

**FACTORS INFLUENCING EFFECTIVENESS OF FINANCIAL
MANAGEMENT IN SECONDARY SCHOOLS IN KITUI CENTRAL
DISTRICT OF KITUI COUNTY, KENYA.**

BY

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**A RESEARCH PROJECT REPORT SUBMITTED IN PARTIAL FULFILMENT OF THE
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DECLARATION

This research project report is my original work and has not been presented for award of any degree in any other university.

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This research project report has been submitted for examination with my approval as the University Supervisor.

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DEDICATION

I dedicate this work to my dear husband Elijah Mutua without whose prayers, support and relentless encouragement during my class and research work I would not have come this far. To our two lovely daughters Sharon Nzambi and Alice Mutheu who inspired me to work hard.

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LIST OF ABBREVIATIONS AND ACRONYMS

AIE	Authority to Incur Expenditure
BOG	Board of Governors
D/Ht	Deputy Head teacher
DEO	District Education Officer
DQASO	District Quality and Standards Assurance Officer
DSA	District Schools Auditor
ESDP	Education Sector Development Programme
ETP	Education Training Policy
FDSE	Free Day Secondary Education
FSE	Free Secondary Education
GER	Gross Enrollment Rate
GOK	Government of Kenya
HOD	Head of Department
Ht	Head teacher
KCSE	Kenya Certificate of Secondary Education
KEMI	Kenya Education Management Institute
KESI	Kenya Education Staff Institute
KNEC	Kenya National Examination Council
KNUT	Kenya National Union of Teachers
KSSHA	Kenya Secondary Schools Principals Association
LGRP	Local Government Reform Programme
LPO	Local Purchase Order
LSO	Local Service Order
MC	Municipal Council
MOE	Ministry of Education
NARC	National Alliance Rainbow Coalition
NER	Net Enrollment Ratio
OJFT	On-the-Job-Financial Training
OJT	On-the-Job-Training
OP	Operational Account
PEDP	Primary Education Development Plan
PPDA	Public Procurement and Disposal Act
PRSP	Poverty Reduction Strategy Paper

PSA	Provincial Schools Auditor
PTA	Parents Teachers Association
SAU	Schools Audit Unit
SPG	Schools Procurement Guide
STA	School Tuition Account
TPR	Teacher Pupil Ratio
TSC	Teachers Service Commission
UK	United Kingdom
UNICEF	United Nations International Children's Education Fund

ABSTRACT

The purpose of this study was to investigate the factors influencing effectiveness of financial management in public secondary schools in Kitui central District Kitui County. The objectives of the study were: to determine the influence of principals' financial management training on effectiveness of financial management in public secondary schools; to assess the influence of principals' professional experience on effectiveness of financial management in public secondary schools; to establish the influence of principals' education level on effectiveness of financial management in public secondary schools; to determine the influence of District Education office on effectiveness of financial management in public secondary schools and to investigate the influence of BOG/PTA on effectiveness of financial management in public secondary schools. The study used census sampling method in selecting the respondents to be included in the study. The study adopted descriptive survey design with both qualitative and quantitative data analysis approaches. The target population of the study included all the principals of the 25 public day secondary schools in Kitui central district Kitui County. Questionnaires were used as the main research instruments. Both descriptive and inferential statistics was used in data analysis. The mean, median, mode and percentages were used to analyze the data in order to meet the objectives of the study. Frequency tables were used to present the data followed by data interpretation and findings. Correlations and Analysis of variance was used to test the relationship between independent and dependent variables. The findings from this study are that: the principals' training influences financial management to a very large extent and there is a very strong relationship between financial management training and effectiveness of financial management in secondary schools; the experience of a principal is very necessary in effectiveness of financial management and to a large extent the principals' education level influences effectiveness of financial management and that the District Education Office and the Board of Governors influence principals' financial management in public secondary schools.

Further research can be done on the influence of Kenya Education Management Institute training on Principals' financial management; the influence of Principals' financial management on students' performance in KCSE; the influence of Principals' financial management on school physical facilities and the effect of District Quality Assurance and Standards Officer visits on principals' financial management.

CHAPTER ONE

INTRODUCTION

1.1 Background to the study

Globally, education is considered as a basic tool for social, cultural, political and economic development (Njeru and Orodho, 2005). In the 45th Session of International Conference on Education held in Geneva (1996), education was defined as a person's individual and social development that the person gains in the teaching and learning process in school. Such gains should lead to a person's intellectual, emotional, spiritual and physical abilities to mature, thus enabling him or her to fully participate in community affairs [(United Nations International Children's Education Fund (UNICEF), 1996)].

Principals, also called the secondary school head teachers are the Chief Executive officers in their institutions and chief accounting officers managing all physical, human and financial resources in their school set up (Nyongesa, 2007). They therefore play the most crucial role in mobilizing and translating all these resources to school effectiveness in terms of improving their students' performance in K.C.S.E.

In African countries, financial management skills induction courses and support are usually limited (Nyamwea, 2006). However, in most of these developing countries, secondary school principals are usually appointed on the basis of their past teaching records rather than their leadership potentials (Nyamwea, 2006). It has been established that although the teaching experience is necessary, it should not be the only factor for a teacher to be appointed to be a principal.

In Kenya, whereas households meet only 20% of primary and 8% of University education costs, they shoulder 60% of secondary education costs (World Bank, 2005). Therefore, the cost of secondary education is one of the key barriers of primary to secondary school transition among the children from the poor families who form the majority of the sub-Saharan African population. This is arguable against the background of more than half of Kenya's population living below the poverty line along with the rising cost of secondary Education, that this level (Njeru & Orodho, 2003).

Most Principals work in poorly equipped schools in terms of physical facilities and that is why during the 2011 Kenya Secondary School Principals Association's (KSSHA) conference held in Mombasa (21st to 26th June 2011), the major challenges facing secondary schools were identified as: lack of financial management skills, poor fees payment, high handedness

in the management of schools. The day secondary schools are more financially challenged as most of their students come from poor parents who are not able to afford boarding secondary schools leading to poor academic performance (Nyamwea, 2006).

In Kitui central District, there are 25 (twenty five) public secondary schools out of which 16 (sixteen) are day schools (:2012, DEO Office Kitui Central District, Report). The District is semi- arid with unreliable rainfall which receives unreliable rainfall twice per year. Majority of the residents are subsistence farmers who grow food crops as well as keeping livestock. Most of the parents who take their children to day secondary schools are unemployed and can't afford secondary school education. The principals are therefore challenged to manage the finances well in their schools, this may serve to assist the very needy students in their schools.

1.2 Statement of the Problem

Although the Kenya Education Management Institute has been inducting Secondary school Head teachers on financial management skills, some Principals are still involved in financial mismanagement through: misappropriation, misallocation and embezzlement of school meager financial resources. In addition there has been unprecedented continuous poor students' academic performance in national examinations especially in schools with poorly managed finances leading to outcry from stakeholders.

The poor students' academic performance in KCSE is associated to lack of facilities among other factors which are linked with financial management in schools (Kuria, 2012). The situation is also exacerbated by the fact that most Principals are highly educated graduate teachers but with limited financial management skills (Baraka, 2010).

A study by Matheka (2012) focused on the influence of head teachers financial management skills in public secondary schools Kitui Central District, Kitui county, viewed effectiveness as performance in KCSE 12-point mean grade score. This study however did not cover anything to do with the factors influencing effectiveness on financial management. Financial management practices have been studied in Kitui Central District but factors influencing effectiveness have not been studied.

There has been an increase in dissatisfaction with the way Principals have been managing the school finances resulting to students' violence, parent's demonstrations and interdiction of some Head teachers in public secondary schools (Baraka, 2010).

According to a report by Quality Assurance and Standards Office Kitui (2012) five schools closed down for becoming violent in the month of June and July 2012.

Although the Principals have attended financial management skills under KEMI, in Kitui Central District most of the Principals are not able to adhere to public financial accounting instructions (GOK, 2009 Audit Report Kitui Central District). In this Audit Report, it was noted that in the district, 10% of the Principals could not prepare financial books of accounts, 30% had incomplete cash books, 60% had incomplete payment vouchers and 80% had inadequate training on financial management skills [(GOK: Secondary Schools (2009) Confidential Audit Report Courtesy of DEO, Kitui Central District)].

Consequently, the KCSE results are on decline, indiscipline of students is on the increase and parents' demonstrations are common a feature in public secondary schools in Kitui central district. There is therefore great need to investigate the factors influencing effectiveness of financial management in public secondary schools in Kitui central District.

1.3 Purpose of the Study

The purpose for this study was to investigate factors influencing effectiveness of financial management in public secondary schools in Kitui central District.

1.4 Objectives to the Study

This study was guided by the following objectives.

1. To determine the influence of principals' exposure to financial management training on effectiveness of financial management in secondary schools in Kitui central District.
2. To assess the influence of principals' experience on effectiveness of financial management in secondary schools in Kitui central District.
3. To establish the influence of principals' education level on effectiveness of financial management in secondary schools in Kitui central District.
4. To determine the impact of District Education office on effectiveness of financial management in secondary schools in Kitui central District.
5. To determine the impact of school Board of Governors on effectiveness of financial management in secondary schools in Kitui central District.

1.5 Research Questions

This study sought to answer the following questions:-

1. To what extent does the principals' financial management training influence financial management in secondary schools in Kitui central District?
2. To what extent does the principals' experience influence financial management in secondary schools in Kitui central District?
3. To what extent does the principals' education level influence financial management in secondary schools in Kitui central District?
4. To what extent does District Education office influence financial management in secondary schools in Kitui central District.
5. To what extent does the school Board of Governors influence financial management in secondary schools in Kitui central District.

