

EMPOWERMENT OF PRINCIPALS OF THE POST-PRIMARY SCHOOLS IN THE
NORTHERN LESOTHO DISTRICTS: A FINANCIAL MANAGEMENT PERSPECTIVE

BY

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DECLARATION

I MATSOLA JUSTINA SHALE solemnly declare that this dissertation submitted for the M.Ed degree at the University of Free State is the result of my independent investigation supported by the use of the indicated sources. I further declare that this work has never been submitted for a degree at any other university.

Matšola J. Shale

Date

DEDICATION

I dedicate this dissertation to my family, my husband Mr Mofube, my daughter Learongoa and my sons, Tsola and Moeketsi Shale for their support. They were always there for me during those times of hardships.

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CHAPTER ONE

**EMPOWERMENT OF PRINCIPALS OF POST-PRIMARY SCHOOLS IN
LERIBEAND BUTHA-BUTHE DISTRICTS IN LESOTHO: A FINANCIAL
MANAGEMENT PERSPECTIVE**

1. BACKGROUND TO THE STUDY

1.1 INTRODUCTION

There is a clear trend in Lesotho and in many other countries across the world for school principals to be given a greater responsibility for the use of financial resources. Associated with this is the devolution of school management to school level. Consequently, principals have to ensure that schools practise sound financial management in order to obtain maximum economic benefit from investment in education, while at the same time, maintain educational norms and standards (Niemann in van der Westhuisen 1997: 402, Davies & Ellison 1997:192; Wallace & Poulson 2003:108).

It is important to note that school financial management is not similar to business management since the education sector focuses on the achievement of quality education, while businesses aim at profit making. However, school principals are expected to be conversant with the basic principles of business management in order to be able to manage school finances effectively. This is because business management is a management science which, according to Niemann (in van der Westhuisen 1997:

402), has already been highly developed and consequently requires school financial management to draw on the results of business management research.

According to Morphet in van der Westhuisen (1991: 372) financial management in schools refers to those financial aspects of management which are planned, organised and controlled by a person in a position of authority (principal) who then regulates them to attain effective teaching and learning. The latter implies that the principal, as the chief executive officer, has authority over the overall management of the school, as well as other school finances. Consequently, the financial management tasks of a principal cannot be separated from other management activities and actions because, during school management a number of activities relating to financial matters such as budgeting occur. Such activities are dealt with at the same time as other management activities, which implies that the empowerment of school principals in financial management seems to be of crucial importance as it plays a vital role in school management.

Against the above background, empowerment can be described as the opportunity given to principals and governing bodies, as well as other stakeholders to carry out delegated responsibilities, share information, make decisions within their areas of responsibility, decide between alternative strategies and take control of the particular organisation. It is obvious that if principals are empowered they are likely to adequately empower the rest of the stakeholders in the school.

In the above context principals in Lesotho need to be empowered as Lesotho post-primary school (PPS) education is characterised by poor consultation and transparency

in financial management among parents, the Ministry of Education and Training (MOET) and the school management (Rakhapu 2003: 24). Research has revealed that weaknesses in financial management, coupled with a low level of community involvement in running the schools were identified as serious problems (Lerotholi 2001: 77). Lerotholi also discovered that most of the schools did not have qualified staff to attend to the accounts, resulting in the appalling state of account books, thus lacking accountability. The situation continued despite provision of the revised education policies and regulations. Therefore, the researcher reviewed the literature on the role of the school principal as a financial manager.

According to Hourigan (2003: 2), principals have to ensure that they practise sound financial management systems which focus mainly on the accomplishment of the main goal of the school (van der Westhuisen 1997: 192), particularly because finance is the cornerstone of various resources used in the school (Sallis 1996: 89). The preceding stance accounts for the need to investigate the degree to which Leribe and Butha-Buthe PPS principals encountered problems in implementing policies and guidelines, as well as the areas in which they needed training.

1.2 STATEMENT OF THE PROBLEM

As mentioned earlier, research findings revealed that the manner in which Lesotho PPS principals play their role in financial management is disputed by various stakeholders due, among other things, to a lack of accountability. Such practices seemed to have hindered their progress with regard to transparency and information sharing among stakeholders, which Hourigan (2003: 5) and Van Deventer and Kruger (2003: 242) consider fundamental practices for successful financial management. The question is whether the provision of the Lesotho Education Act 1995/96 was being implemented or

not. The following issues and practices concerning financial management have prevailed:

- Currently, the Lesotho Teaching Service Commission (TSC) appoints educators as principals with or without the essential financial management skills (TSC Advertisement: November 2006). Furthermore, Lesotho principals have a difficult task in financial management since in most cases, they have to work with illiterate board members who also have to be trained by the same principals on financial technicalities and principles (Lerotholi 2001: 77). Moreover, there are many new PPS principals who were appointed in Lesotho after the year 2001 when the Ministry of Education and Training last held training workshops for the SB. For instance, 65 PPS have also been established in 2007 in Lesotho, implying the appointment of 65 new principals.
- Since 1989 principals have been empowered to collect book rental fees from parents and deposit the textbook rental fees in banks or pay them directly to the School Supply Unit. However, in numerous instances such funds were misappropriated, leading to a shortage in the textbook revolving fund (Mokhokhoba 2008: 25 of 36).
- Up to now, fees are the main source of income in Lesotho PPS. Currently, the regulation of school fees is very lax, allowing authorities to collect fees from households and communities with few restrictions (Lerotholi 2001: 77-78).

Considering, the foregoing, it might also imply that some of the Lesotho PPS principals lack empowerment in financial management.

Arising from the foregoing problem the following questions emerged:

- What is the role of the principal with regard to school financial management?

- What do Lesotho MOET policies and procedures entail with regard to the financial management of school principals?
- To what extent do the Leribe and Butha-Buthe PPS principals encounter problems in executing the MOET policies and procedures on financial management?
- What are the empowerment needs of the Leribe and Butha-Buthe PPS principals for their task as financial managers?
- What training framework would contribute to equip principals with the required knowledge and skills in financial management?

1.3 PURPOSE OF THE STUDY

Today education service is increasingly becoming subject to scrutiny in respect of its standards, effectiveness and value for money. Stakeholders who contribute funds to the schools can no longer accept any financial management practices of a principal, unquestioningly. Skills to respond to the foregoing demands are crucial. The purpose of this study was to establish the areas of financial management in which Lesotho PPS principals needed empowerment and to construct a framework for training them to ensure the betterment of education provided in the schools.

