

Problems of Financial Resource Management and its Utilization in Secondary School of Hawasa City Administration

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Abstract:- *The main aim of this study was to examine the Practices of Educational Financial Resource Management and Utilization in Secondary School of Hawasa City Administration. In order to achieve this aim, a descriptive survey method was employed. Subsequently, 50% of secondary schools were sampled among the targeted sub-cities; 200 teachers were sampled 40 % of them as key respondents of the study. Selection of secondary schools and 200 teachers' respondents was carried out by using simple random sampling technique. 32 school leaders were participated through using available sampling technique. Regarding 8 SF workers, schools' 8 PTA members and representatives 8 Kebele Education and Training Board committee were participated through using simple random sampling technique. Data collection instrument of this study were questionnaire; interview and focus group discussion; the collected quantitative data was coded, tabulated, analyzed through applying independent T-test. The findings of the study revealed that, stakeholder participation in schools' financial resource management practices is low, internal and external auditing systems are inadequate, concerned bodies are not involved in monitoring and evaluating financial resource utilization, there is no capacity building training for stakeholders, there is no transparency or accountability in the management of financial resources. There were many challenges involved, including the lack of experience in managing and utilizing financial resources, poor and incorrect financial planning, insufficient monitoring and evaluation (auditing), improper buying, a lack of adequate financial management and utilization documents, misuse of school funds, and incompetence of administrative personnel when it came to managing and utilizing school funds. The study recommended that, Hawassa city administration education department should prepare training for school accountants and stakeholders to fill the school's gaps in order to overcome challenges encountered. The city education department should ensure that implementation, transparency, accountability, quarterly reports are prepared, and relevant stakeholders are involved in resource management activities. Principals are encouraged to employ various strategies to address the challenges associated with financial resource management in their schools, including planning, accounting, auditing, reporting, and recording. According to financial regulations, the city administration's finance and economy development office should conduct school audits on a regular basis.*

Keywords:- *Financial resource, Utilization, Challenge, Secondary school*

I. INTRODUCTION

Education is a vital tool in the fight against poverty in any nation, as recognized by UNESCO (2013/4). It holds the transformative power to improve the lives of individuals. Education is a process that unearths an individual's potential and nurtures their innate abilities and interests. By doing so, it not only harnesses a child's internal capacities but also addresses societal needs by enhancing the productivity of the population, leading to an elevated standard of living. Furthermore, education plays a key role in fostering critical thinking skills, practical knowledge, and a sense of purpose, which in turn drive advancements in science and technology. It is widely acknowledged that education is pivotal in promoting economic growth and alleviating poverty, as acknowledged by the World Bank (1995). Moreover, education expands individuals' freedom to make choices and take action, empowering them to actively engage in the social and political aspects of their communities, while equipping them with the necessary skills to improve their livelihoods, as emphasized by UNESCO (2010). Consequently, education serves as a valuable instrument for acquiring human capital and fostering national development.

Financial management involves the strategic utilization of financial information, skills, and methods to optimize resource allocation within an organization. It encompasses a range of activities, including planning, organizing, directing, monitoring, and controlling the financial aspects of an organization, as highlighted by Denis (2018). Resources are valuable assets that play a crucial role in facilitating effective task performance and promoting the growth and development of organizations. Among these resources, financial resources hold particular significance and are often considered an essential component of physical capital. They serve as the foundation for acquiring, utilizing, and maintaining other types of resources. Without a solid financial base, organizations face challenges in producing goods and services of the desired quantity and quality. In a monetary-based economy, the availability of funds within an organization or institution is vital for supporting productive processes and ensuring the overall quality of products and services, as recognized by Tadiwos (2014).

In Ethiopia, the Ministry of Education (MoE) established guidelines emphasizing the importance of fair, efficient, and appropriate funding in education to promote equity and ensure high-quality education, as stated by MoE (1994). Furthermore, MoE (2002) recognizes the potential for educational and training institutions to generate their own income and utilize it to strengthen the educational process. However, MoE (2007) has identified various challenges in the management of educational finances, including weak administrative capacity, limited financial management skills, inadequate training, and the presence of unqualified personnel responsible for overseeing school finances. In response to these challenges, researchers from various countries have conducted studies focusing on the financial issues faced by educational institutions.

Financial resources are of utmost importance for the success of any organization. Insufficient financial resources can hinder the growth and sustainability of institutions, firms, organizations, and businesses. Therefore, prioritizing financial management is crucial for improving performance and mitigating financial risks, as noted by Munge, Kimani, and Ngugi (2016). According to Ogbonnaya (2000), the primary objective of financial management is to ensure the efficient and effective utilization of funds. He underscores the scarcity of resources and highlights the responsibility of educational administrators to optimize the use of available resources in order to achieve institutional objectives. Mismanagement of funds can lead to issues such as embezzlement, diversion of funds from important projects, and misappropriation.

In Mestry (2004), school principals and their boards do not have the necessary financial skills to resolve any financial crisis in their schools. Secondary school principals were trained in financial resource management in a variety of ways (MoE, 2007). School principals are held accountable for very high levels of financial management within their schools, but the trainings did not produce the desired results. Consequently, improving secondary schools' financial resource management requires hard work and commitment from managers.

The Ethiopian education and training policy recommends adequate budget allocation and proper utilization of the education budget. Considering equity and equality in education, there should be a fair, efficient, and appropriate financing of education (Berhanu, 2019). Therefore, management of financial resources is crucial to achieving educational goals. Secondary schools in this study area have problems managing and using financial resources effectively and efficiently. In response to this, researchers decided to conduct the present study to assess the problems encountered and the gaps identified, and to make possible suggestions to improve the current management of financial resources, especially in public secondary schools in Hawassa city administration. Researchers in this study assessed the practices and problems of managing and utilizing school finance in Hawassa city secondary schools.

II. STATEMENT OF THE PROBLEM

Providing quality education requires adequate financial resources. In order to enhance the quality of education, schools must acquire funds on time and manage their financial resources effectively. Education plays a vital role in promoting economic development and improving societal standards of living, a fact reflected in Ethiopia's large allocation for education (MoE, 1994). In order to promote transparency, it is crucial to establish clear systems within schools that outline the sources, allocation, and utilization of finances. The capacity for implementation serves as a vital instrument in guiding the development process. However, it is important to note that allocating a substantial budget alone does not guarantee improvements in the quality of education. Therefore, effective management of school financial resources is of utmost importance in order to provide quality education and achieve educational objectives.

In various annual reports, the Hawassa City Administration Education Department has highlighted several challenges in financial management. Insufficient funding, insufficient planning, and inadequate coordination of funds are examples of these challenges, resulting in limited implementation of policies and objectives. According to the authors of this article, financial management in education has multiple problems. Different secondary schools within the city administration were examined more closely, and educators and finance officers were found to lack knowledge, experience, and adequate training in financial management. Furthermore, there is no strategic planning to achieve financial objectives and monitor outcomes, no proper recording systems, insufficient internal and external control over financial activities, low salaries for financial officers, and unqualified personnel handling school finances.

Consequently, the authors of the study contend that these factors contribute to substantial disparities among secondary schools and impede the efficient utilization of limited financial resources within the education system, particularly in most schools of Hawassa City Administration. Therefore, the primary objective of the study is to examine the present practices and challenges in financial management and utilization within selected government secondary schools in Hawassa City Administration. To tackle these issues, the establishment of effective systems for financial planning, budgeting, accounting, and auditing in school management is crucial. The researcher, therefore; was attempted to answer the following basic research questions:

- To what extent budget plan is adequately prepared in government secondary schools of Hawassa city administration?
- To what extent do available school finance is efficiently utilized in secondary schools of Hawassa city administration?
- What are the major factors in school financial management in secondary schools of Hawassa city administration?

A. Objectives of the Study

There are two objectives in the study: general and specific.

➤ General Objective

The study sought to examine school's financial resource management practices and problems in Government secondary schools in Hawassa city.