1.6 Significance of the Study

The study is hoped to help Principals learn the factors that influence effectiveness of financial management in their schools. This study may be significant to KEMI as the findings could be used to enlighten the secondary school principals on factors influencing financial management in secondary schools. It may help education stakeholders to find ways of assisting the secondary schools heads in financial management. The Government may use the findings of this study to formulate policy guidelines on financial management in secondary schools.

1.7 Assumptions of the Study

The researcher assumed the following:-

1. Respondents were familiar with the concept of financial management and therefore information given on the questionnaire would be true.
2. This study assumed that all the secondary schools face the same problems in terms of financial management.
3. It is also assumed that the institutional environment is the same for all schools in the District.

1.8 Limitations of the Study

Due to resource and time constraints, only one district, i.e. Kitui Central district out of 16 districts in Kitui county was studied. Information on financial matters is very confidential and many of the respondents may be unwilling to share such data. However, the researcher was introduced herself through telephone calls to the respondents before the questionnaire was administered.

1.9 Delimitations of the Study

There are many factors that influence quality of education in secondary schools but this study investigated the factors influencing effectiveness of financial management in secondary schools in Kitui central District only. The study was limited to public secondary schools only in Kitui central District and the data was generalized to other schools and districts in Kenya.

1.10 Operational Definitions of Terms

A definition of terms in this study refers to the explanation of some words as used in the project report. However, some of the words used in this report could carry other meanings in other contexts.

Book-keeping skills - these are the public secondary schools' processes and documents for obtaining quotations/tenders and placing orders using a model framework and guidance notes that should have been provided by the Ministry of Education.

Budgeting - this is the process of the allocation of the public secondary schools' financial resources for specific purposes within a given period of time for example one year.

Cash book - this is a statement of payments and receipts kept on daily basis.

Cash flow - this describes the movement of money in a school situation from collection to expenditure.

Financial management - refers to the managerial activity which is concerned with planning and controlling of a public secondary school's financial resources. It involves acquisition and use of the school funds.

Ledger – this is a record of financial transactions in an orderly way in the principle of double entry

Principals – these are Kenyan TSC teachers in Job Group M and above; also called Chief Executives, Managers or Head Teachers of public secondary schools and they have the Authority to Incur Expenditure, therefore, they are the Accounting Officers.

Procurement - this is the process of purchasing goods and services for and on behalf of public secondary schools where the actions of the purchasing officers are governed by policies and procedures that are put in place to ensure that they act in the best interests of these schools (Munyiri, 2008).

Public Secondary School - refers to the secondary schools which get their teaching staff from the Teachers Service Commission and educational quality evaluations are conducted by the Ministry of Education.

Resource - An economic or productive factor required to accomplish an activity.

Training - refers to the instruction or skills given to Principals, bursars and BOGs after appointment to enable them work better in executing financial management roles.

Trial balance - this is a summary of debit and credit entry in the ledger account within a given period of time.

1.11 Organization of the Study

The study is organized into five chapters. Chapter one consists of: Background of the study; Statement of the problem; Purpose of the study; Objectives of the study; Research questions; Significance of the study, Limitations of the study; Delimitations of the study; Basic assumptions of the study; Definition of significant terms and Organization of the study.

Chapter two presents the literature review which comprises of the past studies or documented information about the financial management. The chapter is organized according to the objectives of the study: to determine the influence of principals' exposure to financial management training on effectiveness of financial management in secondary schools, to assess the influence of principals' experience on effectiveness of financial management in secondary schools, to establish the influence of principals' education level on effectiveness of financial management in secondary schools, to determine the influence of District Education office on effectiveness of financial management in secondary schools and to determine the influence of school board of governors on financial management in secondary schools in Kitui Central District in Kitui County.

Chapter three presents; research design, target population, sample size and sampling procedure, research instruments, validity and reliability of research instruments, data collection procedure, data analysis, ethical consideration of issues and Operationalization of variables.

In chapter four the data is analyzed, presented and interpreted following the research objectives.

Chapter five presents summary of the findings, discussion, conclusion, recommendations and suggestions for further research.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter has the review of literature on the factors influencing principals' financial management in public secondary schools following the research objectives.

2.2 The Influence of Principals' Financial Management Training on Effectiveness of Financial Management Secondary Schools.

According to the ministry of Education science and technology management guidelines (AUGUST 1993), a head teacher in a secondary school performs many tasks, the most important ones being the mobilization of resources, management and control of finances, the organization and management of curriculum, management and motivation of teachers and support staff, secretary to BOG and PTA, and maintaining positive school- community relations. Principals [(Secondary School Head Teachers who are in or above Job Group 'M')] are therefore the managers of their schools who play the most crucial role in ensuring effective financial management. Without the necessary leadership competencies and financial management skills, most of the Principals can hardly deliver. Besides having no prior financial management training, most Principals hardly have any formal managerial and leadership training. The Principals often rely on advice from the school BOG and the finance Department subordinate staffs like Bursars or Account Clerks and Store keeper/Cateress who are supposed to be professionals in various Job Descriptions.

The school Bursars and/or Accounts Clerks are expected to be trained professionals in financial management and accounting fields, because they play an enormous role in assisting the Principals in various aspects of handling the school finances ((Baraka, 2010),however, most of the Accounts Clerks are inadequately trained in handling financial management. Therefore, the poorly trained Principals in various aspects of mobilizing and handling the school resources coupled with inadequately trained finance department's subordinate staff has been a problem that bothers most Principals in Kenya (Baraka, 2010).

Despite their poor managerial and leadership training, most Principals work in poorly equipped schools in terms of physical facilities and that is why during the 2011 Kenya Secondary School Heads Association's (KSSHA) conference held in Mombasa (21st to 26th

June 2011), the major challenges facing secondary schools were identified as: lack of financial management skills, poor fees payment and high handedness in the management of schools.

The Kenya Education Management Institute (KEMI) has been organizing workshops for training Principals, their Deputies and HODs on school management although their programmes have been irregular. The principals who have been trained end up being better managers which includes financial management (Baraka, 2010).

2.2.1 Head teachers' Budgeting Skills in Public secondary School

A budget is a document showing allocation of funds for specific purposes within a given time and serves as a tool for planning and controlling the use of scarce resources in the accomplishment of goals (Schick, 1999). School budgets are usually concerned with provision of goods and services for stakeholders and no intention of making profit. Their budgets are therefore aimed at authorizing expenditure and providing ceiling for management actions (Horngren, 1983). It is normally hierarchical process which starts at the bottom and ends at the top of the hierarchy. The bottom here is the department and the apex is the BOG. It therefore starts with the school departments who are required to prepare their departmental budgets prior to the school central budget committee. The school central budget committee meets to compile the final budget draft for the various school departments to be incorporated into the final school budget. School departmental budgets help in getting specifications for each department (GOK: Public Procurement Act, 2005). These departments should be encouraged to help set the key performance information so that a culture of continual improvement is encouraged.

According to Banham, (2009) a more efficient budgeting process involves developing systems that allows the budget makers and various heads of departments to be incorporated into the decision making process through various committees. Therefore, there is usually the need for the school central budget holders to use the various school departmental budget proposals in the budget preparation (GOK: Revised Public Procurement Act, 2009). Each department's specifications of kind of goods and services should be given in detail to be included in the school central budget proposals before the budget proposals are submitted to the school central tender committee and before this committee meets to award the tenders (Woollard, 2009).

However, in most of the public schools the budget making process does not have any room for departmental inputs. This is a loop hole that could deny the school quality goods and services (GOK: Revised Public Procurement Act, 2009). Capital Budget: A separate capital budget should be drawn up by the Board and details given to Board members when transactions occur. Budget Variance Explanation: An explanation of any variances plus or minus 10% on each line item of the forward budget previously submitted to the Minister should be submitted to the Board. (Provided the line item represents at least 10% of the total budget).

In preparing the school budget, there is usually the need for the school central budget holders to use the various school departments budget proposals and to incorporate it into the decision making process through the various departmental budget proposals in the budget preparation (Kuria 2012). As the end users of the school resources the departmental or the various user groups (departments') requirements of goods and services should prepare their annual requirements for the ensuing year before the budget holders or the school central procurement and budget preparation unit compiles the budget (GOK: Revised Public Procurement Act, 2009).

In this kind of structure the annual requirement and per department specifications should be prepared and their budget proposals submitted to the school central procurement and budget preparation unit before it compiles the budget (Kuria 2012). After the budget proposals have been prepared, usually towards the end of the year, in line with good financial management practices, the BOG convenes a meeting of stakeholder at least once a year to review the budget, discuss and agree upon the institution's development and operational plan and how the planned activities will be financed by the BOG (GOK: Public Procurement Act, 2005).

Following the BOG budget ratification meeting, the outcome of the meeting was prioritized list of activities on which the institution will expand its resources over the succeeding year. These activities will include recurrent and development expenditure for the institution (Kuria 2012). The list of activities may classify expenditure as current (falling within the next 12 months or succeeding financial year) and long term (falling beyond the succeeding financial year) (GOK: Public Procurement Act, 2005).

Each of the public schools is required to work out appropriate mechanism by which all stakeholders will approve major projects before they commence. Just because an item of expenditure has been included in the list of priorities does not imply approval by stakeholders (Munyiri, 2008). While prioritizing activities, the BOG should ensure that: The most basic needs are included in the first priority and on-going projects are completed before new ones are started (Munyiri, 2008).