To accomplish this purpose, the following objectives are set:

- To review the role of the school principal for proper financial management.
- To provide an exposition of what the Lesotho MOET policies and guidelines entail with regard to financial management in schools.
- To investigate the extent to which the Leribe and Butha-Buthe PPS principals encountered problems in executing the financial management policies and procedures provided by the MOET.

- To establish the empowerment needs of the Leribe and Butha-Buthe PPS principals for their task as financial managers in schools.
- To provide a possible training framework for the Lesotho PPS principals that would equip them with knowledge and skills, which would assist them in refining financial management systems in the schools with the aim of attaining educative teaching.

1.4 RESEARCH DESIGN

1.4.1 Methodology underpinning the research methods

The study aimed to investigate empirically the social phenomenon using a mixed method mode of inquiry by applying both quantitative and qualitative techniques in order to obtain a more detailed perspective of informants on issues pertaining to the research problem.

The quantitative method is underpinned by a positivistic approach which focuses on positive facts and phenomena, excluding speculations on causes and origins (Babbie & Mouton 2001: 9). The researcher aimed to carry out a positivistic approach by establishing laws or principles through the construction of models for the exploration of financial management practices (Walliman 2005: 168) in the schools.

Following this **normative positivistic approach** the researcher aimed to explore values and skills such as sound financial management procedures and accountability underlying the problem under study. The researcher also aimed to strive towards

objectivity by adopting a dispassionate stance with the respondents (A L Behr 1988: 8-9). The intention of the above was to deduce outcomes in a context that would enable the researcher to indicate the requirements for the sound implementation of financial management policies and guidelines by the principals in Leribe and Butha-Buthe. To facilitate the procedure, the researcher quantified the variables in the form of a questionnaire and then used statistics to analyse the data for interpretation.

To supplement the positivistic approach, the researcher used the quantitative data obtained as a point of departure for qualitative research. This phase of the study was employed from a post-positivistic interpretive stance, with the researcher striving towards the motives of behaviour of managers through empathy (Husen in Niemann et al. 2000: 283). The collection of data and interpretation thereof was conducted using open, flexible and non-rigid methods. The researcher acknowledged the idea of Winberg (1997:16) that the interpretive paradigm seeks to understand the meanings people give to their situations, social interactions and relationships by producing an understanding of the training needs of principals in managing finances and by identifying possible solutions to the prevailing situation in Lesotho PPS.

1.4.2 The rationale for the choice of method

The researcher used the triangulation of methods to acquire a broad and deeper understanding of the data emerging from both quantitative and qualitative research. Flick in Denzin and Lincoln (2000: 5) acknowledges the important aspect of such triangulation by pointing out that the use of more than one method reflects an endeavor to provide valid data on the phenomenon in question. The researcher then used the results of both approaches to construct a framework for training the Lesotho post-primary school principals in financial management.

1.4.3 Methods of study

The research design which was employed in this study included a literature review followed by a mixed method approach as described below.

1.4.3.1 Literature study

To enable the researcher to gain scientific data on the role of a principal as a financial manager, focusing on the required financial management skills and knowledge, the study of relevant literature and legal and electronic sources was undertaken.

1.4.3.2 Questionnaires

The findings from the literature study were further used to construct a self-designed questionnaire as an instrument for the **quantitative investigation**. The questionnaires were distributed to PPS principals in Leribe and Butha-Buthe. The principals were required to indicate their biographical information which included gender, experience, type of school and location, as well as the sources of income. Through the closed Likert type items, respondents provided information on the application of policies and regulations in schools, as well as the extent to which participants encountered problems in executing financial management procedures and related empowerment needs.

The face and content validity of the questionnaire were enhanced by ensuring that the items used represented the literature study findings on the sound financial management of the principals. Additionally, the respondents were expected to respond in a manner which is central to the financial management domain (Leedy 2001: 98 & Hurter 1988:

23). Moreover, to check the reliability of the questionnaire, a pilot study was conducted prior to the actual data collection. The Cronbach's alpha coefficient was also calculated to correlate test items (Holm & Liewlly in Leedy 1997: 35).

The study reported on the level of difficulty as experienced by managers in implementing the financial management policies and procedures, as well as the training needs. The researcher then used descriptive and inferential statistics to analyse the data.

1.4.3.3 Interviews

A further investigation by means of a **qualitative research** was applied to get 'under the skin' of the data obtained quantitatively. Two different semi-structured interview schedules for both principals and the MOET officials were developed to ensure that the interviews remained focused. The interviewees were some of the PPS principals in the quantitative research sample and the Leribe Regional Management Advisor.

Collecting the qualitative data continued until no new data were added to the information on the research problem (Smaling in Neimann 2006: 98). The interviews were tape recorded and transcribed thereafter the data was analysed by means of coding and thematic clustering. Subsequently, the researcher used the data to construct a framework for the training of PPS principals on financial management.

1.4.4 Sampling

For the purpose of the **quantitative investigation** the researcher sent a letter requesting permission to conduct the research to Leribe and Butha-Buthe Senior Education Officers. After securing permission, the researcher obtained a list of all PPS from the two Education offices, allowing for the systematic sampling of 30 schools by selecting every third PPS on the alphabetical list of schools (Leedy & Ormrod 2001: 214-215).

For **qualitative research** the number of school principals to be interviewed was not determined beforehand as data gathering continued until the point of theoretical saturation had been reached. On the other hand, the MOET namely Leribe Regional Management Advisor was selected purposively from the MOET in order to provide relevant qualitative information regarding the financial management practices in the Leribe and Butha-Buthe districts.

1.5 VALUE OF THE RESEARCH

This study contributed towards providing more information on the existing body of knowledge and skills on adequate financial management systems in schools to attain quality education. It was also anticipated that its findings would be utilised by professionals in higher educational institutions. The researcher strived to make recommendations which would influence the financial management systems of the schools for effective education. The training needs analysis was also aimed to assist the researcher to design a training framework which would be used to empower principals to improve educational management in schools.

1.6 OUTLINE OF THE STUDY

Considering the research objectives, the research will be structured in the following way:

Chapter 1 provides the introduction of the background to the study, the statement of the problem, the purpose of the study, the research design, the value of the research as well as the outline to this study. The chapter ends with the conclusion.

Chapter 2 focuses on the theoretical framework of the role of the school principal in financial management. The necessary skills and knowledge required for effective financial management in schools will be discussed.

Chapter 3 provides an overview of the Lesotho policies and guidelines on financial management. These include details of regulations and other official documents pertaining to school financial management. Contemporary practices of PPS principals in Lesotho as reflected by the literature study are discussed.