➤ Specific Objectives

In this study, the researcher specifically was aimed to:-

- To assess the extent of budget plan adequately is prepared in government secondary schools of Hawassa city administration.
- To assess the effectiveness of available school finance utilization in secondary schools of Hawassa city administration.
- To identify the existence of major factors in school financial management in secondary schools of Hawassa city administration.

B. Significance of the study

This study has the following significance:-The study may inform educational stakeholders of the current status of education budget preparation, allocation, and utilization of finance management in Hawassa City Administration of government secondary schools. Having better understanding of the limitations of financial management and utilization in government secondary schools in Hawassa City Administration may be helpful for government officials. Also, it may increase managers', planners' and decision makers' attention to the current problems in financial resource management as well as possible solutions. It provided some possible solutions to the problems identified, and it helped improve student education quality in general. The study also encourages and initiates researchers in related fields to conduct further research.

C. Delimitation of the Study

In order to make the study more manageable, the study was delimited in concepts or aspects of financial management, geography and time. Regarding the concepts or aspects on the practice of financial resource management in education are very wide and that include the practices of planning, implementing, accounting, auditing, reporting, utilizing and controlling functions was expected to apply in secondary schools. However, this study was not included all aspects of financial resource management and not involved all secondary schools in the city administration. Therefore, this study was focused on assessing the practice and problems of school's financial resource management in selected government secondary schools of Hawassa city administration. Because it is not manageable if the study comprises all aspects of financial management due to constraints of time. Besides, geographically to increase the manageability of the study the scope of this study was delimited to Sidama Regional State, Hawassa city administration especially in eight selected government secondary schools due to financial constraints.

III. REVIEW OF THE RELATED LITERATURE

A. Concept of Financial Resource Management and financial management practices

Financial management encompasses the planning, organization, direction, and control of financial activities, including the acquisition and utilization of funds within an enterprise. It involves the application of general management principles to financial resources. The concept of finance encompasses capital, funds, money, and amounts (MoE, 2010a). In the context of the current global economic crises and the consistent decrease in federal monetary allocation to education, having a good understanding and proper utilization of these key resources is crucial for effective resource management in the school system. The school manager needs to be well-informed about the importance of managing school financial resources, as it is an integral part of the overall school management system. Given that educational organizations in many countries are now required to manage their own finances, it is essential to clarify the meaning of finance itself. According to Paul (2008:1), "Finance is the skill and science of managing risky assets, as well as explicit and implicit contractual relationships, to create value."

Effective budgeting plays a crucial role in the successful implementation of school plans, as emphasized by Mobegi et al. (2012). Without proper budgeting, plans may fail to materialize, making budgeting an essential tool for efficient resource allocation. Simiyu (2014) highlights the importance of involving individuals within the school system in the budgeting process, as they play an integral role in the functioning of the entire program. Mestry's (2004) study revealed poor budgeting practices in South African schools, while Mobegi et al. (2012) observed that budgeting in most secondary schools is often limited to a mere paper document, lacking insight into its actual implementation. Furthermore, Macharia (2005) argues against burdening parents with costly projects, such as purchasing buses, that do not directly contribute to improving educational standards. Instead, principals should prioritize the school's needs by implementing development plans that are less financially burdensome for parents while simultaneously enhancing learning. Effective plans should have long-term objectives, and school managers must conduct a thorough analysis of the school's current performance and situation to determine future requirements. Additionally, scrutinizing the school budget at the school level is important to minimize opportunities for financial mismanagement and to monitor the school's actual performance, as highlighted by Ziebell, Grable, and Joo (1991). This ensures financial accountability and allows for adjustments as needed.

B. Challenges of financial management in secondary education

The study conducted by Barasa (2009) acknowledges the significant role of head teachers in efficiently managing financial resources. Insufficient financial resources hinder institutions from effectively carrying out their designated tasks. Adequate funds are necessary to support various departments within the school, including the purchase of teaching and learning materials such as chalk, textbooks,

payment for support staff, and infrastructure development and improvement. Additionally, the study by Getahun (2018) highlights several factors that can greatly impact the effectiveness and efficiency of financial management in schools. These factors include low stakeholder participation in increasing school income, a lack of skilled and experienced personnel, inadequate training, absence of budget allocation criteria, insufficient structured guidelines and procedures, budgetary constraints, weak control systems, limited involvement of relevant stakeholders in the budget planning and decision-making process, improper utilization of financial resources, and a lack of auditing practices for school finances. Addressing these challenges is vital to ensure the optimal management of financial resources within the studied schools. By improving stakeholder engagement, providing adequate training, implementing clear budget allocation criteria and guidelines, strengthening control systems, and promoting proper utilization and auditing of financial resources, schools can enhance the effectiveness and efficiency of their financial management practices.

The study conducted by Tadiwos (2014) has identified significant challenges that hinder the effective utilization of financial resources in the schools under investigation. These challenges encompass multiple aspects, such as the delayed release of allocated budgets, inadequate skilled personnel for managing budgets effectively, excessive responsibilities on school management, lack of collaboration and planning with stakeholders, isolated decision-making by school principals, excessive interference by principals in all tasks, lack of teamwork between the Kebele Education and Training Board (KETB), the Parent Teacher Association (PTA), and school management, as well as a lack of relevant financial control and utilization training for stakeholders. Addressing these challenges is crucial for improving the effective utilization of financial resources in the studied schools. Several steps can be taken to tackle these issues, including ensuring the timely release of allocated budgets, providing sufficient skilled manpower for effective budget management, promoting collaboration and planning with stakeholders, fostering a team-based approach among KETB, PTA, and school management, and offering relevant training on financial control and utilization to stakeholders. Implementing these measures can significantly enhance the utilization of financial resources in the schools and ultimately lead to improved overall financial management in the education system.

➤ *Challenges related to financial planning*

Sarah (2013) explores the significance of efficient financial resource management for head teachers in education. Insufficient financial resources hinder institutions from effectively carrying out their designated tasks. Adequate funds are necessary to support various departments within the school, including the purchase of teaching and learning materials such as chalk, textbooks, payment for support staff, and infrastructure development and improvement. Financial management in education encompasses the cost of education, the sources of income to meet educational expenses, and the objective allocation of funds to achieve educational objectives (Okumbe, 2001).

However, educational managers face the challenge of justifying their financial requests based on educational programs rather than solely focusing on costs in order to compete fairly for public funds (Okumbe, 2001). During the budget preparation process, the principal or head teacher must actively seek the cooperation of various stakeholders, including the Business Owners Group (BOG), parents, teachers, and other school employees. Their involvement is crucial to ensure transparency and inclusivity in financial decision-making and resource allocation. By effectively managing financial resources and involving key stakeholders in the budgeting process, educational institutions can enhance their capacity to meet educational objectives and provide a conducive learning environment. Overall, efficient financial resource management plays a vital role in supporting educational programs and improving the overall functioning of educational institutions. It requires collaboration, transparency, and a focus on educational objectives rather than just cost considerations.

➤ *Challenges related to financial reports*

Financial reports play a crucial role in decision-making and activities within an organization. These reports rely on accounting and its products, such as an organization's annual report, which serves as a foundation for various decisions and actions. Organizations are required to adhere to specific rules and presentation formats when preparing their annual reports and financial statements. The publication of the annual report is a significant accounting event for any organization, as it documents the financial performance throughout a fiscal year. These financial reports enable managers to analyze results, expenditures, and performance in comparison to the budget. Managers typically rely on management reports, which are prepared by the school accountants using accounting information systems. These reports provide insights into budgeted revenues and costs for the given period or year-to-date, as well as actual revenues and costs, highlighting the variances between them. By leveraging financial reports, managers can engage in meaningful discussions regarding financial results, expenditures, and performance in relation to the budget. These reports offer valuable information to guide decision-making and provide a comprehensive overview of the organization's financial status. They help identify areas of improvement, assess the effectiveness of financial strategies, and make informed decisions about resource allocation. Overall, financial reports serve as a critical tool for managers to assess the financial health of an organization, monitor performance, and support decision-making processes. They provide a clear and concise summary of financial information, enabling managers to make sound judgments and take appropriate actions to achieve organizational goals.