He concludes that; combining the department's responsibility and the management of devolved budgets with the professional knowledge and expertise of the school central procurement to enhance best quality of goods and services at a cheaper price is the most applicable best procurement procedure (Kuria 2012). The budget sets out estimated cash receipts from sources approved by the Ministry and estimate expenditure on projects priorities as agreed and approved by BOG. An annual financial budget shall be an essential tool for financial control. It is the responsibility of the Principal of the institution to ensure that the annual budget is prepared in time (Kuria 2012).

2.2.2 Head teachers' Procurement Skills in Public secondary School

The public procurement and Disposal act (2005) requires that all goods and services procured in a public institution be tendered, as long as the value of the goods or services exceed Kshs 4000/=. Tendering process involves the process of inviting various suppliers to competitively bid for provision of various goods and services. The tendering process is managed by the tender committee whose composition include the Deputy Principal as the chairman, Accounts clerk as the Deputy chair, Head of departments not exceeding six as members and the Store keeper as the secretary. In this arrangement, the Principal as the chief executive officer in the school is locked out to ensure he/she does not interfere with the process.

Further, the Head teacher is required by law to give tender committee members appointment letters to ensure security of tenures. It is the duty of the head teacher to induct them to their new role as some or all could lack technical and legal knowledge of procurement PPAD (2006). In most cases, Head teachers themselves lack the capacity to induct the committee for lack of adequate training (KESSI (2011) According to PPAD (2006) the tender committee is supposed to approve procurement plans by various departments in the school. These plans thresholds must not exceed the resources available.

It is also manifested to identify supplier for goods and services for the school in a given financial year through a competitive bidding (PPOA 2005). They also decide the method of tendering to be used in the school based on the thresh hold of the items in question.

The head teachers of the school are required to ensure that tendering procedures are followed in their schools. These procedures include; Preparation of procurement plans by HODs based on departmental requirement, approval of procurement plans by the head teacher on basis of availability of funds in the vote heads, invitation of bidders quotations, receiving the quotations through tender boxes, short listing and finally awarding of tenders to qualified bidders through signing of contracts (KESSI 2011). PPAD (2006) argues that it is mandatory for the head teacher to form an acceptance committee whose duty is to certify that goods and services entering the school are in correct quantity and in good order before storage in the school.

According to Kenya Education Staff Institution manual (2011), procurement process when followed in an institution promotes prudent utilization of resources. The manual further argues that the process promotes trust and good relationship between the head teachers and the stake holders especially the community. This is because all members of the community will receive equal treatment when dealing with the institution. The public procurement and disposal act (2005) further explains that procurement process promotes transparency in that the decisions that are made in the procurement process are objective and within the law. The act further urges that the process gives the head teacher to have strong defense against blame or accusation from any quarter on or after transactions are made. The public officers' ethics Act (2005) agrees with this position very strongly. It urges that procurement process promotes efficiency as goods and services procured conform to specification and time. Head teachers therefore will have value for their money which translates to better performance when the process is adhered to.

2.3 The Influence of Principals' Professional Experience on Effectiveness of Financial Management Secondary Schools.

In Kenya the appointment to headship is not on the basis of predetermined leadership qualities including financial management but rather job group 'M' among other factors. This means that one is only trained on management when they become principals or deputy principals (M.O.E 2005).

(Education act, 2008). According to the Koech report (1999), the outcome of poor financial skills in Kenya education system is in rot and general ineffectiveness of school leading to wastage of both local and foreign resources. Prudent resource management is therefore very critical in a school or any business if it has to achieve its objectives. It involves acquisition and use of funds. Thus resource management calls for skillful planning, execution and control of a firm's activities (GOK: A handbook on financial management (2006).

The experience of a school principal helps them to acquire resource mobilization and management skills which include: management of cash receipts, payments and safeguarding cash balances. Pandy(1999). Skills in the following areas are very important for successful management of school finances and principals must be conversant with them (GOK a hand book for financial management, 2006).

To facilitate accountability and keep records and to enhance planning and overall financial performance, the school must keep records. In a school, books of accounts are usually written and kept by the bursar or accounts clerk. A primary record in the school's financial statements is the General Ledger. This consists of figures and records from various journals which give the daily records of the financial transactions in the school (Munyiri, 2008). A Cash book is a book of original entry in which transactions relating only to cash receipts and payments are recorded in detail. When cash is received it is entered on the debit on left hand side. Similarly, when cash is paid out the same is recorded on the credit or right hand side of the cash book. Unless a head teacher did accounts, the knowledge of financial statements is acquired through training and experience. A more experienced head teacher is therefore better placed in financial management and management. The handlings of these very necessary documents in financial management do not require training only but also experience. The more experienced a principal is, the better they are in financial management (Baraka, 2010)

2.4 The Influence of Principals' Education Level on Effectiveness of Financial Management in Secondary Schools.

In a rapidly changing world, where knowledge concepts technology, philosophies, is swiftly changing, education has also been exposed to some fundamental changes.

According to Wallace, (1991), in the global village, the current era is shaped by a tremendous progress of knowledge, which leads to an explosion in learning which helps someone to acquire renewed information to maintain a continuous and sustained professional development. Hargreaves and Fullan, (1992) argues that teachers cannot ignore professional growth as it raises the education standards which revolves around the issue of providing equal and sufficient opportunities for everybody.

According to Hargreaves and Fullan (1992) professional development is basically a solitary journey; however almost all head teachers need assistance and support during that journey from colleagues or supervisors to enhance their own development.

Many studies were conducted related to the role of education in professional development which includes financial management; for instance, Wallace 1991, UR (1996) Freeman and Johnson (1998), Freeman (2001) and Richards and Ferrell (2005) wrote about teachers' professional development by emphasizing the vitality of self-development in their career. Assessment visits are taken for coordination and integration of an educational effort. It is essential to note that it centers on the relationship between supervision and curriculum development by paying attention to harnessing and harmonizing of theoretical learning and work experience balancing, relating and integrating the general education in language, literature and social sciences with financial management.

Robins (1999) stressed that a school manager should provide the teachers with learning resources required in school so as to enable them to perform their duties effectively. The level of education for the school managers is therefore a critical issue as it determines the effectiveness of financial management.

2.5 The Influence of District Education office on Effectiveness of Financial Management in Secondary Schools.

According to District Education office report in Kitui central district (2010), most of the secondary schools that had shown improvement in K.C.S.E results had prudent financial management and effective tendering committee. Nepotism, tribalism, corruption and other social economic ills will have no room in an institution where procurement procedures are followed. Quality is considered as the most important element in education. Yvonne Hill(2003) posits that quality of the principal and teachers' support systems are the most influential factors in the provision of quality education. Improving quality is important as ensuring the education for all goal is obtained. The success of any community is greatly tied to the quality of education. This is beneficial to both parents and children in the long run.

Quality is one of the most controversial aspects of education in the developing world Mcburnie & Ziguras (2003). In whichever way it is looked at whether in terms of the facilities, the inputs in terms of finances or outputs in terms of examination or test score of students, their employability and productivity once in employment, the controversy does not just fade away. The quality of education offered in most schools could at present be practically questionable if the District education office were not involved in inspecting the schools financial management.

The mission of the Department of Quality Assurance and standards in the District education office is to establish, maintain and improve educational standards in the country which includes financial management. Its vision is to provide quality assurance feedback to all educational stakeholders on all educational institutions in Kenya (MOEST, 2005). The function of assessing the standards of teaching and learning in schools is a reserve of the quality assurance directorate of the Ministry of Education. This directorate is charged with the responsibility of ensuring that there is standardization of education carrying out various types of assessment of schools and colleges.

Some of the assessments done include: school financial management, advisory assessment, panel, subject assessment, mass assessment, special assessment numbers – school registration, school mass indiscipline and public centre (MOEST, 2005).

Quality assurance is achieved through inspection of institutions and reporting on these inspections to the institutions. It is also achieved through assessing the curriculum through valid and reliable national examinations whose results are cited as indicators of quality of education in the country.

2.6 The Influence of School Board of Governors on Effectiveness of financial Management in Secondary Schools.

According to Munyiri (2008) the Boards of Governors (BOG) are mandated by the Education Act 1968 to audit and regulate expenditure by the school administration to ensure that all income received by the school is applied to the promotion of its objectives. The management and mobilization of school resources rests on the hands of BOG members whose membership includes co-opted PTA members and the head teacher who is always their secretary (Koech, 1999). These BOG members are mostly involved in the planning process while the head teacher implements the plans with the resources available. However, Munyiri (2008) has lamented that the aforementioned statutes presume that the members of the BOG and teachers are knowledgeable in law, supply chain management, accounting and project management. Unfortunately, these skills are not present in the administration of many public secondary schools (Munyiri, 2008).

According to Kenyaimage.com (July 22nd 2009) in Kenya there are no definite criteria enumerating the skills necessary for appointment to a BOG. Service in the school boards is not remunerated consequently most professionals avoid it. The result is that most public schools are managed by old and unenergetic retirees, semi-literate business people, or semi-skilled non professionals; often unaware of elementary law or the basic concepts of public finance. Therefore, in most public secondary schools particularly in rural Kenya, a procurement managerial gap for goods and services has emerged (Kuria 2012).

The procurement managerial gap for goods and services in public schools is caused by the delegation by BOG members/Principal as directed in by the guidelines of the Kenyan Public Procurement and Disposal Act of (2005), and subsequent procurement of goods and services by (teachers; the HODs) and subordinate staff in the finance department (Schools Procurement Guide, 2009). Munyiri (2008) also notes that; additional time and workload for heads and BOG members in schools, best value requirements, contract and tendering requirements, the packaging and pricing of goods and services working against choice are

problems that the teacher's tender committee and BOG members face as a result of inadequate training on public purchasing procedures (Kuria 2012).