Chapter 4 describes the quantitative research process, as well as findings resulting from the questionnaires on the extent to which national policies and procedures were being implemented in the PPS. A reflection on the training needs of Leribe and Butha-Buthe PPS is also provided.

Chapter 5 provides an overview of the qualitative investigation into the training needs of Leribe and Butha-Buthe PPS principals. The clarification of some of the issues that

emerged from the quantitative findings is provided. The details of interviews are provided together with the analysis and report of data.

Chapter 6 presents an overview of the development of the study, the realisation of the objectives, a summary of the findings from the literature review, quantitative and qualitative investigations, recommended guidelines for the training framework and recommendations for further research and actions. Recommendations for further research and actions are outlined. The strengths and limitations of the study are also provided and the chapter ends with a conclusion to the study findings.

1.7 CONCLUSION

Chapter 1 presents the background to the study, the statement of the problem and the purpose of the study which states the objectives to be accomplished after conducting the study. The research design which describes the methodology underpinning the research methods is also provided. Approaches that were used to collect and analyse the data for this investigation are outlined and the method of sampling is clearly explained. This chapter also details the outline of all the other chapters in this study. The following chapter discusses the role of the school principal in managing school finances.

1.8 DEFINING THE TERMINOLOGY

Butha-Buthe	A district in the North of Lesotho
Leribe	A district in the North of Lesotho next to Butha-Buthe
MP	The manual for training principals of secondary and High schools in Lesotho
SB	Board of Governors in the Lesotho Post-primary Schools
PPS	Post-Primary Schools (secondary and high schools)
MOET	Lesotho Ministry of Education and Training
SSU	School Book Supply Unit
LEA 1995/96	Lesotho Education Act 1995/96

CHAPTER TWO

THE ROLE OF THE SCHOOL PRINCIPAL AS A FINANCIAL MANAGER

2.1 INTRODUCTION

Today, empowerment of school principals for proper financial management is seemingly more essential in running their schools than ever before. To ascertain the above viewpoint, as well as to acquire more knowledge regarding the research problem, a literature study was conducted. This chapter begins with a brief explanation of what is implied by empowerment. Thereafter, an overview of the literature findings on the role of the school principal as a financial manager in an international context is provided. This is followed by the general standards and directives required by principals in managing school finances. The key areas of financial management namely budgeting, record keeping, reporting and controlling will be addressed.

2.2 EMPOWERMENT: THEORETICAL BASE

The following discussion provides a brief theoretical framework of empowerment as perceived by various scholars.

According to Sallis (1993: 91) empowerment refers to an opportunity for school teams to decide on their own priorities for action within a specified array of resources and within a framework agreed upon with the leadership of the institution (school). In addition, he cites Albretchet (1988) who demonstrates that empowerment concerns a revolutionary paradigm shift from a traditional model of management that is based on decision-making being top-down to a bottom-up customer service model. From an educational point of

view, empowerment can be associated with what Van Deventer and Kruger (2003: 235) refer to as a school-based management approach. With such an approach the public schools are designed to give educational stakeholders, namely educators, parents, learners and the community as a whole, the opportunity and power to improve and develop their schools. Wohlsletter and Mohrman (1994: 1) perceive school-based management as a potentially valuable tool used to engage the talents and enthusiasm of far more of the school's stakeholders than the traditional top-down governance systems. This means that stakeholders are given the freedom to use their capabilities to develop their schools.

Considering school finances Blanchard, Lovell and Ville (1989: 1) use another term which implies a close relationship to empowerment referred to above, but particularly addressing financial management empowerment: Local Financial Management (LFM). LFM principals (head teachers) and the governing bodies of the school are delegated to take responsibility for the school budget. This implies that schools have the financial autonomy to take responsibility for all their actions in handling school finances.

Although schools are becoming more autonomous in dealing with finances, Davies and Ellison (1997: 191) postulate that in decision-making, role players have to ensure that their schools meet legal obligations. For instance, in South Africa, the constitution of South Africa No. 108 1996 and the South African Schools Act No. 84 1996, as well as legal documents must be used as the basis on which financial management decisions are made in schools. This indicates that although as much as the fundamental aim of self-managing schools is to move away from centralised power to a situation where power is devolved to local school level, the central government legislation is of paramount importance in managing school finances.

The bottom line is that the financial management empowerment of a school is not without problems. To support the foregoing statement, Davies and Ellison (1997:191) argue that even though schools are intended to be autonomous, constraints and restrictions are now greater than ever since schools have to operate within their respective national framework. They show that even at the ordinary level “increasingly severe regulations restrict the ability of the school managers to find inventive solutions to problems or to reduce costs”. Apparently, principals are placed in a situation which places a huge responsibility on their shoulders (Van Deventer & Kruger 2003: 234). They have to ascertain whether financial management tasks are performed adequately within the limitations and provisions of centrally based statutes. In the meantime, principals as managers need to empower other educators in financial management to promote confidence and commitment among educators.

Sallis (1996: 90) concurs that empowered teams have to work within an organisational framework where the broad strategy and direction has already been set by the leadership of the organisation. From the school’s point of view, principals have to ensure that there is a direction and strategy to be followed when empowered staff members carry out their delegated tasks.

According to Bennis and Nanus in Davies and Ellison (1997: 149) empowerment has its positive elements: namely significance, competence, a sense of community, as well as fun and enjoyment. It promotes a feeling that stakeholders are doing something important and significant. Moreover, the managers (principals), as well as other staff members are compelled to engage in development and learning on the job (Wohlstetter & Mohrman 1994: 1-2). To support them, Sallis (1996: 91) shows that where

empowerment is adequately employed, organisation teams do the operational work and have significant control over inputs within the objectives, while senior managers (principals) retain the key quality monitoring function. This implies that principals will have more time for facilitating creativity and innovation if they empower their staff members.

Considering the foregoing exposition for this particular study, empowerment will be taken as the opportunity given to school governing bodies and other stakeholders to carry out delegated responsibilities, share information, make decisions within their areas of responsibility, decide between alternative strategies and take full control of their own school.

As mentioned earlier, empowerment has significant implications for school management, more especially for the principal. Sallis (1996: 89) asserts that empowering teams is meaningless if those teams do not have resources, particularly financial resources, to enable them to put their ideas into practice. As a result the role of a principal in financial management will be outlined below.