The study conducted by Cole and Kelly (2011) emphasizes the importance of organizations developing and adopting various statements to communicate their ethical stance. They highlight several common issues in business ethics that should be addressed, including accountability (transparency and reporting), business conduct (compliance with laws, competitive behavior, and prevention of corruption and bribery), and conflicts of interest. To address

these ethical issues, organizations should establish a code of practice in ethics that is endorsed by senior management and integrated into the company's culture. This code of practice helps create clear distinctions between acceptable business practices and unethical behavior. Leadership by example is recognized as the most effective approach to promoting business ethics (Abbas et al., 2020). Therefore, leaders must demonstrate honesty, trustworthiness, and high integrity, even though these qualities may not be easily quantifiable. Being an ethical person alone is insufficient to be perceived as an ethical leader. Ethical leaders in executive positions must also find ways to prioritize ethics and values within the organization and instill principles that guide the actions of all employees. In the accounting process, Deegan and Unerman (2011) emphasize the expectation that accountants should maintain objectivity and remain unbiased when performing their duties. This professional standard is crucial for ensuring accurate and reliable financial information. By addressing these ethical considerations and fostering a culture of integrity, organizations can enhance their reputation, build trust with stakeholders, and create a positive and ethical work environment. It is important for organizations to communicate their ethical stance through various statements, establish a code of ethics, have leaders who lead by example, and ensure that accountants maintain objectivity and unbiased behavior. These efforts contribute to a strong ethical foundation within the organization and promote ethical behavior throughout all levels of the organization.

Deegan and Unerman (2011) acknowledge the social and economic implications of accounting regulations on organizations, including schools in Kenya. While some argue that these regulations solely affect how economic transactions are presented in financial reports, there is substantial evidence to demonstrate their broader impact. Berk and Demarzo (2008) emphasize the importance of financial statements for various stakeholders such as investors, financial analysts, managers, and creditors. These statements, including the balance sheet, income statement, and statement of cash flows, provide reliable information about a corporation's financial position, performance, and cash flows. The balance sheet provides a snapshot of the firm's current financial position, including its assets, liabilities, and stockholders' equity, at a specific point in time. This statement helps stakeholders assess the overall financial health and stability of the organization. Recognizing the significance of accounting regulations and the reliance placed on financial statements, organizations and stakeholders can ensure the availability of accurate and trustworthy information for decision-making purposes. Financial statements serve as vital tools for evaluating a corporation's financial health and performance, aiding in investment decisions, and promoting transparency in financial reporting. In the context of schools in Kenya, financial statements play a crucial role in evaluating the financial status of educational institutions, assessing their ability to meet obligations, and invest in educational resources. They provide transparency and accountability, allowing stakeholders to make informed decisions regarding funding, resource allocation, and overall management of the education sector. Overall, accounting regulations and

financial statements serve as essential components of transparent financial reporting and decision-making processes. They provide a standardized framework for presenting financial information and facilitate the assessment of an organization's financial performance, which is vital for stakeholders in making informed decisions and promoting accountability.

➤ *Challenges related to financial controls*

Systematically collected information pertaining to actual performance, typically on a monthly or four-weekly basis, is used to identify variances between target and actual performance. The main objectives of financial control are as follows: establishing short-term business plans, monitoring progress towards achieving these plans, ensuring coordination among key organizational areas, delegating measurable responsibilities to managers while maintaining control, and providing controlled flexibility to adapt to short-term changes. Berk and Demarzo (2008) highlight the challenge that many projects, including secondary schools, require investment in working capital. By implementing effective financial control measures, organizations can better align their activities with their desired outcomes, monitor performance, and make informed decisions. This includes establishing clear plans, tracking progress, fostering coordination, and empowering managers with measurable responsibilities. It also involves maintaining a controlled level of flexibility to accommodate changes in the short term.

The primary components of net working capital include cash, inventory, receivables, and payables. Working capital encompasses the cash required to support the day-to-day operations of a firm. It does not include excess cash, which is cash that is not needed for immediate business operations and can be invested at prevailing market rates. Inventory management is a topic extensively covered in courses on operations management. However, it is the responsibility of the firm's financial manager to arrange the necessary financing to support the inventory policy and ensure overall profitability. Thus, the inventory manager plays a crucial role in striking a balance between the costs and benefits associated with inventory. Excessive inventory ties up cash, while efficient inventory management enhances firm value. Precautionary balance refers to the amount of cash that a firm holds as a safeguard against uncertainty surrounding cash flows. These control activities ultimately lead us to the concept of corporate governance, which encompasses a system of controls, regulations, and incentives designed to prevent fraud. By effectively managing working capital, optimizing inventory levels, and implementing sound corporate governance practices, firms can enhance their financial performance, mitigate risks, and safeguard against potential fraud.

Boddy (2011) emphasizes that the financial control process encompasses four essential elements. These elements include setting objectives or targets, measuring actual performance, comparing it to the established standards, and taking necessary action to address any significant deviations. In this way, control serves as a complementary process to planning, as it involves

monitoring activities to ensure that results align with the established plan and taking corrective measures when needed. To provide a comprehensive assessment of performance, the balanced scorecard approach augments financial performance measures with indicators of customer satisfaction, internal process efficiency, and innovation and growth. These additional dimensions play a vital role in evaluating overall performance beyond purely financial aspects. By implementing effective financial control processes and utilizing the balanced scorecard approach, organizations can monitor performance, identify areas for improvement, and make informed decisions to achieve their objectives. This integrated approach allows for a more holistic assessment of performance that considers multiple facets of organizational success.

IV. METHODOLOGY

A. Research Design

Methodologically, researchers have advocated for a mixed approach, incorporating both quantitative and qualitative methods, to comprehensively investigate the practices and challenges of implementing school financial resource management in government and private secondary schools in the Hawassa city administration. According to Creswell (2012), a mixed methods design combines data from both quantitative and qualitative sources, leading to a more comprehensive understanding of the research problem compared to using either approach in isolation. In this study, a descriptive survey design was employed from a comparative perspective. This design was chosen because it facilitated the collection of sufficient information to examine the practices and challenges associated with the implementation of financial resource management in both government and private secondary schools in the Hawassa city administration. By employing a mixed methods approach and utilizing a comparative descriptive survey design, the study aimed to gather a wide range of data that would provide valuable insights into the practices and challenges faced in managing financial resources in secondary schools. This comprehensive approach allows for a more nuanced understanding of the topic and enhances the validity and reliability of the research findings.

B. Research Method

Research methodology refers to the approach or style used to conduct a research study, which is determined by the nature of the problem under investigation (Singh, 2006). In this specific study, the researcher employed a mixed-methods design, utilizing both quantitative and qualitative methods. Mixed-methods designs involve collecting, analyzing, and interpreting both quantitative and qualitative data within a single study, encompassing one or more stages of the research process (Johnson & Onwuegbuzie, 2004:17; Leech & Onwuegbuzie, 2009:267). By employing a mixed-methods approach, the study aimed to achieve more credible findings by gaining a better understanding of the human phenomenon under investigation (Johnson & Onwuegbuzie, 2004). This approach also offers researchers the opportunity to address a broader range of research questions, as they are not limited to a single method or approach. Moreover, utilizing mixed methods allows researchers to leverage the

strengths of quantitative and qualitative methods while minimizing their respective weaknesses. As outlined by Johnson and Onwuegbuzie (2004:21), researchers can capitalize on the strengths of one method (e.g., quantitative) to compensate for the limitations of the other method (e.g., qualitative), or vice versa, when employing both methods within a single study.

C. Sources of data

A primary and secondary data source was used in this study.

➤ Primary sources

Primary data refers to information collected directly and for the first time, making it original in nature (Abbas et al., 2020). In this study, the primary sources of data were secondary school principals and financial officers employed in public secondary schools within the Hawassa city administration.