2.7 Theoretical Framework

This study was hinged on three theories. These are Piagets (1964) theory of cognitive development, the Functionalism theory of learning and paths-goal leadership theory whose modern development is attributed to Martin Evans and Robert House (1974)

In this study the three theories complement each other in investigating the factors influencing effectiveness of financial management. Piagnets theory (1964) of cognitive development emphasized that instructional media translates abstract concepts into concrete facts and thus enhancing performance. These media have financial implication in acquiring them which requires effectiveness of financial management.

The Path goal leadership theory postulates that leaders can facilitate task performance by showing subordinate how performance can be instrumental in achieving desired rewards. Thus it gives a frame work within which the effectiveness of financial management influences performance. Head teachers should ensure that the child is given the benefit of a learning stimulating environment. This will enable the child to develop the correct meaning of concepts as used in the classroom by the teacher.

The Functional theory was used as a base for this study to find out the extent to which head teachers finance instructional resources in an attempt to help learners in visualizing, formation of imagery and conceptualization hence improve financial management.

2.8 Conceptual Framework

In writing this proposal, the researcher conceptualized the independent, dependent intervening and moderating variables as shown in Figure 1

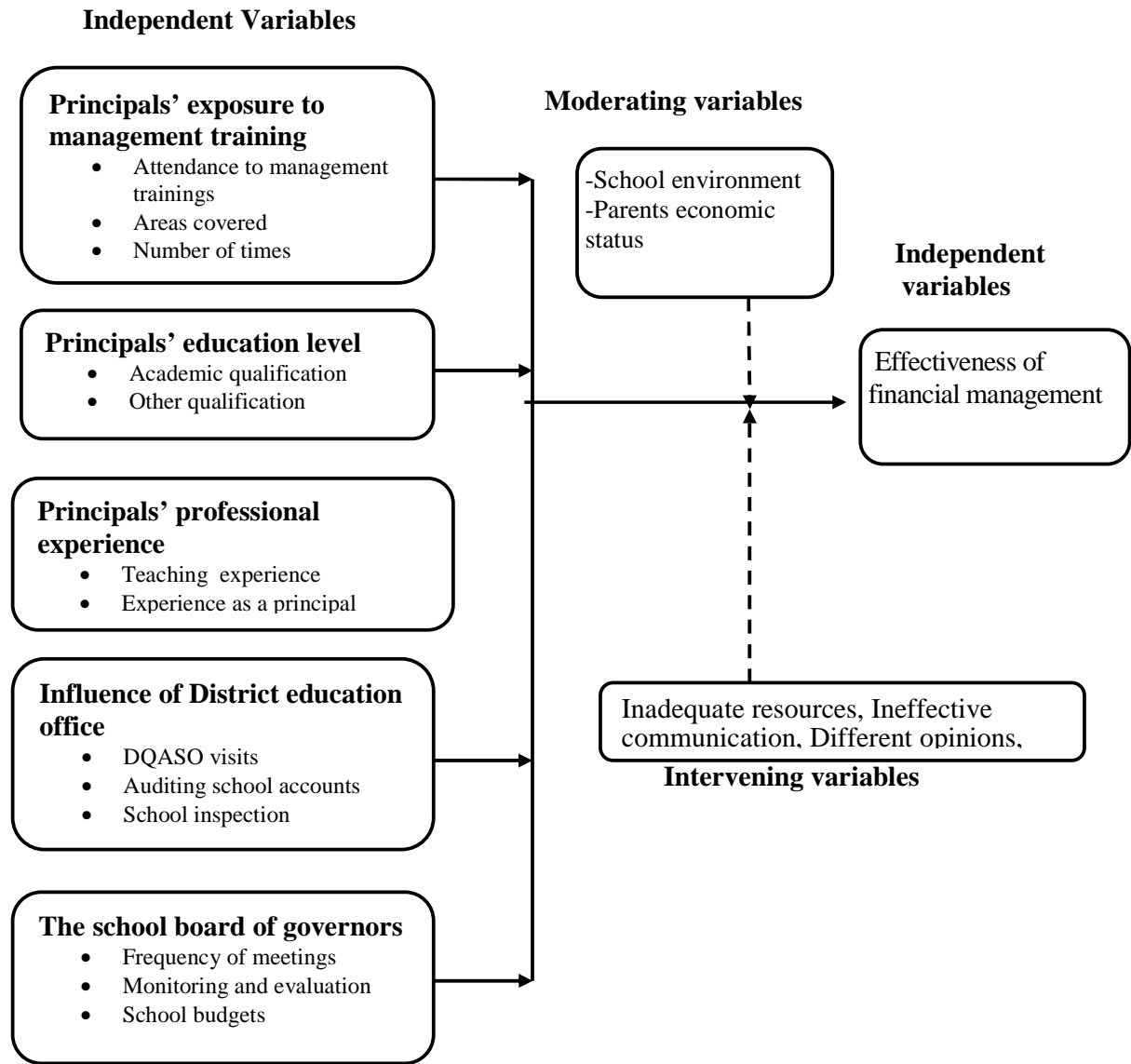


Figure 1 Conceptual framework

As shown on Figure 1, the conceptual model explains that the managers in secondary schools are the Principals. For them to manage schools finances effectively, they must be capacitated through education, training and experience. They also need induction courses in bookkeeping, budgeting and procurement financial management skills.

The study sought to determine the influence of principals' exposure to management training on financial management, to assess the influence of principals' experience on financial management, to establish the influence of principals' education level on financial management, to determine the influence of District Education office on financial

management and to determine the influence of the schools BOG on financial management in secondary schools in Kitui central District of Kitui County.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter describes the methods that were utilized in the study. They include the research design, target population, sampling and sampling techniques, research instruments for data collection, Validity and reliability of instruments, data collection procedure, and data analysis techniques.

3.2 Research Design

The study used a descriptive survey design. This is because a survey research is designed to obtain permanent and precise information concerning the current status of the variables under investigation and generalizations from the facts observed (Lukesh, 1994). In our case we investigated the current factors which influence the effectiveness of financial management in secondary schools and make precise generalization. To test the relationship between variables, the researcher used correlation coefficients.

3.3 Location of the Study

Kitui central District is located in Kitui County, Kenya. It borders Matinyani district to the north, Kitui west district to the west, Mutitu district to the east, Nzambani& Kisasi districts to the south. It is dry and hilly, with a population of about 142,000 people according to projected population from the total population of 109,000 (GOK Population Census, 2009) [(GOK: CBS-Population Census and Household Statistics, (2012)]. The researcher has chosen Kitui Central District because she is a residence of the District and therefore was able to access the respondents with ease.

3.4 Target Population

The population chosen for this study was 25 public secondary schools in Kitui Central District in Kitui County. The study targeted a population of all the 25 Principals, 25 Deputy Principals and 25 Bursars for Kitui Central District.

3.5 Sample size and Sampling Procedure

The census sampling of the 21 public secondary schools in Kitui Central District was selected and the 21 (100%) Principals, 21 (100%) deputy principals and 21 (100%) bursars were studied.

3.6 Research Instruments

The information for this study was gathered by use of questionnaires, one for the Principals, one for the Deputy Principals and one for the school Bursar in each school. In the questionnaires, there were both closed-ended and open-ended questions with four sections. Section I consisted of social demographic characteristics of the respondents. Section II consisted of the influence of principals' experience on financial management in secondary schools. Section III consisted of the influence of principals' level of education on financial management in secondary schools. Section IV consisted of the influence of principals' training on financial management in secondary schools. Section V consisted of the influence of the District Education office on financial management in secondary schools. Section VI consisted of the influence of Board of Governors on financial management in secondary schools.

3.7 Validity and Reliability of the Instruments

Validity is the degree to which the results obtained from the analysis of the data actually represents the phenomenon under study (Orodho, 2005). Reliability has to do with the quality of measurements. In research, the term reliability means "repeatability" or "consistency" of measures (Kasomo, 2006).

3.7.1 Validity of instruments

Validity is the degree to which the results obtained from the analysis of the data actually represents the phenomenon under study (Orodho, 2005). The open-ended questionnaire for the respondents was valid depending on how the data collected was related in terms of how effective the items sampled significant aspects of the purpose and objectives of this study

(Kothari, 2006). Content validity of the instruments was used to measure the degree to which the items represents the specific areas covered by the study.

A pilot study to establish the content validity of the instruments was conducted in three public secondary schools in Kitui central district and they include the principals, deputy Principals and school bursars. Content validity of the instruments was used to measure the degree to which the items represent specific areas covered by the study. Content validity of the instrument was determined by research methodology experts through looking at the measuring technique and how specific areas (objectives) are covered by the instrument. The experts advised the researcher on the items to be corrected. Lecturers from the University of Nairobi ascertained the validity of the research instrument. The corrections identified on the questions were incorporated in the instruments so as to increase its validity (Fraenkel & Wallen, 2008).

3.7.2 Reliability of the instruments

Reliability has to do with the quality of measurements. In research, the term reliability means "repeatability" or "consistency" of measures (Kasomo, 2006). In the piloting process, split-half method was used by administering the questionnaires' closed-ended items were subjected to a pilot study utilizing a sample of 8 randomly selected teams of respondents, among them was 3-Principals, 3-Deputy Principals, 2-Bursars from three public secondary schools. The data values collected were operationalized and the numerical scores were split into two using 'odd numbers versus even number items process to get two sets of values which was correlated using Pearson Product Moment Correlation Coefficient to calculate the coefficient of relationship. A correlation coefficient of 0.80 was obtained which is sufficient (Kasomo, 2006).