2.3 OVERVIEW OF THE ROLE OF A PRINCIPAL AS A FINANCIAL MANAGER: A THEORETICAL FRAMEWORK

The school principal plays a vital role in school management. According to Davies and Ellison (1997: 180) the damage done by educators in a school is certainly exacerbated by poor management. In addition, ultimately the onus lies with the principal. To be more precise, if the school finances are poorly managed, it is the principal who takes the responsibility. Ntseto (2001:26) contends that principals need to be efficient to make

economical use of the resources at their disposal to accomplish the goals of the school. To support the foregoing stance, Ramabele (2000: 33) also points out that the principal of a secondary school is the accounting officer.

As the accounting officer, the principal accepts the responsibility for the day-to-day management of the school (Davies & Ellison 1997: 190). Bisschoff (1997:92) concurs that school principals have to draft the FM directives to accomplish proper day-to-day financial management operations in a school. S/he is accountable to both the Department of Education for operating within state legislation and to the SB for carrying out the school's activities according to the SB's policies (Ntseto 2001:25). S/he is also expected to ensure efficiency and effectiveness in areas of management such as human resources (learners, educators, parents and departmental officials), physical resources (buildings, equipment and furniture) and the financial resources of the entire school with the aim of achieving quality education (Hourigan 2003:1 & Ramabele 2000: 17). The foregoing stance implies that when required, school principals have to demonstrate to other role players that they, as executive officers, are able to handle school finance and other resources in a manner that will enable the provision of quality education to their learners.

Apart from being an accounting officer, principals need to ensure that schools are much more aware of the financial cost of education (Blanchard, Lovell & Ville 1989:92) in this era than in the past. In addition, it is essential that principals are attuned and more responsive to the demands of the staff, parents and learners, apart from putting all financial responsibility on the shoulders of the government. Tronc (1977: 1) concurs that "now principals are captains of their own ships and they have been given professional freedom to make professional decisions". The implication here is that principals as

professional managers need to be conversant with the way finances are managed effectively.

According to Davies and Ellison (1997:190) school leaders and managers (principals) have to be aware of the external pressures with which they are faced in dealing with school finance; more especially, they should be able to explain expenditure to stakeholders who need to know where their money goes. To achieve this Blanchard, Lovell and Ville (1989:92) and Hourigan (2003:1) emphasise that principals should add to the skills they already have a range of management skills and competencies which their predecessors did not need. In other words, the contemporary education system demands ongoing professional development of principals in order to keep abreast of the changing needs of education today, more especially in dealing with financial resources effectively.

As far back as 1977, Tronc (1977:1) predicted that “knowledge of basic accounting principles and some skill in elementary financial management are likely to become necessary elements of a school administrator’s expertise”. He emphasised that principals require such skills because payers of fees are no longer willing to offer uncritical acceptance of everything a school may do. Instead, as education is becoming increasingly more and more expensive, stakeholders expect principals as chief executives of their schools to account for school funds. Sharp and Walter (2003: 20) assert that monetary mismanagement causes public criticism as well as problems with state accounting boards and sometimes with local district attorneys who take a dim view of improper accounting procedures. Therefore, ongoing development of financial management skills is imperative for school principals.

In general, the position held by principals entrusts them with a unique responsibility and power to oversee their entire school coordinating the overall school operations. In her speech to principals, Naledi Pandor (2004) said that she strongly believes that principals are critical to educational success. Above all, principals have to draft financial management directives to accomplish proper day-to-day financial management operations in a school (Bisschoff 1997: 92; Davies & Ellison 1997: 190). This involves allocating responsibilities to staff, involving parents, staff and the community in developing educational objectives, preparing and implementing staff training and reviewing performance (St. Mary's Catholic School, Rotorua: 1 of 5). Principals have to report to the SB on learning outcomes, the financial position of the school and other aspects of school operation. Following from the foregoing viewpoint, it is essential to discuss skills and competencies required by principals in handling school finances.

2.3.1 Management skills and competencies needed by principals in managing school finance

For principals to play their role effectively and efficiently it is imperative that they acquire the relevant skills and competencies in financial management. Hourigan (2003:1) observed that principals differ significantly with regard to financial management knowledge and skills. Furthermore, he shows that while some principals require guidance to improve the financial management systems of their schools, others, especially new principals, lack in-depth training to develop proper financial systems for their schools. To support the foregoing viewpoint Blanchard, Lovell and Ville (1989: 91-92) assert that in the light of the role to be played by principals of the 1990s, principals do everything in the school. Thus he contends, that apart from ensuring that the curriculum is correctly implemented by educators, principals have to ensure that they add financial management skills to the skills and abilities they already have. This means that whether a principal is a novice or whether s/he is experienced, ongoing professional

development and training is not an option but essential for enhancing the achievement of the goal of educative teaching in a school.

The above necessity was predicted by Tronc (1977: 1) when he postulated that a greater professional freedom and room to manoeuvre were first given to empowered principals in other areas of management and that the same would soon be extended to the area of financial management. Now we live in an era where principals need to be very careful in dealing with financial matters since they have to account to other stakeholders for the expenditure in the school. In other words, principals need to be able to communicate with the stakeholders about financial management issues concerning the school. This means that principals have to ensure that vigilance is practised at all times in their schools since they (principals), can be called on to account for not only their actions but the actions of those they supervise.

Tronc (1977:1) pointed out that knowledge of basic accounting principles and some skills in elementary financial management were likely to become necessary elements of a school administrator's expertise. Later on, Blanchard, Lovell and Ville (1989: 92) suggested that school principals should add to their repertoire expertise on management, resource management and a detailed understanding of building maintenance issues. They also agree with Tronc that knowledge of accountancy is another fundamental requirement of school principals. Sharp and Walter (2003: 21) emphasise that "proper accounting practices are no longer a luxury or something that pertains to business; they must be a necessary and accepted part of a school's operating procedures". As mentioned earlier, it is indicative that today managers need to add to their skills elementary accounting skills that traditionally were not expected of them.

Although school principals are experiencing strong external pressures, they still have to give their attention to the day-to-day management of financial resources (Davies & Ellison 1997:190). In addition, Davies and Ellison also assert that principals are faced with community and political demands, as well as cultural pressures, to mention but a few. To cope with such pressures it is imperative that principals are well equipped with the necessary skills and competencies. Thus, there is an indication for the need to cope with environmental pressures such as dealing with the community and church affiliations in such a way that school finances are utilised for a common goal.

Furthermore, Van der Westhuisen (1991:372) suggests that school principals need a range of skills which include those required to carry out financial management tasks such as planning, organising, leading and the controlling of finances in a manner that will result in effective teaching and learning in a school. The implication here is that even though each school may manage its finances differently, depending on its nature and environmental factors, principals need to be comprehensive with the required financial management skills and competencies. As a result, principals should ensure that they implement appropriate financial management systems in their schools. Additionally, it is a fundamental principle for principals to note that the financial management system in the school is appropriate only if it enhances the achievement of educative teaching in the school in which it is being implemented.