➤ Secondary sources of data

On the other hand, secondary data refers to information that has already been collected by someone else and has undergone a statistical process. In this study, secondary data sources were obtained through document analysis. The documents analyzed included minutes, Model 19 (used for material submissions to a store), Model 22 (used for material withdrawal from a store), as well as financial reports such as auditing reports, expenditure and revenue reports, and income and expenditure records.

D. Total population, target population, sample size and sampling techniques

➤ Total Population

According to information obtained from the Hawassa City Administration Education department, there are a total of fourteen government schools in the current academic year (2022/23 G.C.). The study respondents for this research would include teachers, academic vice principals, principals, and school finance heads who are working at these government secondary schools.

➤ Target population of the study

According to, the statistical information obtained from Hawassa City Administration Education Department there are eight sub-cities administration. Under these sub-cities there are 14 secondary and four general secondary preparatory schools, which are staffed with 609 teachers, 17 principals, 55 vice principals, 32 SF workers, involving 119 members of PTA and 119 KETB committee representatives. Based on this, the researcher was focused on six of sub-cities, among eight of them. Subsequently, 50% of secondary schools were sampled among the targeted sub-cities; in addition to these teachers were sampled 40 % of them as key respondents of the study. On the other hand, respondent of principals, vice principals, SF workers, schools' PSTA members and KETB committee representatives were targeted Population sampled as whole. Because, they had a major role player in the schools regarding school finance administration; also, they was in a manageable population size if the researcher participate them as whole in the study.

➤ *Sampling Technique and sample size*

Sampling is a technique of selecting individual members or a subset of the population to make statistical inferences from them and estimate characteristics of the whole population. The selection of the target sub-cities was selected through available sampling technique; because, in Hawassa city, there are eight sub-cities; among them, secondary schools are available in only six sub-cities that were Addis Ketema, Tabor, Bahil Adarash, Misrak, Meneharia and Tulla. Along with this, selection of secondary schools and teacher respondents was carry out by using simple random sampling technique. Accordingly principals and vice principals, were participated through using available sampling technique. Beside this, regarding SF workers, schools' PSTA members and representatives of KETB committee was participated through using simple random sampling technique.

The rationale behind using both simple random and available sampling techniques; applying simple random is that the respondents was have direct relation and experience

about the subject as are the employees of the secondary schools and they have responsibilities of knowing the schools financial activities and administration should be for the teaching-learning processes under study, and due to large in numbers. Furthermore, using available sampling technique is crucial with subjects selected for a good reason tied to purposes of research; small samples < 30, not large enough for power of probability sampling. Nature of research requires small sample and choose subjects with appropriate variability in what you are studying (Wiersma, 1995). Regarding the respondents of sample school was eight principals, 24 vice principals (Schools' leaders=32) , 200 teachers, eight school financial workers, eight members of the schools' KETB and eight PSTA committees was taken from the schools. Therefore, the target population in the study was 256 participants.

Therefore, the selected Sub city administration with their secondary schools and participants' data; concerning available population was presented here under table one below.

Table 1: Population and Sample size of the Study

Sample 2 ^{TY} Schools	Teacher			Principal & Vice Principal				SF Workers			PSTA Head			KETB Members			Sampled Sub-cities
	P	S	%	P	VP	T	%	P	S	%	P	S	%	P	S	%	
Addis Ketema	132	33	25	1	4	5	100	3	1	33	7	1	14.3	7	1	14.3	Addis Ketema
Tesso	45	10	23	1	2	3	100	3	1	33	7	1	14.3	7	1	14.3	Misrak
Misrak Chora	44	17	39	1	2	3	100	3	1	33	7	1	14.3	7	1	14.3	Mahal
Alamura	136	42	31	1	4	5	100	3	1	33	7	1	14.3	7	1	14.3	Tabor
Tabor	128	51	40	1	4	5	100	3	1	33	7	1	14.3	7	1	14.3	Tabor
Gemeto	39	15	38	1	3	4	100	3	1	33	7	1	14.3	7	1	14.3	Tulla
Tulla	59	13	22	1	3	4	100	3	1	33	7	1	14.3	7	1	14.3	Tulla
Adare	46	19	41	1	2	3	100	3	1	33	7	1	14.3	7	1	14.3	Menharia
Total	609	200	33	8	24	32	100	24	8	33	56	8	14.3	56	8	14.3	
Sampling Technique	Simple Random			Censuns sample				Simple random			Simple random			Simple random			

Source: Researcher own, 2023

E. *Instrument of Data Collection*

Surveys, interviews, and focus groups were employed as data collection instruments in this study. A researcher can gain a complete picture by using different tools for data collection, which allows them to cross-check the data obtained from each tool (Gay, 2009).

F. *Pilot test*

To ensure the reliability and validity of the questionnaire and interview items, a pilot test was conducted on a small sub-sample, in accordance with Creswell (2009). In terms of validity, the draft instruments were given to two teachers, one vice principal, and one preschool supervisor. Based on their feedback, including suggestions and comments, items that were found to be ambiguous or not relevant to the respondents were refined or eliminated. Regarding reliability, the draft questionnaires were administered to 20 teachers from Adare secondary school, which was selected from secondary schools not included in the main sample. The data collected from these participants were encoded

using SPSS software Version 27. The calculated Cronbach's Alpha for the five Likert-scale items was found to be 0.86, indicating that the instrument's reliability is adequate. By conducting a pilot test and assessing both validity and reliability, the researchers took necessary steps to ensure the quality and accuracy of the questionnaire and interview items. This enhances the robustness of the study's findings and strengthens the overall research methodology.

V. RELIABILITY RESULTS

Table 2: Reliability Results

Item	Cronbach's Alpha	Number of Items
Item related Extent of the adequacy of school budget plan preparation	.716	13
Item related to School Finance Management System	.742	12
Item related to Extent of efficiently utilization of available school finance	.736	10
Item related to Major challenges towards the effectiveness of school financial management practice	.840	21

G. Method of Data Analysis

Data analysis involves the systematic application of statistical and/or logical techniques to describe, summarize, and evaluate data. In this study, both quantitative and qualitative data analysis methods were employed to address the research questions and achieve the study's objectives. The collected quantitative data underwent coding, tabulation, and analysis using the independent t-test. The data obtained from closed-ended questionnaires was

analyzed quantitatively, employing frequency, percentage, and mean calculations to guide the analysis and interpretation of the findings. The quantitative data analysis was conducted using SPSS version 27. On the other hand, the data collected through interviews and open-ended questionnaires was analyzed qualitatively, employing a narrative approach that corresponded to the main research questions.

VI. DATA ANALYSIS AND DISCUSSION

A. Demographic Characteristics of the Teachers and Principals

Table 3: The Distribution of Teachers' Personal Details

Variable	Characteristics	Frequency	Percentage
Sex	Female	83	41.5%
	Male	117	58.5%
	Total	200	100%
Academic Qualification	Diploma	4	2%
	First degree	174	87%
	Masters	22	11%
	Total	200	100%
Work experience	1-10years	88	44%
	11-20 years	64	32%
	21-30 years	33	16.5%
	Above 30 years	15	7.5%
	Total	200	100%

It is evident on table 2 showed that 83 (41.5%) of the participants were female teacher respondents and 117 (58.5%) were male teachers respondents. Regarding the educational statuses of the participants; it was manifested that, 4 (2%) were at diploma level, 174 (87%) of the respondents were graduated in BA/BSC and 22(11%) had postgraduate degree. Concerning to the years of teaching service variable 88 (44%) had 1-10 years of work

experience, 64 (32%) had 11-20 years of teaching service, 33 (16.5%) had 21-30 years of teaching service and 15(7.5%) had 30 years and above seniority with teaching experiences. This study; therefore, the majority respondents were male participants and most of them were graduated in BED/BA/BSC. Also, among the participants of teachers, majority respondents were of them had 1-20 years of teaching experiences in the targeted secondary schools.