3.8 Data Collection Procedure

A research authorization permit for data collection was obtained from the District Education Officer (DEO) Kitui Central so as to get permission to collect data.

The researcher made telephone calls to the principals of the selected schools to establish rapport before the actual data collection date and also to introduce herself to the respondents. The questionnaires were administered to the selected principals, deputy principals and bursars

(Fraenkel & Wallen, 2008). The questionnaires were filled in and collected before leaving to the next selected school to continue with the exercise.

3.9 Data Analysis

Data was analyzed using descriptive statistics like frequency distributions; percentages and averages (mean = μ values). Statistical tally system was used to generate frequency counts from the responses so as to prepare frequency distributions. Percentages were calculated from the 5-point rating likert scale responses out of the total study sample response per item. Averages (mean = μ values) were also calculated for respective items. As a measure of central tendency, (mean = μ) was used to decide the concentration side of responses within the 5-point likert rating scale range of (1-2-3-4-5). In this study three categories of responses' concentration sides was used as {(μ = 1-2) for very large extent; (μ = 3) for some extent; and (μ = 4-5) for no extent} so as to support the calculated percentages in depicting the general trend of the study findings. The findings were presented in frequency distribution tables preceded by explanations. Pearson correlation coefficients were constructed to test the relationship between the dependent and independent variables.

3.10 Ethical Considerations

A research authorization permit for data collection was obtained from the District Education Officer (DEO) Kitui Central so as to get permission to collect data. The researcher made telephone calls to the principals of all the public secondary schools of Kitui Central District to establish rapport with them before the actual data collection date. This made the researcher familiar with the study respondents and to seek for permission to conduct the study in all the targeted public secondary schools. Informed consent for participation in this study was sought by requesting each of the selected respondents to accept their participation in the data collection exercise, so as to get permission to interview or administer the questionnaires to the respondents. The respondents were assured of their identity anonymity and confidentiality of the data that they would give. Effort was made to ensure that this research project does not duplicate work already done by other researchers to uphold the code of ethics of conducting research and the integrity of the study.

Table 3.1 Operationalisation of the study variables

Objectives	Variables		Indicator(s)	Measurement	Level of scale	Tools of analysis
	Independent	Dependent				
To determine the influence of principals' exposure to management training on effectiveness of financial management in secondary schools in Kitui central District.	Exposure to management training	Effectiveness of financial management.	-Good financial records -	-Proper utilization of finances	- Nominal -Ordinal	Descriptive statistics -Frequency distributions - Percentages -Mean - correlation
To assess the influence of principals' experience on effectiveness of financial management in secondary schools in Kitui central District.	Principals' experience	Effectiveness of financial management.	-Clean financial records	-Availability of all books of accounts Diversification of activities	-Interval - Nominal -Ordinal	Descriptive statistics -Frequency distributions - Percentages -Mean - correlation
To establish the influence of principals' education level on effectiveness of financial management in secondary schools in Kitui central District.	Principals education level	Effectiveness of financial management.	- Education level for the office bearers - Number of times they have applied.	- Academic and professional certificates	-Interval - Nominal -Ordinal	Descriptive statistics -Frequency - Percentages -Mean
To determine the impact	Impact of District Education office	Effectiveness of financial management.	- Number of school visits - Activities	- Allocation of bursary funds	-Interval - Nominal -	Descriptive statistics -Frequency distributions

of District Education office on effectiveness of financial management in secondary schools in Kitui central District.					Ordinal	- Percentages - Correlation
To determine the impact of school Board of Governors on effectiveness of financial management in secondary schools in Kitui central District.	Impact of school Board of Governors	Effectiveness of financial management.	-Number of BOG meetings - number of school visits	-school projects per year		Descriptive statistics -Frequency - Percentages -Mean

CHAPTER FOUR

DATA ANALYSIS, PRESENTATION AND INTERPRETATION

4.1 Introduction

In this chapter data is analyzed, presented and interpreted following research objectives. This study investigated the factors influencing the effectiveness of financial management in secondary schools in Kitui central District. This was in the light of the fact that principals have their specific but differing innate professionalism/individualism in their financial management styles.

Data were collected using the questionnaires as the main instruments. The questionnaires were subjected to principals and deputy principals. Interview schedules were also used for the school bursars in Kitui central District. The data collected were analyzed using frequency tables and Pearson's correlation coefficient tables were used to test the stated hypothesis following the research objectives.

4.2 Questionnaire return rate.

Questionnaire return rate is the proportion of the sample that participated in the survey as intended in all research procedures. In this study, 21 out the 25 questionnaires were returned giving 84% questionnaire return rate. This shows that the respondents were taking the issue of research seriously and also the researcher had a good rapport with the respondents.

4.3 Distribution of respondents by gender

The respondents were asked to indicate their gender, this aimed at establishing whether the study was gender sensitive and to establish if gender influenced effectiveness of financial management skills.

The results are shown in Table 4.1

Table 4.1: Distribution of respondents by gender

Gender	Principals(%)	Deputy principals(%)
Male	14(66.7)	10(47.6)
Female	7(33.3)	11(52.4)
Total	21(100)	21(100)

Table 4.1 showed that 66.7% of the respondents were male principals while 33.3% were female showing that the number of male principals was more than the female in the Kitui central District. However there were more female deputy principals (52.4%) than male (47.6%). The male respondents of both principals and their deputies give an average total of 57.15% while the females give an average total of 42.85%. The difference between male and female respondents is therefore 14.3% which is not very big and therefore there seems to be gender balance in the study.

4.4 Professional qualification of the respondents

The researcher sought to establish the academic qualification of the respondents. This aimed at finding out the professional qualification distribution in Kitui central Distribution. The results are shown in Table 4.2.

Table 4.2: Distribution of Respondents by Professional Qualification

Category	Frequency	Percentage (%)
Dip. Ed	1	4.76
B.ed	10	47.6
M.ed	10	47.6
TOTAL	21	100%

Table 4.2 revealed that majority of the respondents had either a masters degree or B.ed degree both with 47.6%. However there was a respondent with diploma in education (4.76%) It was also revealed that none of the respondents had a PhD or S1 qualification. This shows that almost 50% of the principals had gone back to pursue further studies however, they should also be encouraged to advance their education.

4.4 The influence of principals’ management training on effectiveness of financial management secondary schools

The first objective for this study was to determine the influence of principals’ exposure to management training on effectiveness of financial management in secondary schools in Kitui central District. To achieve this objective the respondents were required to fill a 5-likert scale indicating the extent to which they supported the statements given. This was done by use of a tick (√) showing very large extent (VLE), large extent (LE), some extent (SE), little extent (LIE) and no extent (NE). The responses are presented in table 4.3.

Table 4.3: The influence of principals’ management training on effectiveness of financial management secondary schools

Statement	VLE/%	LE/%	SE/%	LIE/%	NE/%
1. Principals’ training influences budgetary skills.	18(42.9)	18(42.9)	4(9.5)	1(2.38)	1(2.38)
2. Principals’ training influences financial management.	37(88.1)	5(11.9)	0(0)	0(0)	0(0)
3. Principals’ should be trained on financial management.	17(40.5)	14(33.3)	8(19)	2(4.76)	1(2.38)

Table 4.3 revealed that majority of the respondents (88.1%) indicated that principals’ training influences financial management to a very large extent. This was followed by 42.9% who

indicated that Principals’ training influences budgetary skills to a very large extent and large extent. Also 40.5% of the respondents indicated that Principals’ should be trained on financial management. However none of the respondents indicated that training of principals influences financial management to some extent, little extent and no extent. The researcher further used Pearson’s Correlation Coefficient to determine the relationship between management training and effectiveness of financial management in secondary schools in Kitui Central District. This was done by testing the hypothesis below.

H₀: There is no significant relationship between management training and effectiveness of financial management secondary schools.

H₁: There is a significant relationship between management training and effectiveness of financial management secondary schools.

The results were shown in Table 4.4.

Table 4.4 Pearson’s Correlation Coefficient showing the relationship between management training and effectiveness of financial management secondary schools

		Management training	Effectiveness of financial management
Management training	Pearson Correlation	1	0.72
	Sig. (2-tailed)		0.064
	N	21	21
Effectiveness of financial management	Pearson Correlation	0.72	1
	Sig. (2-tailed)	.064	
	N	21	21

Table 4.4 shows that the correlation between the management training and effectiveness of financial management secondary schools of Kitui Central District is 0.72. This shows that there is a very strong relationship between management training and effectiveness of financial management secondary schools. We therefore reject the hypothesis and conclude that there is a significant relationship between management training and effectiveness of financial management secondary schools in Kitui Central District.

4.6 The influence of principals' experience on effectiveness of financial management in secondary schools

The second objective for this study was to assess the influence of principals' experience on effectiveness of financial management in secondary schools in Kitui central District.

Table 4.5: The influence of principals' experience on effectiveness of financial management in secondary schools

Statement	VLE(%)	LE(%)	SE(%)	LIE(%)	NE(%)
1. Head teachers experience influencing financial management skills	20(47.6)	13(30.95)	7(16.66)	2(4.76)	0(0)
2. The experience of a principal is necessary in financial management	16(38.1)	16(38.1)	5(11.9)	4(9.5)	1(2.38)
3. The newly appointed principals are not good in financial management	27(64.2)	8(19.1)	7(16.7)	0(0)	0(0)

Table 4.5 revealed that majority of the respondents (64.2%) indicated the newly appointed principals are not good in financial management to a very large extent. This was followed by 47.6% who indicated the newly appointed principals are not good in financial management to a very large extent. Also 38.1% of the respondents indicated that the experience of a principal is necessary in financial management. However none of the respondents indicated that training of principals influences financial management to some extent, little extent and no extent.