To assist principals and other stakeholders even further, Hourigan (2003: 2-3) suggests that the following skills are needed by principals in managing school finances.

The ability to:

- *interpret the validity of the financial systems and the financial terms used in them;*

- *develop the school's integrated budget for financial performance, cash flows and financial position;*
- *operate within the constraints of the budget and regularly report to the board the progress against the budget;*
- *implement systems to allow a close check on financial matters. This means the ability to analyse the financial statements,,interpret the results and trends and make accurate projections;*
- *decide on priorities of financial allocation to reflect needs including the priorities in the strategic plan. The strategic plan priorities reflect areas that have the greatest benefit in improving student learning outcomes;*
- *delegate financial responsibilities to teaching staff through providing the training to them, and to monitor their compliance to budget;*
- *ensure that all financial systems are highly functional and comply with accepted standards of operation;*
- *provide sound advice to the school board that includes the reliance on professional financial advice in making financial decisions; and*
- *implement and manage all board financial decisions and auditor management recommendations.*

Considering the extensiveness of the aforementioned list of the skills postulated by various scholars which include proper financial planning, organising, leading and controlling, it is obvious that principals are not able to carry out every task on their own. In this case, the delegation of duties to suitable stakeholders is paramount. According to Ramabele (2000:33) it is physically impossible for the principal to undertake all the financial administration and management tasks alone. Therefore, s/he has to assign some of the tasks to other stakeholders to manage the sub-financial programmes of

departments. It is therefore important to outline some of the implications of delegation, more especially in financial management as outlined below.

2.3.1.1 Delegation

The concept of delegation is of vital importance especially if principals implement it with circumspection. According to Butler et al. (1999: 10) delegation is all about the separation of powers and duties among stakeholders. For example, the work of fundraising and the monitoring of financial information involving the principal only when there are problems, could be delegated to a bursar or educators with the necessary expertise (Blanchard, Lovell & Ville 1989: 59). On the other hand, Davies and Ellison (1997: 27) point out that delegation is not as simple as the word implies. It is not a matter of simply giving someone else a task to carry out and then forgetting about it; the principal has to work closely with those delegated to ensure that rules are followed.

As mentioned above, delegation refers to the allocation of tasks on the level of the individual workers (Van der Westhuisen 1991:381). Van der Westhuisen considers delegation a significant contributor to the organisation of school finances. This is supported by Van Deventer and Kruger (2003:118) who concur that a principal cannot merely divide work among people and presume that it will automatically be done. However, Tronc (1977: 4) and Van der Westhuisen (1991: 381) suggest that prior to the allocation of financial tasks principals need to thoroughly examine such tasks, as well as the capabilities of the staff members. This is because whether delegations are done properly or not, ultimately the final responsibility lies with the principal (Butler, Moodley, Gounden, Govender, Govindsamy, Zulu, Kapp & Samuel 1999:10; Tronc 1977: 4). Besides, a school principal is always the highest ranking order manager in a school.

According to Allen in Van Deventer and Kruger (2003:118) management tasks such as teaching, learning, extra-mural activities and administrative work are entrusted to educators by the principal with the hope that they will carry out the work that has been assigned to them. From the financial management perspective the principal will delegate responsibility for money matters to the personnel who have the right expertise. For instance, Bisschoff (1997: 93) believes that if there are personnel with some commercial knowledge among the stakeholders, the principal will delegate mainly financial management tasks to them. Otherwise, a thorough search should be made for a person with the right expertise. This implies that the principal needs to treat the issue of delegation with circumspection and thoroughness to avoid the misappropriation of school finances.

To enhance proper delegation, it is apparent that principals become aware of four organisational principles namely responsibility, accountability, authority and flexibility which have application to the area of delegation (Tronc 1977: 4; Van Deventer & Kruger 2003: 118-119). A brief explanation of the implication of each is provided hereunder.

- **Responsibility**

According to Van Deventer and Kruger (2003:119) responsibility is a particular obligation or commitment on the part of a principal and the staff members to achieve the school`s outcome. Butler et al. (1999: 10) concurs that in delegation each person or group takes responsibility for a specific task. Moreover, if delegates work properly, the system ensures transparency and accountability. On the other hand, Tronc (1977: 4) and Arnold and Hope in Levacic (1989) argue that principals should ensure that the extent of responsibility is clearly defined and assigned to each individual or group in such a way

that s/he is left in no doubt as to his/ her task. In other words, responsibilities need to be in a written form to avoid mishaps.

- **Accountability**

There are different ways in which accountability can be defined; some of which will be highlighted below. Ditternhofer in Golembiewski and Rabin (1983: 212) considers accountability as the requirement placed on the public official to report the disposition of and use to which s/he has put the resources with which s/he has been entrusted. Focusing on financial accountability, Ditternhoffer describes it as the act of “determining if financial operations are properly conducted, whether financial reports of audited entity are presented fairly and whether the entity has complied with applicable laws and regulations”. From the foregoing definition it can be deduced that in the school context accountability means the requirement placed on the principal or staff member to report the way in which the resources entrusted to him/her have been utilised.

Furthermore, van der Westhuisen in Van Deventer and Kruger (2003: 119) considers accountability as the educator’s obligation to give an account of having performed work delegated to him/her by the manager in accordance with set criteria and pre-determined standards. He emphasises that the principal is accountable to the school board and the district manager in the school district. On the other hand, Davies and Ellison (1997:222) postulate that greater accountability is linked to greater delegation and increased self-management. They consider accountability as the desire to measure progress against a range of performance indicators and to publish the results. From the financial management perspective, it is essential that principals should be able to explain to other stakeholders their actions in relation to the use of financial resources.

Moreover, Tronc (1977: 4) is of the opinion that each delegate should know to whom s/he is accountable and in what way. Bisschoff (1997: 100) asserts:

Jobs should clearly be described in such a way that there is no room for misunderstanding. Each staff member who is involved in school finances should be fully informed about authorisation for various expenditures, the financial procedure for expending money and to whom the results of the expenditure should be reported.

For example, an educator who is given responsibility for money matters on a daily basis at the school should be able to report the effectiveness of his/her job to the appropriate manager. Therefore, accountability is a critically important principle of delegation.