Table 4: The Distribution of Secondary School Leaders' Personal Details

Variable	Characteristics	Frequency	Percentage
Sex	Female	8	24%
	Male	24	76%
	Total	32	100%
Academic Qualification	First degree	1	3.2%
	Masters degree	31	96.8%
	Diploma	=	%
	Total	32	100%
Work Experience	1-10 years	13	40.6%
	11-20 years	10	31.3%
	21-30 years	5	15.6%
	Above 30 years	4	12.5%
	Total	32	100%

It is evident on Table 3 indicated that, among leaders 8 (24%) of the participants were females and 24 (76%) were male leader respondents. Regarding the educational statuses of the leader participants; it is manifested that, 1 (3.2%) was first Degree level, 31 (96.8%) of the respondents had a graduated in MA. Concerning to the years of work service of leaders of the school variable 13 (40.6 %) had 1-10 years, 10 (31.3 %) have 11-20 years, 5(15.6 %) have 21-30 years and 4 (12.5%) have 30 years and above seniority with leading and teaching experiences. This study; therefore, the majority of leader respondents were male and most of them were graduated in MA qualifications. Also, among the participants of the leader, majority had 1-10 years of leading as well as teaching experiences in the targeted secondary schools.

B. Analysis and Interpretation of Data

For the purpose of investigating and analyzing the school's financial management system, teachers and principals of selected secondary schools responded to several items to determine their understanding of school's financial planning, utilization, monitoring and accounting practices. On a Likert-scale of 5 (Strongly Agree (5), Agree (4), Undecided (3), Disagree (2), and Strongly Disagree (1)), the levels of agreement varied from Strongly Disagree to Strongly Agree. For the purpose of analysis, those who strongly disagree, 1.50-2.49 were considered disagreeers, 2.50-3.49 were considered moderate, 3.50-4.49 were considered agreeers, and 4.50-5.00 were considered strongly agreeers. Several tables are presented and discussed in the following sections based on the data obtained from the questionnaires.

Table 5: Extent of the adequacy of school budget plan preparation

Item	Position	N	Mean	Std	T	Sig.
1. Budget plans related with educational goals & objectives of the school system	Teacher	200	1.54	1.25	-7.38	.000
	Principal	32	4.98	0.15		
2. Teachers participate to discuss on the school budget plan preparation l	Teacher	200	2.41	1.64	-6.78	0.00
	Principal	32	4.75	0.67		
3. Every source of budget plan breakdown prepared by collecting needs assessment data from all teachers and staff	Teacher	200	1.41	1.25	-7.84	.000
	Principal	32	4.93	0.26		
4. The financial plan is directly related with teaching-learning goal achievement	Teacher	200	1.80	0.98	-5.69	.000
	Principal	32	4.69	0.56		
5. Budget plan allocation approaches consider every department inputs need.	Teacher	200	2.08	1.10	-8.69	.000
	Principal	32	4.69	0.76		
6. Schools, budget plan leading members	Teacher	200	2.24	1.26	-10.24	.002
	Principal	32	4.05	0.99		
7. The community participation on budget plan decision making in school	Teacher	200	2.88	1.21	-12.47	.000
	Principal	32	4.05	0.50		
8. The school planned finance using government guideline to implement defined tasks effectively	Teacher	200	2.45	1.22	-12.29	.000
	Principal	32	4.79	0.42		
9. Budget plan is informed to the school's stakeholders	Teacher	200	2.32	1.18	-13.52	.000
	Principal	32	4.81	0.45		

Key: 0-1.49 strongly disagree, 1.50-2.49 = disagree, 2.50-3.49 = neutral 3.50-4.49 = agree and 4.50 -5.00 strongly agree

As elaborated in the table 2 for item 1 statistical test, majority of sample teachers disagree about the budget plans related with educational goals & objectives of the school system (mean=1.54, SD=1.25). At the same time, as majority of sample principals strongly agree that the budget plans related with educational goals and objectives of the school system (mean=4.98, SD=0.15) and the estimated independent sampled t-test value is $t_{0.05,232} = -7.38$ and the result showed that there is significant difference between the mean values of the two independent samples (i.e., teachers and principals) at $\alpha=0.05$ level.

This indicates that there was a lack of shared understanding among both school teachers and principals regarding the planning of school budgets. As a result, the school budget plans had minimal alignment with the

educational goals and objectives of the school system, whereas the budget plans should have been specifically targeted to achieve those goals and objectives within the school setting. Additionally, Forojalla (1993, p.155) emphasized that the budget serves as the primary tool through which education authorities, such as national, regional, local, or municipal governments, express their priorities in terms of planning objectives and overarching policies.

Regarding the analysis of table 2 for item 2 revealed that, majority of sample teacher respondents distinguished that, teachers were poorly participated in the school budget plan preparation by responding as disagreed with (mean=2.41, SD=1.64). Whereas, majority sample principals strongly agree about teachers involvement on

school budget plan preparation (mean=4.75, SD=0.67). Subsequently, the independent-samples t-test was computed and there is statistically significant difference between teachers and principals respondents rated rate ($t_{0.05,232} = -6.78$; $p=0.000$) at=0.05 level.

‘‘Furthermore, response on an open ended part, some teachers showed that, the budget plan correlate or contradictory to goals and objectives of teaching-learning process is unknown; because, teachers don’t know the school academic plan as well as financial budget plan.’’

As a consequence of the above analysis, the sampled schools budget plan preparation practices were unacceptable by teachers, because the principals did not prepare with them in collaboration. To support the above point, Bisschoff and Mestry (2007), discussed that, financial plan must be linked with the school general objectives in ensuring that the funding though visible means is directed to the instructional priorities to be achieved. Also, controls over expenditures plan must be established to assure that the allocated funds are in accordance with the authorized budgetary statements.

In relation to the above item with item 3, the respondents were requested about school budget break down, majority of sample teachers respondents disagree that the school budget breakdown includes the needs of teachers and staffs; then for most teachers disagreed with (mean=1.41, SD =1.08) whereas, majority of school principals perceived strongly agree that school budget breakdown include the needs of teachers and staffs (mean=4.93, SD=0.26). The estimated independent sampled t-test value is $t_{0.05,232} = -7.84$ and the result showed that there is significant difference between the mean values of the two independent samples (i.e., teachers and principals) at $\alpha=0.05$ level.

Therefore, the sampled schools most respondents' data analysis for items two and three can be interpreted that, budget plan preparation approach had no relation with the principles of collaborative financial arrangement as well as needs identification it's merely done by administrator oriented approaches and led towards ineffective budget allocation to be unsuccessful the teaching system under the sampled schools' setting. In addition to this, the financial administrator and principal should involve stakeholders in some, or all, of the following activities in preparing a budget by collecting needs; considering and controlling the costs of certain educational activities; deciding resource allocation within the school teachers or department (Bisschoff and Mestry, 2007).

According to table 2 of item 4, most of the sampled respondents reacted that, disagreement (mean=1.80; SD=1.08) for the school financial plan relatedness with teaching-learning goal; opposite to this, the majority of school leaders responded that, strongly agreed (mean=4.69, SD=0.56). The estimated independent sampled t-test value is $t_{0.05,232} = -13.66$ and the result showed that there is significant difference between the mean values of the two independent samples (i.e., teachers and principals) at $\alpha=0.05$ level. From this, one can say that most school teachers

perceived that school financial plan implementation not comprise with teaching-learning goal.

Similar analysis of the above table for the fifth item demonstrated that, most respondents expressed about the budget allocation method consider demands of every department; teachers(mean=2.08, SD=1.10) and principals(mean=4.65, SD=0.76). Further review of independent sampled t-test value is $t_{0.05,232} = -8.69$.

Thus, result showed that, there is significant difference between the mean values of the two independent samples (i.e., teachers and principals) at $\alpha=0.05$ levels, due to this, the supply of goods for them may affected their teaching interest. Without an understanding of the available financial resources, an educational leader will have difficulty moving the school forward. Similar to the above point, literature reviewed shows that, the operating budget is a statement of estimated income and expenses over a specified period of time. It is essential that items in the operational budget be calculated with care and allocating properly to every department need request (Mestry R, 2006).