Further the researcher sought to investigate the relationship between principals' experience and effectiveness of financial management in secondary schools. The researcher used Pearson's Correlation Coefficient to determine the relationship between principals' experience and effectiveness of financial management in secondary schools in Kitui Central District. This was done by testing the hypothesis below.

H₀: There is no significant relationship principals' experience and effectiveness of financial management in secondary schools.

H₁: There is a significant relationship between principals’ experience and effectiveness of financial management in secondary schools. The results are shown in Table 4.6.

Table 4.6 Pearson’s Correlation Coefficient showing the relationship between principals’ experience and effectiveness of financial management in secondary schools

		Principals experience	Effectiveness of financial management
Principals’ experience	Pearson Correlation	1	0.81
	Sig. (2-tailed)		0.065
	N	42	42
Effectiveness of financial management	Pearson Correlation	0.81	1
	Sig. (2-tailed)	0.065	
	N	42	42

Table 4.6 shows that the correlation between principals’ experience and effectiveness of financial management in secondary schools of Kitui Central District is 0.81. This shows that there is a very strong relationship between management training and effectiveness of financial management secondary schools. We therefore reject the hypothesis and conclude that there is a significant relationship between principals’ experience and effectiveness of financial management in secondary schools in Kitui Central District.

4.7 The influence of principals’ education level on effectiveness of financial management

The third objective for this study was to establish the influence of principals’ education level on effectiveness of financial management in secondary schools in Kitui central District

Table 4.7: The influence of principals’ education level on effectiveness of financial management

Statement	VLE(%)	LE(%)	SE(%)	LIE(%)	NE(%)
1. The principals’ level of education influences financial management.	7(16.7)	15 (35.7)	14(33.3)	4(9.5)	3(7.14)
2. The principals’ education level is necessary in resource management.	11(26.19)	18(42.9)	10(23.8)	1(2.4)	2(4.8)
3. The appointment of secondary school principals should be based on educational level.	9(21.42)	11(26.19)	17(40.5)	2(4.8)	3(7.1)
4. The schools with highly educated principals have more resources.	1(2.38)	6(14.28)	6(14.28)	9(21.4)	20(47.6)
5. The minimum qualification for principals should be masters.	3(7.1)	6(14.28)	10(23.8)	5(11.9)	18(42.9)

Table 4.7 revealed that majority of the respondents (42.9%) indicated that to large extent the principals’ education level is necessary in resource management. This was followed by 40.5% who indicated that to some extent, the appointment of secondary school principals should be based on educational level. Also 35.7% indicated that the principals’ level of education influences financial management to a large extent. However 42.9% of the respondents indicated that to no extent should the minimum qualification for principals be masters. This shows that although there seem to be general agreement that education level influences financial management it should not be taken to be the only key thing influencing financial management.

Further the researcher used Pearson’s Correlation Coefficient to determine the relationship between of principals’ education level and effectiveness of financial management in secondary schools in Kitui central District. This was done by testing the hypothesis below.

H₀: There is no significant relationship between principals’ education level and effectiveness of financial management in secondary schools in Kitui central District

H₁: There is a significant relationship between principals’ education level and effectiveness of financial management in secondary schools in Kitui central District

The results are shown in Table 4.8.

Table 4.8 Pearson’s Correlation Coefficient showing the relationship between principals’ education level and effectiveness of financial management in secondary schools in Kitui central District

		Principals education level	Effectiveness of financial management
Principals’ education level	Pearson Correlation	1	0.68
	Sig. (2-tailed)		0.055
	N	42	42
Effectiveness of financial management	Pearson Correlation	0.68	1
	Sig. (2-tailed)	0.055	
	N	42	42

Table 4.8 shows that the correlation between principals’ education level and effectiveness of financial management in secondary schools in Kitui central District is 0.68. This shows that there is a strong positive relationship between principals’ education level and effectiveness of financial management in secondary schools in Kitui central District

We therefore reject the hypothesis and conclude that there is a significant relationship between principals’ education level and effectiveness of financial management in secondary schools in Kitui central District

4.8 The impact of District Education office on effectiveness of financial management in secondary schools in Kitui central District

The fourth objective for this study was to determine the impact of District Education office on effectiveness of financial management in secondary schools in Kitui central District. To achieve this objective, the respondents were required to indicate whether the District education office assisted the schools in financial management. The responses are presented in Table 4.9.

Table 4.9: Responses on whether District Education office assisted schools in financial management

Category	Frequency	Percentage (%)
Yes	35	83.3
No	7	16.7
Total	42	100

According to table 4.9, majority of the respondents (83.3%) had been assisted by the DEOs office with only 16.7% saying they had not been assisted. The DEOs influence on school principals financial management was through; organizing training/workshops/seminars on financial management, school assessment, advisory visits, and auditing/monitoring.

The researcher further investigated the relationship between the District Quality Assurance and Standards officers (DQASOs) visits to schools and principals’ financial management effectiveness. This was done by use of Pearson’s correlation coefficient as shown in table 4.10

Table 4.10: Relationship between DQASO visits and principals’ financial management effectiveness.

		Visits by DQASOs	Financial management
Visits by DQASOs	Pearson Correlation	1	0.694
	Sig. (2-tailed)		0.084
	N	21	21
Financial management	Pearson Correlation	0.694	1
	Sig. (2-tailed)	0.084	
	N	21	21

The correlation coefficient between DQASO visits and principals’ financial management effectiveness is 0.694 with 0.084 significant level. This correlation coefficient is very high implying that there is a strong positive relationship between DQASO visits and financial

management. This means that if the visits were increased then this would improve the financial management in schools.

4.9 The impact of school Board of Governors on effectiveness of financial management in secondary schools in Kitui central District

The last objective for this study was to determine the influence of school Board of Governors on effectiveness of financial management in secondary schools in Kitui central District. To achieve this objective, the respondents were required to indicate the extent to which they supported the given statements.

The responses are presented in Table 4.10.

Table 4.11: The impact of school Board of Governors on effectiveness of financial management in secondary schools in Kitui central District

Statement	VLE/%	LE/%	SE/%	LIE/%	NE/%
1. The school BOG greatly influences financial management in secondary schools	17(40.5)	17(40.5)	6(14.3)	2(4.76)	0(0)
2. Schools with educated BOG members manage their finances well	24(57.1)	9(21.42)	8(19.0)	1(2.38)	0(0)
3. Good financial management requires committed BOG members	27(64.2)	8(19.1)	7(16.7)	0(0)	0(0)
4. The BOG should be involved in preparing school budgets	11(26.2)	20(47.6)	8(19)	3(7.14)	0(0)

According to Table 4.11, majority (64.2%) of the respondents indicated that good financial management requires committed BOG to a very large extent. This was followed by 57.1% who agreed that schools with educated BOG members managed their finances well to a large extent. This was followed by 40.5% who stated that members the school BOG greatly influences financial management in secondary schools to a very large extent. Lastly 26.2% of the respondents indicated that at a very large extent, the BOG should be involved in preparing school budgets.

CHAPTER FIVE

SUMMARY OF FINDINGS, DISCUSSION, CONCLUSION AND RECOMMENDATIONS.

5.1 Introduction

This chapter presents summary of the findings, discussion of the findings, conclusion from the findings, recommendations and suggestions for further research. This study investigated the factors influencing the effectiveness of financial management in secondary schools in Kitui central District. This was in the light of the fact that principals have their specific but differing innate professionalism/individualism in their financial management styles.

Data were collected using the questionnaires as the main instruments. The questionnaires were subjected to principals and deputy principals. Interview schedules were also used for the school bursars' in Kitui central District. The data collected were analyzed using frequency Tables and Pearson's correlation coefficient Tables were used to test the stated hypothesis following the research objectives..

5.2 Summary of the findings

This study sought to determine the influence of principals' exposure to management training on effectiveness of financial management in secondary schools in Kitui central District. The study established that majority (88.1%) of the respondents indicated that principals' training influences financial management to a very large extent and there is a very strong relationship between management training and effectiveness of financial management secondary schools. The study also established the majority of the respondents (64.2%) indicated the newly appointed principals are not good in financial management to a very large extent and that the experience of a principal is very necessary in financial management. Also the correlation coefficient between principals' experience and effectiveness of financial management in secondary schools of Kitui Central District is 0.81.

The study revealed that majority of the respondents (42.9%) indicated that to large extent the principals' education level is necessary in resource management and there is a strong positive

correlation (0.68) between principals' education level and effectiveness of financial management in secondary schools in Kitui central District.

The study further established that DEOs influence principals' financial management in schools through; organizing training/workshops/seminars on financial management, school assessment, advisory visits, and auditing/monitoring.

Also the study established majority of the respondents (83.3%) had been assisted by the DEOs office with only 16.7% saying they had not been assisted hence there is a strong positive relationship (0.694) between DQASO visits and financial management. The quality of education offered in most schools could at present be practically questionable if the District education officers were not involved in inspecting the schools financial management.

The study also established that majority(64.2%) of the respondents indicated that good financial management requires committed BOG to a very large extent and educated BOG members managed their finances well to a large extent.