- **Authority**

Van Deventer and Kruger (2003: 140) clearly suggest that authority is associated with the right of the manager to enforce certain actions within specific guidelines and the right to take action against those who will not cooperate to attain certain aims. They further contend that in the school context, the school principal as the executive officer of the school is given authority by the Department of Education to enforce its authority. Therefore, it is important for principals to ensure that sufficient authority is delegated responsibly at school level; otherwise, if the hands of the delegates are tied they cannot be expected to do a satisfactory job. On the other hand, Sallis (1996: 89) asserts that the real delegation of authority needs an effective control over resources; thus, principals should ensure proper control over the delegated tasks, as well as over resources which are utilised to carry out such tasks.

- **Flexibility**

When delegating the job to educators it is essential that principals allow flexibility in expectations for the outcome of the task. This should be the case because, as pointed out by Tronc (1977: 4), the principal's own concept might not be the best solution to the immediate problem.

From the foregoing implications, it is important that when delegating to stakeholders, the principal needs to be cautious since the final accountability and responsibility passed on still remains with the principal.

Since delegation involves stakeholders, the following discussion deals with the involvement of stakeholders in relation to the school's finances.

2.3.1.2 Involvement of stakeholders

It is imperative that the principals manage finances in a manner that will build strong relationships with the stakeholders (Bisschoff 1997:100). According to Lerotholi (2001: 29-30), stakeholders are of paramount importance to the school as they contribute school funds in various ways. In addition, he shows that in many countries, the Department of Education meets the basic financial needs of public schools by paying staff salaries and sometimes building classrooms. Concerning private schools, the community and households are responsible for the payment of all school operations; more precisely, the stakeholders namely parents, donors, learners, educators and the wider community contribute funds in the form of school fees, fundraising and donations to supplement the state grant (Van Deventer & Kruger 2003: 236) in order to enhance successful educative teaching.

According to Ramabele (2000:34), educators are directly involved in financial policy implementation and are also responsible for the achievement of the educative goal of the school. Armstrong in Ramabele (2000: 34) points out that educators provide informed financial data required by their various departments, subjects and classes. Bisschoff (1997: 99) also asserts that the administrative staff plays a strategic role in carrying out most of the financial management activities in a school. However, the administrative staff never functions separately from the academic and professional staff. For this reason, Bisschoff postulates that harmonious collaboration among academic and administrative staff is crucial to the achievement of financial objectives. Therefore, it is imperative for principals to foster sound collaboration among stakeholders.

Furthermore, Hartz (1993: 74) suggests that managers need to involve educators and other staff members in making financial decisions. This is because consultation always improves acceptance and commitment, as well as boosting the morale of such staff members (Hart 1993: 74; Bisschoff 1997: 101). In considering the foregoing viewpoints, principals need to ensure that staff members are consulted in decision making in the school as they are, in most cases, affected by the school development plan or are the ones who have to make the plan work successfully.

Although parents appear to be only remotely involved in school financial management as they are not part of the teaching staff, they play a vital role in funding school activities. Ramabele (2000: 33) postulates that the parents of learners have to be involved when the amount of school fees is determined and, if there is a need for an increase in such fees, they have to be given reasons thereof. In addition, Van Deventer and Kruger (2003: 236) and Lerotholi (2001: 29-30) state that school fees are one of the major sources of income for the school and are paid by the parents. This is an indication

for the need of principals to ensure that they nurture ongoing financial support by the parents.

Other stakeholders are donors and interest groups in the community who provide the school with sponsorships and donations (Van Deventer & Kruger 2003: 236). The main task of school principals is to actively involve such stakeholders in the school's activities and encourage them to support those activities.

According to Van Schalkwyk in Bisschoff (1997: 102) "without the support of external stakeholders a school can hardly survive". Moreover, Spanbauer in Sallis (1996: 78) argues that principals as educational leaders should create an environment which will encourage shared responsibility and interaction among the stakeholders. From the above viewpoint, it follows that success in the financial management of schools is dependent on the ability of the school principal to create a shared vision among stakeholders. In consequence, all stakeholders will realise their worth and apply more effort in trying to achieve the educative teaching goal of the school.

Clear communication on the financial matters of the school between the principal and other stakeholders (SB, parents, community, learners and educators) is a sign of good management. According to Bisschoff (1997: 99), Hourigan (2003: 3) and Buckner (2007), consultation with stakeholders before taking any financial decision is a fundamental requirement of principals. Ramabele (2000: 30-32) and Ntseto (2001:27) concur that giving financial report and feedback to stakeholders is a way in which the principals can instil trust in stakeholders as stakeholders want to know where their

money goes. The above viewpoints emphasise the need for empowered school principals to involve other stakeholders in the school's financial matters.

Following the foregoing discussions, an exploration of the characteristics of effective financial management practices in schools will be addressed.

2.3.2 Characteristics of effective financial management practices in schools

Presently, the world is faced with the problem of high inflation rates which negatively affect the education system. According to Downs in Davies and Ellison (1997: 187) there is a clear trend across the world for publicly funded schools to be given greater responsibility for the use of their finances. In addition, Van Deventer and Kruger (2003: 234) concur that the principal as the highest ranking manager in a school needs to ensure that contemporary financial management actions should be greatly improved compared to in the past when funds were readily available.

Furthermore, senior managers should aim at getting most of the jobs done successfully at the lowest cost, in this changing world (Blanchard, Lovell & Ville 1989: 59). Therefore, it is important to note that the issue is not only how much money goes into the school system, but how well the available funds are utilised. Wallace and Poulson (2006: 108) and Sallis (1996:89) postulate that the management processes which enable the effective and efficient use of resources contribute towards promoting successful teaching and learning. This means that the fruitful management of finances can reduce the misappropriation of funds in a school and such funds can be solely used for the best education of learners.

The financial resource is the cornerstone of the other resources as these resources are likely to be utilised efficiently and effectively if the finances are properly managed in a school (Sallis 1996: 89). To enhance the attainment of the educational goal, financial resources are allocated to human resources (people such as learners, educators, parents and departmental officials) who carry out the tasks, as well as to the physical resources (buildings, equipment and furniture) which are used during the performance of the management tasks (Ramabele 2000:17). Additionally, according to Van der Westhuisen (1991: 373) and Levacic (1989:6), financial management in a school should create an organisational climate which enhances effective education so that its worth can be evaluated in terms of educational results.