As depicted in table 2 item sixth, majority of sample teachers disagree about the efficiency of managing the school financial resources leading members budget (mean=2.24, SD=1.26) while, majority of sample principals confident (mean=4.05, SD=0.99) and the estimated independent sampled t-test value is $t_{0.05,232} = -10.24$ and the result showed that there is significant difference between the mean values of the two independent samples (i.e., teachers and principals) at $\alpha=0.05$ level.

This shows that, school financial budget administrating committee members did not running the budget appropriately; due to lack of common understanding about the school financial management. What's more, the sampled schools members of ETB and PTA were requested about their roles on leading the school financial resources efficiently as they are responsible representatives of the school-community.

The participants in the focus group discussions, as well as the key informants from the school's Parent-Teacher Association (PTA) and the Education and Training Board (KETB), revealed that members of the financial committee lacked knowledge and skills in budget management. This lack of expertise led to issues such as mismatched practices and unplanned work, which posed challenges in effectively utilizing financial resources within schools.

As described by Bush et al. (2004), both the principal and the financial leadership committee are in charge of supervision, which includes safeguarding and maintaining the resources, and for managing the school's liabilities as well as the school's accessible working capital efficiently and economically.

The review of table 2 statistics output for item 7 revealed that respondents were asked to rate their level of evaluation of the stakeholders' involvement in secondary

school budget planning. A majority of sample school principals rated extremely high (mean=4.81, SD=0.50), compared to teachers who rated low (mean=1.88, SD=1.21). As a result of the independent samples t-test, we found that there was a significant difference in teachers' response rates compared to principals'. The result shows that the two independent samples differ statistically significantly ($t_{(0.05,232)}=-12.47$; $p=0.000$) at the level of 0.05.

As stated in the table above, the statistical review results revealed that, most respondents were asked about school funding allocations following government guidelines to effectively implement defined tasks. A significant majority of teachers (mean=2.45, SD=1.22) rated the utilization of the school budget following legal financial expenditure procedure as very low, while the majority of sample principals (mean=4.78, SD=0.42) rated it as very high. The independent samples t-test was also conducted to determine whether teachers and principals responded in a significantly different manner. Results indicate a statistically significant difference ($t_{(0.05,232)}=-12.29$; $p=0.000$) at the level of 0.05 between the two independent samples. As a result, most school teachers are not well informed about the school budget implementation procedures regarding how to allocate finance in accordance with government guidelines so that defined tasks can be accomplished effectively, and this is affecting the majority of active school budget committee members.

Related to the above idea According to Bisschoff and Mestry (2007:3), Furthermore they stated that, before handling finances, the principals should be aware of the following principles: a working knowledge of all the relevant rules and regulations, of public financial management act; working knowledge of guidelines such as departmental circulars; understanding of the purpose of a budget; setting up of necessary structures for instance, finance committee to take charge of finances; understanding and monitoring of dates important for different processes;

and putting monitoring mechanisms in place and reporting to parents and to concerned bodies. The budget, in conjunction with the financial regulation of the school, is the most important medium for carrying messages relating to financial school management to the internal stakeholders (ETP, 1994).

Further review of table 9 for the last item, the respondents were requested about school budget publicity, majority of sample teacher perceived that school budget is not clearly informed to the school's stakeholders (mean=2.32, SD=1.18). Whereas, majority of sample school principals said that school's stakeholders have information about schools budget (mean=4.81, SD=0.45). From this we can say that the school budget have lack of transparency ($t_{(0.05,232)}=-13.52$; $p=0.000$) at=0.05 level.

In addition to the above points, some teachers wrote on an open ended part showed that, the teachers don't know any financial management especially in our school. Also, they don't have enough information about the school budget because it is impossible to involve directly as the key partners of the school. Thus, as the above mentioned points, the sampled secondary schools amount of financial resource kept undisclosed to the school community and to the staffs.

In line with this concept, Article 29 of the Constitution establishes the "freedom to seek, receive, and share information and ideas of all kinds, without any limitations, whether spoken, written, printed, artistic, or through any chosen media." This encompasses the freedom of the press and the right to access information that is of public interest. Consequently, this article serves as a legal foundation for individuals, civil society organizations, and other stakeholders to obtain information regarding budgets and the processes involved (FDRE Constitution, 1995).

Table 6: Extent of efficiently utilization of available school financial resources

Items	Position	N	Mean	Std	T	Sig
1. The school budget utilize timely during teaching-learning Seasons	Teacher	200	2.21	1.02	-10.78	0.000
	Principal	32	4.85	0.42		
2. The allocated financial resource is utilized efficiently in the school	Teacher	200	2.38	1.17	-10.44	0.000
	Principal	32	4.36	0.82		
3. Budget utilization follows legal financial expenditure procedure	Teacher	200	2.26	1.11	-14.64	0.003
	Principal	32	4.85	0.58		
4. The school financial resources utilization go with budget plans	Teacher	200	2.26	1.11	-14.64	0.003
	Principal	32	4.85	0.58		
5. The School efficiently utilize school finance on the base of priority needs	Teacher	200	2.31	1.12	-12.86	0.001
	Principal	32	4.6	0.59		
6. Financial performance is evaluated	Teacher	200	2.25	1.12	-10.96	0.000
	Principal	32	4.61	0.59		

Key: 0-1.49 strongly disagree, 1.50-2.49 = disagree, 2.50-3.49 = neutral 3.50-4.49 = agree and 4.50 -5.00 strongly agree

The first and second items of table 4 were requested by both groups of respondents about utilizing funding for supplies during teaching/learning seasons and utilizing allocated financial resources effectively at the school;

teachers disagreed (mean=2.21, SD=1.02) and (mean=2.38, SD=1.17); however, the majority of principals (mean=4.85; SD=0.42) and (mean=4.36, SD=0.82) strongly agreed.

Based on the t-tests of independent samples, the estimate is 0.02 and 232 = 10.78 plus 10.44 with a p-value being 0.000.

Therefore, the tested data stated points in the above can be summarized that, teachers and principals have significant difference with the above two items regarding the utilization of finance for supplying during teaching-learning seasons and allocated financial resource is utilized inefficiently. In other word, financial resource did not perform to deliver sufficient amount of education inputs as well resource is utilized inefficiently in the sampled schools. Regarding the above statement, as the reports of World Bank (2009), school financial resources transferred to the school level for the purpose of purchasing specific school inputs such as reference books, laboratory inputs, teacher training or to fund school improvement projects and shall be budget resource is utilized efficiently.

As elaborated in table above for item third and fourth, the statistical review results indicated that, most of the sample respondents have low information concerning budget implementation follows legal financial expenditure procedure and financial resources utilization go with budget plans (mean=2.26 & 1.10, with SD=1.11 & 1.18) respectively; while majority of sample school principals believed that concerning budget implementation procedures as legal (mean=4.85 & 4.29 with SD=0.58 & 0.77). Moreover, the independent-samples t-test was computed and showed that, statistically significant difference between

teachers and principals respondents rated rate (t(0.05,232)= - 14.64 & -12.08 with the p=0.003) at=0.05 level. This implies that, majority of school teachers have showed gap about the school budget implementation procedures legality as well as financial resources utilization violet the budget plans and this affect the active involvement of teachers in school budget issues which led to corruption.

As elaborated in table 4. for items five, sixth and for the last, as the respondents requested to rate regarding budget efficiently utilized to supply library reference materials; efficiently utilize school finance on the base of priority needs and schools' financial performance is evaluated by the staff members of the school then, teacher respondents in strong disagreement (mean=1.01; 1.31 and 1.25 with SD=1.64; 1.28 and 1.26) respectively. Nevertheless, the leaders group strongly agreed (mean=4.81; 4.65 and 4.61 SD=0.47; 0.59 and 0.56) respectively. Conversely, the statistical examination of independent sampled t-test values for them are 0.05,232 = 13.25,; 12.86 plus 12.80 with a p-value=0.001. Hence, the investigation of the above all items stated points can be summarized that, the sampled schools financial resource operational practices had no effects with contribution of additional activities and necessary materials provision for the teaching-learning process effectiveness. Additionally schools' financial performance did not evaluated by the staff members.