5.3 Discussion of the findings

This study sought to determine the influence of principals' exposure to management training on effectiveness of financial management in secondary schools in Kitui central District. It was established that majority of the respondents (88.1%) of the respondents indicated that principals' training influences financial management to a very large extent and there is a very strong relationship between management training and effectiveness of financial management secondary schools. This agrees with Baraka (2010) who argued that poorly trained Principals in various aspects of mobilizing and handling the school resources coupled with inadequately trained finance department's subordinate staff has been a problem that bothers most Principals in Kenya in financial management. Despite their poor managerial and leadership training, most Principals work in poorly equipped schools in terms of physical facilities and that is why during the 2011 Kenya Secondary School Principals Association's (KSSHA) conference held in Mombasa (21st to 26th June 2011), the major challenges facing secondary schools were identified as: lack of financial management skills, poor fees payment and high handedness in the management of schools. This is why Kenya Education Management Institute (KEMI) has been organizing workshops for training Principals, their

Deputies and HODs on financial school management. The principals who have been trained end up being better in financial management (Baraka, 2010).

It was also established the newly appointed principals are not good in financial management to a very large extent and that the experience of a principal is very necessary in financial management. Also the correlation coefficient between principals' experience and effectiveness of financial management in secondary schools of Kitui Central District is 0.81. This shows that there is a very strong positive relationship between management training and effectiveness of financial management secondary schools. This agrees with Pandy (1999) who argued that the experience of a school principal helps them to acquire resource mobilization and management skills which include: management of cash receipts, payments and safeguarding cash balances. Management skills are very important for successful management of school finances and principals must be conversant with them (GOK a hand book for financial management, 2006) to facilitate accountability and keep records and to enhance planning and overall financial performance.

The study revealed that to large extent the principals' education level is necessary in effective financial management and there is a strong positive correlation between principals' education level and effectiveness of financial management in secondary schools in Kitui central District. According to Wallace, (1991), in the global village, the current era is shaped by a tremendous progress of knowledge, which leads to an explosion in learning which helps someone to acquire renewed information to maintain a continuous and sustained professional development including financial management. Hangreaves and Fullan, (1992) argues that teachers cannot ignore professional growth as it raises the education standards and the role of education in professional development which includes financial management.

The study also sought to determine the impact of District Education office on effectiveness of financial management in secondary schools in Kitui central District. It was established that, DEOs influence principals' financial management in schools through; organizing training/workshops/seminars on financial management, school assessment, advisory visits and auditing/monitoring. Also the study established that there is a strong positive relationship between DQASO visits and financial management. According to District Education office report in Kitui central district (2010), most of the secondary schools that had shown improvement in K.C.S.E results had prudent financial management and effective tendering committee. Nepotism, tribalism, corruption and other social economic ills will have no room

in an institution where procurement procedures are followed. Yvonne Hill (2003) posits that quality of the principal and teachers' support systems are the most influential factors in effective financial management.

The quality of education offered in most schools could at present be practically questionable if the District education office were not involved in inspecting the schools financial management. The mission of the Department of Quality Assurance and standards in the District education office is to establish, maintain and improve educational standards in the country which includes financial management. Its vision is to provide quality assurance feedback to all educational stakeholders on all educational institutions in Kenya (MOEST, 2005).

Finally the study sought to determine the impact of school Board of Governors on effectiveness on financial management in secondary schools in Kitui central District. It was established that good financial management requires committed BOG to a very large extent and educated BOG members managed their finances well to a large extent. According to Munyiri (2008) the Boards of Governors (BOG) are mandated by the Education Act 1968 to audit and regulate expenditure by the school administration to ensure that all income received by the school is applied to the promotion of its objectives. The management and mobilization of school resources rests on the hands of BOG members. Munyiri (2008) also notes that; additional time and workload for heads and BOG members in schools, best value requirements, contract and tendering requirements, the packaging and pricing of goods and services working against choice are problems that the teacher's tender committee and BOG members face as a result of inadequate training on public purchasing procedures (Kuria 2012).

5.4 Conclusions from the study

Based on the findings from this study the researcher concluded that the principals' training influences financial management to a very large extent and there is a very strong relationship between management training and effectiveness of financial management secondary schools. Secondly from this study it can be concluded the experience of a principal is very necessary in financial management and that there is a strong positive correlation coefficient between principals' experience and effectiveness of financial management.

The study revealed that to large extent the principals' education level is influences effective financial management and there is a strong positive correlation between principals' education level and effectiveness of financial management in secondary schools in Kitui central District.

The study established that, DEOs office influence school principals' financial management through; organizing training/workshops/seminars on financial management, school assessment, advisory visits and auditing/monitoring. Also the study established there is a strong positive relationship between DQASO visits and financial management.

The study also established that good financial management requires committed BOG to a very large extent and educated BOG members managed their finances well to a large extent.

5.5 Recommendations

From the findings of this study the researcher wishes to make the following recommendations:-

School principals should be constantly trained on financial management so that they can be effective in their financial management. This can be done by holding regular capacity building workshops which will keep them updated on any emerging issues.

Teachers service commission should fix certain experience requirements for promoting teachers to be principals. Before one is appointed to be a principal, they should have served as Head of Department for at least two years then as a Deputy principal for at least one year.

The Government should set certain academic level for BOG members. All BOG members should be degree holders so as to able to assist in effectiveness of financial management in secondary schools.

The Government should promote the teachers with high academic levels like masters to encourage others to pursue higher academic levels. High academic qualification is of great essence in effectiveness of financial management.

The education office in the District should continuously audit the school books of accounts.

There should be at least one DQASO visit in a secondary school every year. This will minimize the common mistakes and ensure effectiveness of financial management.

5.6 Suggestions for further research

This study investigated the factors influencing effectiveness of financial management in public secondary schools in Kitui central district. Further research can be done on:-

1. The influence of Kenya Education Management Institute (KEMI) training on Principals' financial management.
2. The influence of Principals' financial management on students' performance in KCSE.
3. The influence of Principals' financial management on school physical facilities.
4. Effect of Quality Assurance and Standards Officers (QASO) visits on principals' financial management.

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APPENDICES

APPENDIX I: Transmittal Letter

Ruth Mutua
P.O Box 35-90200'
Kitui,
5th May 2013

The Respondents
Kitui Central District
Kitui

Dear Sir/Madam,

REF: TRANSMITTAL LETTER

I am a Post graduate student at the University of Nairobi (Kitui Campus) pursuing a Master of Arts Degree in Project Planning and Management. As part of the requirements for the award of this degree I am conducting a study on **Factors Influencing Effectiveness of Financial Management in Secondary schools in Kitui Central District, Kitui County, Kenya**. I hereby request you to assist me in completing this questionnaire. Your information will only be used for the purpose of this study and it will also be kept confidential, thus to uphold privacy, please do not write your name or even that of your school anywhere on the questionnaire.

I am very grateful for your participation and co-operation.

Thank you,
Yours faithfully,

Signature-----

Ruth Mutua

APPENDIX II: HEAD TEACHERS' QUESTIONNAIRE

The aim of this study is to investigate the factors influencing financial management in public secondary schools in Kitui Central District. Your school is one of the sampled schools. You have been requested together with others in the District to complete this questionnaire. The information that you will give is confidential and will only be used for the purpose of this study. I request you to feel free and cooperate in this exercise.

Instructions to the Respondent

1. Please answer all questions in this questionnaire.
2. Do not write your name anywhere on this questionnaire.
3. Make the answers as confidential as possible after the exercise.
4. Tick your appropriate choice and write down the brief statements in the open-ended questions.

Guidelines: Use a tick (✓) to select your correct value among the multiple choice given Section I: Socio-Demographic Data of the Respondents

1. Select your gender from the list below?
 - a) Male ()
 - b) Female ()
2. Select your age bracket in years from the list below?
 - a) Less than 30 years ()
 - b) Between 30-34 years ()
 - c) Between 35-39 years ()
 - d) Between 40-44 years ()
 - e) Over 45 years ()
3. Select your highest educational qualification from the list below?
 - a) PhD ()
 - b) M.ED ()
 - c) B.ED ()
 - d) Dip. ED ()
 - e) S1 ()

4. Select your teaching experience in secondary schools in years from the list below?
- a) Less than 10 years ()
- b) Between 11-20 years ()
- c) Between 21-30 years ()
- d) Between 31-40 years ()
- e) Over 41 years ()
5. Select your experience within secondary school headship in years from the list below?
- a) Less than 5 years ()
- b) Between 5-9 years ()
- c) Between 10-14 years ()
- d) Between 15-19 years ()
- e) Over 20 years ()

Section II: The influence of principals' experience on financial management in secondary schools.

The following statements indicate the views on the extent to which headteachers' experience influence financial management in your school?

Please use a tick (√) in the provided 5-point likert rating scale of to a very large extent (VLE), large extent (LE), some extent (SE), little extent (LIE) and no extent (NE) to indicate the extent to which the you support or disapprove statements in your school.

Statement	VLE	LE	SE	LIE	NE
6. Head teachers experience influencing financial management skills					
7. The experience of a principal is necessary in financial management					
8. The newly appointed principals are not good in financial management					
9. The schools with experienced teachers have more facilities					

Section III: The influence of principals’ education level on financial management in secondary schools in Kitui central District.

The following statements indicate the views on the extent to principals’ level of education influence financial management in your school?

Please use a tick (√) in the provided 5-point likert rating scale of to a very large extent (VLE), large extent (LE), some extent (SE), little extent (LIE) and no extent (NE) to indicate the extent to which the you support or disapprove statements in your school.

Statement	VLE	LE	SE	LIE	NE
10. The principals’ level of education influences financial management.					
11. The principals’ education level is necessary in resource management.					
12. The appointment of secondary school principals should be based on educational level.					
13. The schools with highly educated principals have more resources.					
14. The minimum qualification for principals should be masters.					

Section IV: The following statements indicate the views on the extent to which Principals’ training influences financial management in your school?