To ensure successful financial management, principals in collaboration with other stakeholders, have to ensure that appropriate systems are implemented in schools (Hourigan 2003:2; Bisschoff 1997:99). Hourigan further shows that if the system is robust, the management will follow accordingly. As stated by Ramabele (2000: 16-17) this is achieved through careful and thorough planning, proper organisation, the co-ordination of activities and the use of adequate control measures to ensure that school moneys are used according to plan. Proper planning of finances can lead to the distribution of the finances of the school according to certain priorities for the attainment of educative teaching and learning (Ramabele 2000: 16).

As mentioned earlier, the proper planning of finances enhances the appropriate allocation of finances in a school. To ensure adequate directives, it is essential for principals to allocate financial resources to areas which have the greatest benefit to improve student learning outcomes. This can be achieved when financial planning is clearly linked to a strategic plan which has critically assessed the maintenance and

development of all school activities (Hourigan 2003: 3; Hart 1993: 9). Thus, before dealing with financial planning, general planning in a school should take place. This issue will be highlighted in the following section.

2.4 FINANCIAL MANAGEMENT TASKS OF PRINCIPALS: GENERAL NORMS AND STANDARDS

2.4.1 General Planning

According to Brazelle (2006: 8), the process of planning is based on three aspects namely situation analysis, strategic planning and operational planning respectively. Tronc (1977: 44) posits that a planning framework involves a complete range of objectives, policies, procedures, programmes, budgets and strategies. Furthermore, scholars such as Brazelle (2006: 8) and Blanchard, Lovell and Ville (1989:71) opine that planning is the most important part of the entire management process, because it defines what is required and how it can best be achieved. Above all, it has to make provision for unforeseen problems. During planning, the needs of learners should be the focal point of the whole process as education is all about learners learning. Thus, the process should begin with a situation analysis.

1. WHERE ARE WE NOW?



SITUATION ANALYSIS

Identify strong and weak points,

opportunities and threats which have to be considered during future planning

2. WHERE DO WE WANT TO BE?



2.1 VISION



2.2 MISSION



2.3 STRATEGIC OBJECTIVES



3. HOW DO WE GET THERE?

STRATEGIC PLANNING

Includes three facets

It describes the school's

long-term ideals:

- Where the school will be heading?
- What it will look like (public image)?
- What are its guiding values?

It describes how the vision will be

attained:

- Explains the encompassing purpose of the school.
- Describes the core business of the school.
- States commitment to the school's vision.

It describes long-term goals of the school

based on the mission.

The question requires **OPERATIONAL**

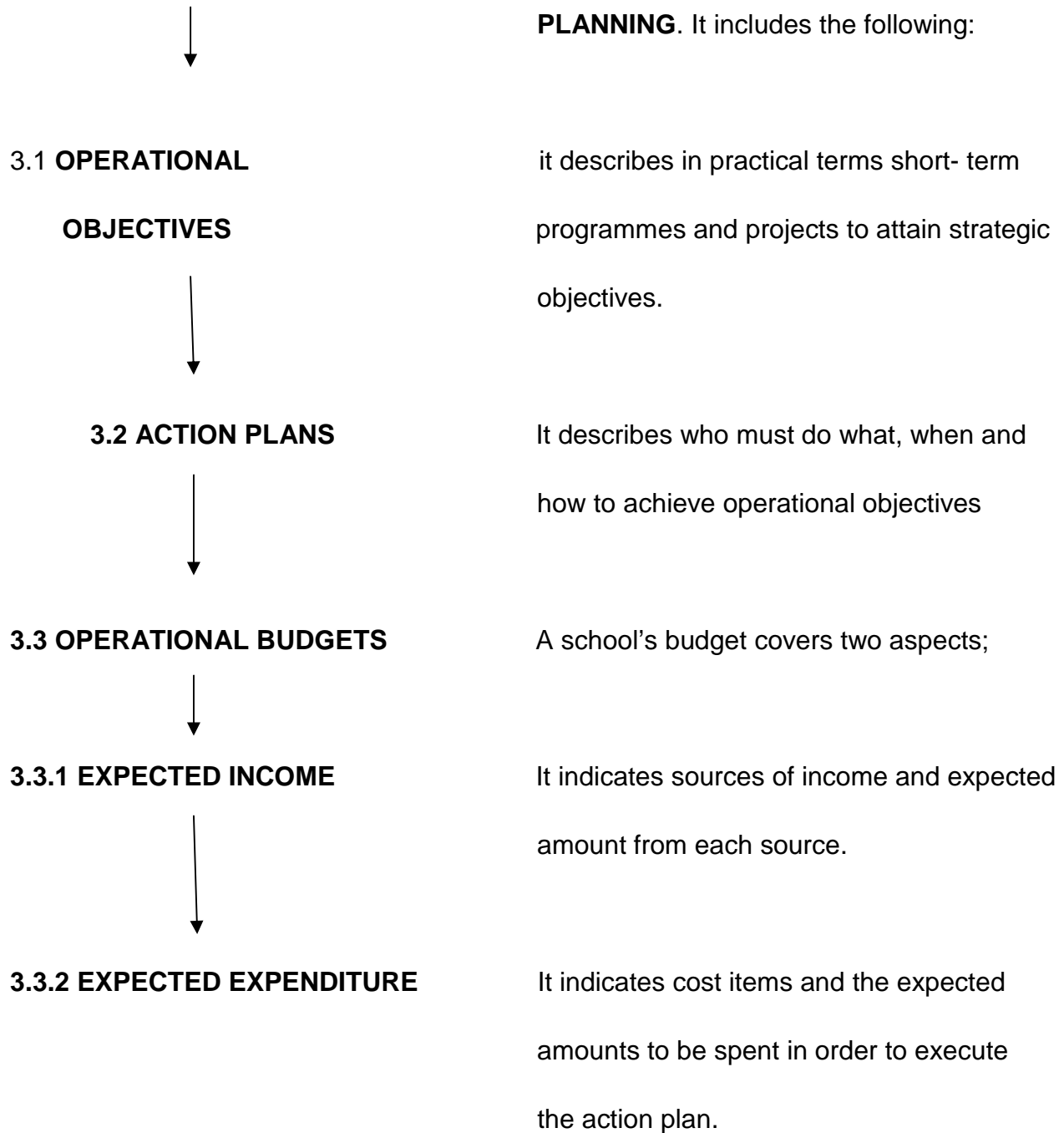


Figure 2.1: A flow chart which summarises the link between financial planning and the overall planning of the school (Adapted from Brazelle 2006: 8-9).