Table 7: Major Challenges towards the Effectiveness of School Financial Management Practice

Items	Mean Rank		
	N=200(teachers) =455.41; Sig.=0.0001	N=32(principals) =472.81 Sig.=0.0001	N=232 =419.65 Sig.=0.0001
1. Lack of government finance guideline	4.70	13.61	7.07
2. Lack of budget management technical skill	12.31	13.67	9.46
3. Lack of regular financial controlling activities	11.85	13.17	7.20
4. Absence of regular monitoring system	14.83	4.64	9.86
5. Improper financial budget planning Approaches	4.83	13.00	6.52
6. Lack of participatory budget allocation Practice	13.36	4.98	8.58
7. Absence of proper internal auditing system	11.87	3.30	6.42
8. Absence of regular external auditing system	12.96	13.92	6.23
9. Misuse of school budgeting practice in violating financial guideline.	13.57	4.25	10.11
10. The misuse of financial utilization procedure	14.88	4.55	10.68
11. Improper purchasing practice	12.52	4.27	8.49
12. Lack of experiences to manage school finance	13.50	3.95	9.57
13. Work overloaded of the administrators	6.38	14.38	9.87
14. Unqualified and incapable financial worker to implement financial activities of the school	12.59	12.14	8.99
15. Problem of balancing of accounts	14.96	4.04	10.06
16. Unable to check the daily accounts	10.85	5.17	7.20
17. Absences of regular financial utilization report to teachers & stakeholders	13.31	4.04	10.06
18. Lack of accountability in managing financial Resource	14.02	4.88	6.89
19. Lack of transparency in managing financial Resource	14.93	4.55	10.68

Key: 0-3.00 very low practice, 3.01-6.00 = low practice, = average 6.01-9.00 = high practice 9.01-12.00 and very high practice 12.01 -15.00.

The Friedman Test in table 6 for the first, second, third and for the fourth items revealed that, both group of sampled

schools respondents responded about lack of government finance guideline and teacher rated that (4.70) very low

challenge; whereas, for principal (13.61) very high challenge; lack of budget management technical skill for teacher (12.31) low challenge and for principal (13.67) high challenge; and financial controlling skill for teacher (11.85) high challenge and for principal (13.17) very high challenge respectively. Additionally, financial controlling skills of the leaders were rated by teacher (14.83) very high challenge and for principal (4.64) very low challenge.

As, Bush et al. (2004), wrote that, a good way to ensure that this happens is for the treasurer to prepare a budget control statement for each meeting of the school financial leading committees'; and principal must be trained in financial management by the school financial management or external service providers. There is a correlation between sound financial management and efficient and effective financial resource management. Training in financial management is very important in preparing and capacitating school principals and finance committee members of the school leaders with financial skills.

Therefore, the above stated analysis can be judged that, the sampled schools financial challenges had no relation with lack of government finance guideline, however, budget management technical skill and lack of financial monitoring and controlling skill as the believes of teachers, even if the leaders accepted those points as drawbacks of schools financial management practice.

According to the feedback gathered from respondents, key informants, and the analysis of focus group discussion participants, several significant challenges related to financial utilization in the study schools have been identified. These challenges include: Insufficient skilled manpower trained in financial management, Delays in timely budget allocation to schools, Lack of stakeholder participation and transparency in school budgeting processes, Absence of timely internal and external auditing systems, School management's engagement in various duties, resulting in inadequate attention to financial management, Inadequate training provided to stakeholders on financial management systems in a timely and sustainable manner, Involvement of untrained personnel in financial activities, Absence of collaborative planning and implementation of school activities with stakeholders, Failure to submit timely budget utilization reports to relevant authorities, School principals working independently without involving stakeholders, Limited support from the Town administration of the education office to members of the Education and Training Board (KETB) and the Parent-Teacher Association (PTA) in a timely manner, Lack of a teamwork approach in budget utilization among the KETB, PTA, and school principals. These challenges have highlighted the need for targeted interventions to address the issues related to financial management in the study schools.

Regarding the analysis of table 6 for the fifth, sixth, seventh and for the eighth items the Friedman Test outputs revealed that, the sampled schools respondents responded on the subject of causes for schools financial challenges were due to improper budget planning approaches teacher rated by (4.83) very low challenge and for principal (13.00) very high challenge; lack of participatory budget allocation practice for teacher (13.36) high challenge and for principal (4.98) low challenge. Nevertheless, absence of proper internal auditing and regular external auditing system was rated by teacher (11.87) as very high challenge and for principal (3.30) very low challenge; besides this regarding, regular external auditing system (12.96 and 13.92) both group rated that as very high challenge respectively.

As consequences, the above data analysis showed that, those schools budget plan preparation practical approaches were administrative oriented and teachers had impassiveness roles in the school financial plan as well as budget allocation issues; because of this, there was disagreement between teaching staff and the leaders, furthermore, absence of proper internal auditing and regular external auditing system was the most challenging problems in sampled secondary schools of Hawassa city administration.

In line with the aforementioned analysis, data collected through open-ended responses revealed that certain respondents explicitly highlighted concerns regarding the lack of transparency and unwillingness of school principals to involve responsible stakeholders in budget planning and financial resource utilization in schools. These findings indicate that the abuse of power by school principals in the management of financial resources emerges as a critical challenge identified in this research study.

Furthermore, the budget is an integral part of the school's overall corporate and development planning process, encompassing medium-term strategic plans and short-term action plans. Several factors contribute to the challenges faced in budget planning approaches. Internal factors include difficulties in allocating sufficient time to involve staff and governors in decision-making processes, as well as a lack of alignment between financial years and the academic year (World Bank, 2009). On the other hand, with regard to the financial resource challenges faced by the sampled schools and the auditing system, both groups of respondents expressed concerns about the impact of the absence of external auditing activities conducted by the relevant government body.

As the supplementary analysis of the above table for the items 9, 10 and 11 the statistical results of Friedman Test indicated that, the sampled schools respondents requested on the subject of reasons for schools financial challenges with exploitation of school finances in violating aims of funds for teacher (13.57) very high challenge and for principal (4.25) very low challenge; misuse of financial procedure practice for teacher (14.88) very high challenge and for principal (4.55) low challenge. Also, improper

purchasing practice for teacher (12.52) high challenge and for principal (4.27) very low challenge.

Likewise, both interviewer and FGD informants mentioned that, the major challenge in the school managing finance are lack of participations and discussion with teaching staff in the budget issue with the way of utilizing the available money to the teaching learning process. What's more, the school leaders do all financial activities by themselves; making the KETB members to be passive by giving a few money to let their delegated responsibilities and working with financial officers by creating biased relationship. Besides this, some interviewees said that in some schools leaders does every purchasing activity by themselves in isolating the responsible workers in addition to this financial resource become causes for conflict among school leaders. Furthermore, some school principals violate the budget implementation regulations and objectives of allocated funds by donors (DFID and school grant funds) and running the finance for their own interest by creating unnecessary relationship with the upper level authorities.

Hence, lack of exploitation of school finances in violating the aims of funds, misuse of financial utilization procedure and improper purchasing practice are the major confronting factors of secondary and preparatory schools financial resource administration problem. In addition to the above, some teacher respondents in open ended item stated that, the school should supply quality teaching goods based on the teachers' demands and also, all school budgets require strong auditing system by Town administration of finance and economy offices along with regular inspection by anti-corruption bodies. Regarding instances of misappropriation of school budgets that deviate from the intended purposes of fund allocation and the mishandling of financial utilization procedures, the guidelines and regulations governing financial management indicate that the reduction and misallocation of proposed expenditures or the failure to generate necessary receipts have implications beyond monetary concerns. They directly impact the quality and quantity of educational services that can be provided in the specific region or zone. Additionally, budgeting involves two distinct timeframes: the short term and the long term, each serving different purposes (MoFED, 2002).