To what extent do you support or disapprove the statements below?

Please use a tick (√) in the provided 5-point likert rating scale of to a very large extent (VLE), large extent (LE), some extent (SE), little extent (LIE) and no extent (NE)

Statement	VLE	LE	SE	LIE	NE
15. Principals’ training influences budgetary skills.					
16. Principals’ training influences financial management.					
17. Principals’ should be trained on financial management.					
18. Principals’ training influences procurement procedures.					

Section V: The influence of District Education office on Effectiveness of Financial Management in Secondary Schools.

1. Does the District Education office assist your school in financial management?
 - (a) Yes
 - (b) No
2. If yes, how?
.....
3. How many times has your school been assessed by the DQASO in the last five years?
.....
4. Does DQASO visit influence financial management in your school?
 - (a) Yes ()
 - (b) No ()
5. If yes, to what extent does DQASO visits influence financial management in your school?
 - (a) Great extent ()
 - (b) Moderate ()
 - (c) Low ()
6. What can you say is the Principals' attitudes towards the recommendations by the DQASO after the visits?
.....
.....

Section VI: The Influence of School Board of Governors on Effectiveness of Financial Management in Secondary Schools.

To what extent do you support or disapprove the statements below?
Please use a tick (√) in the provided 5-point likert rating scale of to a very large extent (VLE), large extent (LE), some extent (SE), little extent (LIE) and no extent (NE) to indicate the extent to which the you support or disapprove statements in your school.

Statement	VLE	LE	SE	LIE	NE
1. The school BOG greatly influences financial management in secondary schools					
2. Schools with educated BOG members manage their finances well					
3. Good financial management requires committed BOG members					
4. The BOG should be involved in preparing school budgets					

APPENDIX III: THE DEPUTY HEADTEACHER'S QUESTIONNAIRE

The aim of this study is to investigate the factors influencing effectiveness of financial management in public secondary schools in Kitui Central District. Your school is one of the sampled schools. You have been requested together with others in the District to complete this questionnaire. The information that you will give is confidential and will only be used for the purpose of this study. I request you to feel free and cooperate in this exercise.

Instructions to the Respondent

1. *Please answer all questions in this questionnaire.*
2. *Do not write your name anywhere on this questionnaire.*
3. *Make the answers as confidential as possible after the exercise.*
4. *Tick your appropriate choice and write down the brief statements in the open-ended questions.*

Guidelines: Use a tick (✓) to select your correct value among the multiple choice given

Section I: Socio-Demographic Data of the Respondents

1. Select your gender from the list below?
 - a) Male ()
 - b) Female ()
2. Select your age bracket in years from the list below?
 - a) Less than 30 years ()
 - b) Between 30-34 years ()
 - c) Between 35-39 years ()
 - d) Between 40-44 years ()
 - e) Over 45 years ()
3. Select your highest educational qualification from the list below?
 - a) PhD ()
 - b) M.ED ()
 - c) B.ED ()
 - d) Dip. ED ()
 - e) S1 ()

4. Select your teaching experience in secondary schools in years from the list below?

- a) Less than 10 years ()
- b) Between 11-20 years ()
- c) Between 21-30 years ()
- d) Between 31-40 years ()
- e) Over 41 years ()

5. How long have you been a deputy in a secondary school?

- a) Less than 5 years ()
- b) Between 5-9 years ()
- c) Between 10-14 years ()
- d) Between 15-19 years ()
- e) Over 20 years ()

Section II: The influence of principals’ experience on financial management in secondary schools.

To what extent do you support or disapprove the statements below?

The following statements indicate the views on the extent to which headteachers’ experience influence financial management in your school?

Please use a tick (√) in the provided 5-point likert rating scale of to a very large extent (VLE), large extent (LE), some extent (SE), little extent (LIE) and no extent (NE) to indicate the extent to which the you support or disapprove statements in your school.

Statement	VLE	LE	SE	LIE	NE
6. Head teachers experience influencing financial management skills					
7. The experience of a principal is necessary in financial management					
8. The newly appointed principals are not good in financial management					
9. The schools with experienced teachers have more facilities					

Section III: The influence of principals’ education level on financial management in secondary schools in Kitui central District.

To what extent do you support or disapprove the statements below?

The following statements indicate the views on the extent to principals’ level of education influence financial management in your school?

Please use a tick (√) in the provided 5-point likert rating scale of to a very large extent (VLE), large extent (LE), some extent (SE), little extent (LIE) and no extent (NE) to indicate the extent to which the you support or disapprove statements in your school.

Statement	VLE	LE	SE	LIE	NE
10. The principals’ level of education influences financial management.					
11. The principals’ education level is necessary in resource management					
12. The appointment of secondary school principals should be based on education level.					
13. The schools with highly educated principals have more resources.					
14. The minimum qualification for principals should be masters					

Section IV: The following statements indicate the views on the extent to which Principals’ training influences financial management in your school?

Please use a tick (√) in the provided 5-point likert rating scale of to a very large extent (VLE), large extent (LE), some extent (SE), little extent (LIE) and no extent (NE) to indicate the extent to which the you support or disapprove statements in your school.

Statement	VLE	LE	SE	LIE	NE
15. Principals' training influences budgetary skills.					
16. Principals' training influences financial management					
17. Principals should be trained on financial management					
18. Principals' training influences procurement procedures					

Section V: The influence of District Education office on Effectiveness of Financial Management in Secondary Schools.

19. Does the District Education office assist your school in financial management?

- a) Yes ()
- b) No ()

20. If yes, how?

.....

21. How many times has your school been assessed by the DQASO in the last five years?

.....

22. Do the DQASO visits influence financial management in your school?

- a) Yes ()
- b) No ()

23. If yes, to what extent does DQASO visits influence financial management in your school?

- a) Great extent ()
- b) Moderate ()
- c) Low ()

24. What can you say is the Principals' attitudes towards the recommendations by the DQASO after the visits?

Section VI: The Influence of School Board of Governors on Effectiveness of Financial Management in Secondary Schools.

Please use a tick (√) in the provided 5-point likert rating scale of to a very large extent (VLE), large extent (LE), some extent (SE), little extent (LIE) and no extent (NE) to indicate the extent to which the you support or disapprove statements in your school.

Statement	VLE	LE	SE	LIE	NE
25. The schools BOG greatly influences financial management in secondary schools					
26. Schools with educated BOG members manage their finances well					
27. Good financial management requires committed BOG members.					
28. The BOG should be involved in preparing schools budgets.					

APPENDIX IV: SCHOOL BURSARS' INTERVIEW SCHEDULE

The aim of this study is to investigate the factors influencing financial management in public secondary schools in Kitui Central District. Your school is one of the sampled schools. You have been requested together with others in the District to complete this questionnaire. The information that you will give is confidential and will only be used for the purpose of this study. I request you to feel free and cooperate in this exercise.

Instructions to the Respondent

1. Please answer all questions in this questionnaire.
2. Do not write your name anywhere on this questionnaire.
3. Make the answers as confidential as possible after the exercise.
4. Tick your appropriate choice and write down the brief statements in the open-ended questions.

Guidelines: Use a tick (✓) to select your correct value among the multiple choice given

Section I: Socio-Demographic Data of the Respondents

5. Select your gender from the list below?

- a) Male ()
- b) Female ()

6. Select your age bracket in years from the list below?

- a) Less than 30 years ()
- b) Between 30-34 years ()
- c) Between 35-39 years ()
- d) Between 40-44 years ()
- e) Over 45 years ()

7. Select your highest educational qualification from the list below?

- (a) Masters ()
- (b) Bachelors' Degree ()
- (c) Diploma ()
- (d) Certificate ()
- (e) Other(specify) ()

8. Select your working experience in secondary schools in years from the list below.

- (a) Less than 5 years ()
- (b) Between 5-9 years ()
- (c) Between 10-14 years ()
- (d) Between 15-19 years ()
- (e) Over 20 years ()

9. How many different principals have you ever worked under?

- (a) Less than 4 Principals ()
- (b) Between 5-9 Principals ()
- (c) Between 10-14Principals ()
- (d) More than 15 Principals ()

10. To what extent do you support or disapprove the statements below?

The following statements indicate the views on the extent to principals' level of education influence financial management in your school?

Please use a tick (√) in the provided 5-point Likert rating scale of to a very large extent (VLE), large extent (LE), some extent (SE), little extent (LIE) and no extent (NE) to indicate the extent to which the you support or disapprove statements in your school.

Statement	VLE	LE	SE	LIE	NE
11. The principals' level of education influences financial management.					
12. Principals should be trained on financial management.					
13. The school BOG greatly influences financial management in secondary schools.					
14. All stakeholders should be involved in budgetary process.					
15. All procurement procedures require tendering.					

APPENDIX V : LIST OF SCHOOLS STUDIED.

1. Kitui High School
2. St. Angelas Girls Secondary School
3. St. Charles Lwanga School
4. St. Ursula Girls Secondary School
5. Kyangwitya Boys Secondary School
6. St. Paul's Mutune Secondary School
7. Ivaini Secondary School
8. Mutukya Secondary School
9. St. Mary's Miambani Secondary School
10. Mulutu Girls Secondary School
11. Kwa Ukungu Secondary School
12. Kwa Muema Secondary School
13. Kwa Ngindu Secondary School
14. Kyamathyaka Secondary School
15. Katyethoka Secondary School
16. Tiva Secondary School
17. Engineer Ngilu Secondary School
18. Mutendea Secondary School
19. Muslim Secondary School
20. Kabaa Secondary School
21. A.I.C Miambani Secondary School