bodies or school personnel's involve in the budget planning and decision-making process, improper utilization of financial resources and lack of auditing school finance can affect highly the effectiveness and efficiency of financial management in the studied schools. Likewise, the study by Tadiwos (2014) indicated that the critical challenges for ineffective utilization of financial resource in the studied schools are a release of budget allocated to schools very lately, lack of adequate skilled manpower that controls effective budget utilization, engagement of school management on different duties. Lack of planning and performing the school activities together with stakeholders, school principals working with their own without inviting others, interferences of school principals in all works, lack of team work approach among KETB, PTA and
school management and no relevant training on financial control and utilization to stakeholders. Barasa (2009) recognizes that efficient management of financial resources is an important task for head teachers. Without adequate financial resources, institutions cannot carry out their defined tasks effectively. Money must be available to run the different departments of the school. The available funds will be used to purchase the required teaching and learning apparatus such as chalks, textbooks, paying of the support staff and building and improvement of infrastructures. Financial management in education is concerned with the cost of education, sources of income to meet the educational costs and the spending of the income in an objective manner in order to achieve the educational objectives (Okumbe, 2001). However, educational managers are being challenged to justify their financial requests in terms of educational programs rather than the costs, if education has to compete equitably for public funds (Okumbe, 2001).

In the preparation of the budget, the principal or head teacher must seek the cooperation of the parents, the teachers and other school employees. By enlisting the cooperation of these people, the principal ensures a comprehensive view of the budget and a feeling of partnership which contributes to the much needed spirit de corps (Okumbe, 2001). Since the introduction of FDSE government has been providing tuition fees for students while parents or guardians are still required to meet the costs of examination fee for form four examination (KCSE), lunch, school uniforms, transport and infrastructural developments. However, this does not restrict schools from engaging in income generating activities to enable them in having supplementary sources of income necessary for their daily financial commitments. To facilitate proper control and safe-keeping of the hinds from various sources, it is a requirement for schools to maintain separate bank accounts for funds from different sources like income generating activities and donor funds. Financial reports usually need accounting and its products such as an organization’s annual report as a platform upon which to build many decisions and activities. Organizations must follow specific rules and formats of presentation for their annual reports and financial statements. The key accounting event for any organization is the publication of the annual report, which records the financial performance over a book year. Financial reports help managers to discuss results and spending and performance against budget, they usually work from management reports, which have been prepared by the school accountants using accounting information systems. Such reports show budgeted revenues and costs for the period or year to date, actual revenue and costs to date and the variations between them. Cole & Kelly (2011) in their study established that organizations may create and adopt a number of statements to communicate the corporation’s view on the subject of ethics. They stipulated common issues in business ethics to be included are accountability (transparency and reporting) business conduct (compliance with the law, competitive conduct, and corruption and bribery conflicts of interest. The existence of a code of practice in ethics, supported by senior management and made a natural feature of a company’s culture will enable better distinctions to be made between what is acceptable business practice and what is sharp practice. In relation to this, leadership by example is the most effective way to improve business ethics (Abbas et al., 2020). Leaders must therefore be honest and trustworthy with high integrity (even though this is not measurable). To be perceived as an ethical leader, it is not enough to just be an ethical person. An executive ethical leader must also find ways to focus the organization’s attention on ethics and values and to infuse the organization with principles that will guide the actions of all employees. Deegan & Unerman (2011) at the core of the accounting process is an expectation that accountants should be objective and free from bias when performing their duties.

Deegan & Unerman (2011) although many people might argue that accounting regulations just affect how underlying economic transactions and events are reflected in the financial reports, without impact on the nature or shape of this underlying economic reality, there is a considerable body of evidence which demonstrates that accounting regulations have real social and economic consequences for many organizations and people as well as schools in Kenya. Berk & Demarzo (2008) investors, financial analyst, managers and other interested parties such as creditors rely on financial statements to obtain reliable information about a corporation. The main types of financial statements
are the balance sheet, the income statement and the statement of cash flows. The balance sheet shows the current financial position (assets, liabilities and stockholder’s equity) of the firm at a single point in time. Information systematically which relates to actual performance (usually on a monthly or four-weekly period basis) identifies the variances between target and actual performance. The primary aims of financial control are to; establish short-term business plans, determine progress towards the achievement of short-term plans, ensure coordination between key areas of the organization, delegate measurable responsibilities to managers without loss of control and provide a controlled flexibility for meeting change in the short-term Berk & Demarzo (2008) laments that most projects require the firm to invest in net working capital where in this case is secondary schools. Inventory management; receives extensively coverage in a course on operations management. Nevertheless, it is the schools financial manager who must arrange for the financing necessary to support the firms inventory policy and who is responsible for ensuring the firm’s overall profitability. Therefore the role of the inventory manager is to balance the costs and benefits associated with inventory, because excessive inventory uses cash, efficient management of inventory increases firm value. There is a need for precautionary balance which is the amount of cash a firm holds to counter the uncertainty surrounding firm’s cash flows. These control activities lead us to corporate governance which in this case refers to the system of controls, regulations and incentives designed to prevent fraud from happening.