As elaborated analysis of the Friedman Test in table 6, for items 12, 13 and 14 the statistical effects showed that, both group of sampled schools respondents responded about lack of experiences to manage school financial resource for teacher (13.50) very high challenge and for principal (3.95) very low challenge; while concerning work overload on the administrators rated by teacher (6.38) medium challenge and for principal (14.38) very high challenge. On the other hand, regarding financial personnel unskilled for teacher (12.59) and for principal (12.14) high challenge for both group of respondents respectively.

Despite the fact, the sampled schools financial resource managing difficulties were resulted due to principals' negligence on school budget administrative responsibilities' and lack of skilled accountants who have knowledge on rules and regulation of government finance system. To support the above respondents' opinions about purchasing issues, the process used at the school level to procure qualified inputs, decide on school priorities, tendering, disbursement, management and purchasing should generally be participatory and publicize to the school community; in other occasions unexpected purchasing is called for, if money is taken from one budget heading (i.e. expenditure item) which is under spent to finance an overspent budget heading, this is referred to as violent (Bush et al. 2004).

As elaborated analysis of the Friedman Test in table 6, for items 15, 16 and 17 the statistical effects showed that, both group of sampled schools respondents responded about problem of balancing of accounts to manage school finance; teacher rated (14.96) very high challenge and for principal (4.04) very low challenge; while, concerning lack of checking the daily accounts; rated by teacher (10.85) intermediate challenge and for principal (5.17) transitional challenge. On the other hand, regarding absences of regular reporting for teachers and stakeholders on financial utilization teacher rated by (13.31) as very high challenge; however, for principal (4.04) very low challenge in the school budget management activities.

According to the analysis of Friedman Test in table 6, for the last two items the statistical effects showed that, both group of sampled schools respondents responded about lack of accountability in managing financial resource for teacher (14.02) high challenge. Nevertheless, for principal (4.88) was as very low challenge. Finally, the absence of transparency in managing school finance, rated by teacher (14.93) as very high challenge, whereas, for principal (4.55) low challenge. Therefore, lack of transparency and accountability in managing financial resource was the first and the most challenge of financial management problem under studied secondary schools.

Furthermore, in relation to the above items on financial challenges, options of respondents written on an open ended item revealed that, school leaders should control practices of extravagance or corruption to eradicate or avoid the challenges or financially problem in the school. Also, they don't have enough information about the school budget administration because; the system is poor and lack of conscientious community participation in the school.

VII. MAJOR FINDING

- According to major finding of the study, there was lack of following financial rules and regulation when utilizing school finance because, school committee and principals lack the knowledge of government financial rules and regulations, they have not submitted financial report on appropriate time, did not purchase goods and materials in a legal way. so, these practices could be the cause for

misuse, wastage and corruption of financial resources in study area.

- Schools are largely dependent on governmental and donors for its sources of finance rather than generating their own internal income.
- Schools did not utilize and spend its budget based on plan; so this situation could be the reason for inappropriate budget utilization.
- The deployment of school finance was not for expected educational objectives and this practice could be the reason for wastage of scarce resources.
- There was lack of effectiveness of school budget utilizing because of lack of budget transparency, lack of skilled man power to conduct effective budget utilization, and instability (immediate change) of principals.
- There was low participation of school committee on budgetary issue and this situation is the manifestation of the absence of integration, cooperation, and common decision among schools and school committee.
- The coordination, follow up, monitor, control, and feedback of external audit offered to schools were very limited; so that the practice of schools performing or implementing financial issue by following government financial rules and regulations was getting worse.
- One of the challenges for ineffective budget utilization is principals having a lot of activities to be accomplished rather than following budgetary process.
- Principals lack the skill to manage budget issue is also the challenge for ineffective utilization of school finance.
- Untimely disbursement of school budget from government to schools is another challenge that creates ineffective budget utilization.
- Purchasing goods and materials without following financial rules and regulation is identified as another challenge or problem for ineffective budget utilization at school level.
- Lack of transparency during implementation of school finance is also a challenge for improper utilization of school budget.
- Lack of needs prioritization during budget plan at school level is also identified as challenge for ineffective implementation of secondary schools' finance.
- The allocated budget was not as equivalent as the needs of schools; to mean that schools' need is higher than allocated budget because resource is scarce and this circumstance was identified as another critical challenge that can be obstacle for effective financial resource utilization in secondary schools of Hawassa city Administration.

VIII. CONCLUSION

This study examined the practices and challenges of financial resource management and its utilization in secondary schools within the Hawassa City Administration. By employing a mixed methods approach that combined quantitative and qualitative data, valuable insights were obtained regarding the current state of financial resource management in these schools. The findings of the study revealed that secondary schools face a range of challenges

when it comes to effectively managing their financial resources. These challenges include limited funding, inadequate financial planning, inefficient budget allocation, and difficulties in tracking and controlling expenditures. Moreover, the study emphasized the significance of properly utilizing financial resources to support educational programs, infrastructure development, and overall school improvement. The research also shed light on key practices that contribute to effective financial resource management in secondary schools. These practices encompass budgetary controls, financial transparency, stakeholder involvement, strategic planning, and regular monitoring and evaluation. Implementing these practices can enhance financial accountability, optimize resource allocation, and ultimately lead to improved educational outcomes. The study underscores the critical role of financial resource management in the success and sustainability of secondary schools. As a result, it is essential for policymakers, school administrators, and stakeholders to address the identified challenges and adopt best practices to ensure the efficient utilization of financial resources. By doing so, schools can provide quality education, create conducive learning environments, and support the holistic development of students.

IX. RECOMMENDATIONS

Based on the conclusions of the study the following recommendations have been suggested.

- In order to fill the gaps in school resource management in secondary schools, Hawassa city's Administration Education department needs to prepare training for school accountants and stakeholders. In the absence of training, schools had a difficult time managing their financial resources.
- It is important that Hawassa city Administration Education department pays attention to the implementation of the plan, transparency, accountability, and preparation of quarter reports along with the involvement of stakeholders. It is therefore necessary to ensure that school financial utilization processes do not operate in isolation without stakeholder participation, since such practices can lead to the misuse of school funds.
- When hiring finance personnel and principals for the position, Hawassa city administration Education department should be concerned. Moreover, they need to provide short-term training to school management (principals, school finance personnel, PTA committee members, and internal auditors) concerning their accountabilities and responsibilities, finance rules and regulations, accounting (keeping records of finances), and preparing budget plans and finance reports to fill in the skills gaps in school management.
- School administrators should have a commitment to manage school financial resources and follow finance rules and regulations to the letter unless doing so is impossible to accomplish school goals. To be effective, budget planning, accounting, auditing, purchasing, and reporting should comply with the finance rules and regulations.

- Managers at schools should motivate stakeholders to participate in all school activities and create harmonious relationships. As a result of this motive, it may be possible for them to participate and become more involved in various school-related committees.
- For effective school budget utilization schools should have utilize approved budget according to plan, need to utilize allocated budget for expected educational purpose, stability of principals in case of some schools, transparency of school budget, and submission of timely financial report to concerned body are very crucial points.
- The skill and awareness of principals to utilize and manage budget can be improved through continuous training provided by the collaboration of woreda (city administration) education office and finance office; also the principals need to do experience sharing with knowledgeable bodies.
- The local government (woreda and city administration education office and zonal education department) should disburse school budget at the right time, so the necessary educational materials, equipment, and facilities will be available at early time base and normal teaching learning process can takes place.
- During the preparation of school budget plan, schools need to improve their capacity to make necessary prioritization if this is not done the most crucial educational activities will have been delayed and the non crucial activities can be implemented first.

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