5. Conclusion and recommendation

5.1. Conclusion
From the results obtained in this study, private secondary schools demonstrated significantly low level of stakeholder participation in budget preparation than government schools. This implies that private schools do not offer training on the planning function of financial resource management and related topics to update KETB members, PTA members, department heads and others. This confirms that KETB members, PTA members, department heads, and the accountants lead the school financial resource without having an appropriated training in planning activities of the schools. So, this leads the schools to have weak management of educational finance resources and difficult to achieve the pre-planned schools’ goals.

The results of the study demonstrated that government secondary schools are better at planning functions of financial resource management than private secondary schools. This may be attributable to government schools’ leaders and accountants had skill in budget planning and utilization. This may be due to that government schools at the beginning of the financial year, they plan the budget for that year and anticipate the flow of income and expenditure for the whole year. As the year unfolds, the actual flows of income and expenditure compared with the estimated or planned ones. According to the findings of this study, management support had a strong influence on budget planning in government secondary schools of Bahir Dar city administration. It was also revealed that most of the schools use budget guidelines prior to preparing budgets. The staff of the school participates in budget preparation and discussion within their department. Most of the staff are of the view that planning is important to the success of budget implementation at large.

On the other hand, the results of the study implied that private secondary schools are better at reporting functions of financial resource management practice than government secondary schools. This may be caused by the schools’ leaders and accountants would emphasize reporting than in budget planning and utilization as opposed to government schools. This implies that the schools put forward financial utilization reports of the budget such as internal income to concerned bodies. From the results it seems evident that in the private schools, there is a proper announcement of description of a detailed information during the process of budget reports.

Moreover, the result of this study confirmed that both government and private secondary schools have low levels of financial resource control functions. This implies that they do not have a strong and well-structured system of controlling and monitoring financial resource in the city administration. This may result in inappropriate utilization of financial and mismanagement of schools’ financial
resources. This in turn may lead to transparency of audit results to concerned bodies to be poor. This shows that both schools had weak controls of budget utilization system and a finance recording system. As a result of this, mismanagement of financial control systems could lead to improper utilization of financial resources in the schools. With respect to the challenges identified in the study identical challenges observed by both government and private secondary schools of Bahir Dar city administration. This implies that regardless of the school type problems related to financial resource management occurring and recurring in the same way in both secondary schools. Both secondary schools have similar troubles in commending financial resource management.

5.2. Recommendation
The following recommendations are drawn based on the study findings.

First, the study recommends that the private schools should strongly participate stakeholder in the schools affairs and activities other than the normal duties carried by the schools alone. This is because stakeholders play a key role in fostering the school performance. The stakeholders will have a clear understanding of the functions of the schools and recognize what is going on with respect to the activities that need cooperation with internal and external agencies including parents. The involvement of the concerned body in budget preparation and budget-related decision making is vital. Therefore, the school had to build a participatory system in the school through using committee obtained from the available local stakeholder. The schools have to give orientation for KETB members on their responsibility and their role in the participation of budget preparation of the schools are enormous. The schools and city administration, finance and education office should collaboratively provide training for KETB and PTA, department heads, accountants and other finance workers on topics of financial management in relation to budget preparation and utilization.

Second, as the findings depict, government schools favor strongly on planning and private schools on the contrary, are doing more on reporting functions of financial resource management practices. Both the schools should include all functions and practices of financial resource management to better implement and maximize the gains from other functions in order to foster the schools overall performance. In order to further enhance financial management in both public and private secondary schools, there should be budgetary controls and all school stakeholders ought to be involved in the budgetary process. The management of both public and private secondary schools ought to institute strict financial controls in the form of clear policies and procedures on the usage of school funds and ensure that the controls are implemented are adhered to.

Third, the results of one way ANOVA illustrate that the three financial resource practices of planning, reporting and controlling as a top priority are different as the type of schools varies. The government schools claim that they are doing more on planning, reporting and controlling aspects respectively. Whereas private secondary schools assert that no difference in both planning and reporting functions and reporting function was reported better than control function. Therefore, both schools need to work on all functions appropriately and strike a balance between the functions in order to bring the schools more effective and efficient.

Fourth, from the findings of the major challenges identified by both government and private secondary schools, lack of experience of the school principals on budgetary control, lack of experience of the school principals on budget preparation and lack of transparency on financial activities for the school community are reported identically by both the schools. The study recommended that in order to further enhance financial management in both public and private secondary schools there should be other specific factors not assessed through this study. So, to identify such factors and to take proper actions on time; it is advisable for the schools, stakeholders, parents and education bureau should cooperate to alleviate the challenges schools are facing.
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