- **Situation analysis**

A situation analysis is essentially about knowing the present position of the school. It is the self-review process augmented by information on the school's financial position (Hourigan 2003:4). During this process, the strengths and weaknesses in the previous year's school activities are identified so that they may be considered during future planning action (Ramabele 2000: 22, 25) and Davies and Ellison (1997: 81-82). This is about identifying international, national and local trends that will impinge on a school (Blanchard, Lovell & Ville 1989: 74). In consequence, the school principals and stakeholders could overcome the weaknesses and adhere to the strengths.

Furthermore, at the situation analysis stage, the opportunities and threats in the school environment are also identified. School principals have to ensure that plans are formulated to exploit the identified opportunities and overcome the impact of possible threats (Ramabele 2000: 22 & Hart 1993: 2). According to Hourigan (2003: 4), a situation analysis is the solid base of strategic planning. Moreover Hart (1993: 2) suggests that from the financial management viewpoint, at this stage of analysis, the financial data relating to the school's activities including those collected from budget monitoring, should be assessed. Once the foregoing are recognised and discussed, the strategic planning is carried out.

- **Strategic planning**

According to Van Rensburg (in Ramabele 2000: 22) strategic planning is defined as the continuous planning process of management in a changing environment to develop and implement a suitable plan that will lead to the fulfilment of the changing needs of the organisation (school). According to Hart (1993: 4) the strategic plan is sometimes called the development plan and involves the identification of the long-term objectives of the

school, normally stretching over more than three years. Usually the plan is developed from the principal's vision and is added to by the staff and community when taking account of the community's needs and aspirations (Hourigan 2003: 4). Sallis (1996: 77) asserts that the most effective principals have a clear vision of the way the school can deliver service to the clients. This means that every school principal is bound to have a vision for his/her own school to ensure success in planning strategically.

The vision statement communicates to the stakeholders the end purpose of the school and what it stands for (Sallis 1996: 106). In addition, Brazelle (2006: 8) postulates that the vision describes the long-term goals which show where the school is heading, the public image and what the guiding values of the school are.

When a vision is identified, the mission of the school which describes in broad terms how the vision may be attained, is formulated (Ramabele 2000: 21). According to Ramabele, mission statement is about the nature of the school and it states the task of the school. Sallis (1996: 106) argues that the school's mission has to be kept at the forefront of all decisions and practices as it explains the purpose, core business and commitment of the school. Sallis also shows that the vision is closely interwoven with the mission. He further clarifies that the mission statement makes it clear why an institution (school) is different from others. Principals, alongside with the SB, need to formulate and use the mission as a guide when developing the school's strategic objectives.

The strategic objectives describe the long-term goals of the school flowing from its mission statement. They are set with the help of feedback from a review of the previous

control activities (Hart 1993: 2). Adequate educational long-term planning would require projections of aspects such as the learner population, the types of new subjects to be implemented, additional materials and the personnel resources needed. It is necessary for principals to prioritise financial allocation to reflect the school's needs, including priorities in the strategic plan (Van Rensburg & Schutte in Ramabele 2000: 22 & Hourigan 2003: 4). From the foregoing, strategic planning may be seen as an annual course adjustment to ensure that the school continues to proceed in the right direction.

Fox *et al* and Van Rensburg (in Ramabele (2000: 22), Davies and Ellison (1997: 115), Blanchard, Lovell and Ville (1989: 74-77) and Meitler Consultants Inc (1of 2) assert that strategic planning is vital due to the following:

- a) The improvement on decisions about future opportunities and threats faced by the school; when the principal and other stakeholders are aware of opportunities and threats that can assist in the prevention of waste and inefficiency in the management of the school's finances.
- b) The development of adequate aims which serve as a powerful motivation
- c) The enhancement of communication, coordination and participation in the school.
- d) The provision of an objective basis for management decisions leading to improved managerial decision making. If management decision making is improved, effective and efficient goal attainment, the use of resources in a cost effective manner and personnel morale are attained.

However, strategic planning has its limitations which are related to:

- The complicated and difficult nature of such actions

-The time-consuming dimension of it and,

-The requirement of specific skills which some principals and other stakeholders may not have.

But Fox *et al.* (in Ramabele 2000: 22) and Blanchard, Lovell & Ville (1989: 77) claim that schools as organisations are better off with strategic planning than without. Furthermore, strategic planning is fundamental if thoroughly accomplished and it can make a dramatic positive change to the organisation (school). To realise the strategic objectives, operational planning is carried out.

- **Operational planning**

The operational planning level involves the breaking down and conversion of the strategic objectives into short-term objectives. The focus of operational planning is on implementation and results to be accomplished in the next academic year (McGinly 1985). According to Tronc (1977: 44), objectives are the ends to which limited resources are directed. This implies that not all the objectives may be attained within a year under the constraints of finances, time and other important resources. Thus, a decision has to be made about which short-term objectives will have the greatest benefit in improving the education of learners in a school. Consequently, the operational objectives and plan of action in a school are established respectively

According to McGinly (1985) the operational objectives are specific measurable results to be accomplished within the time span of the operational plan. Moreover, action plans are specific actions required to achieve each operational objective including a timetable, resources required and accountability (Sallis 1996: 114). To be more precise, all actions

should be clearly set out, with the person(s) responsible for each action identified and a date set by which the task should be accomplished. In addition, it is essential that the action plans take full account of the school budget to avoid mishaps in the future. In other words, the operational objectives describe in practical terms, short-term programmes and projects to attain the strategic objectives of the school (Ramabele 2000:22; Ntseto 2001: 15; Brazelle 2006: 9).

According to Blanchard, Lovell and Ville (1989: 71) the general planning in a school is the most significant part of the management process as it defines the requirements and how they can best be accomplished. To facilitate the attainment of operational goals the principals have to ensure that the operational budgets are prepared. Budgets are financial planning tools and they also serve as financial control instruments.

Financial planning and operational budgets will be discussed and explored hereunder.

2.4.2 Financial planning and operational budgets of a school

2.4.2.1 Planning school finances

As far as financial planning is concerned, the budget is regarded as a financial management planning tool (Niemann in Van der Westhuisen 1997: 375). Brazelle supports Niemann when he contends that the financial planning of the school is basically done by drafting the annual budget of income and expenditure. On the other hand, Ntseto (2001: 15) postulates that financial planning involves determination of school objectives, financial policies and financial procedures.

Considering the foregoing stance, Ramabele (2000: 25-26) and Blanchard, Lovell and Ville (1989: 71-77) and Niemann in van der Westhuisen (1997: 376-377) have a similar opinion as Ntseto but in a more detailed manner. They identify the following steps in carrying out the financial planning in a school.

- **Assessing the financial situation and the environment in which the school operates**

Related to this step of financial planning could be factors such as the ease of the parents and stakeholders to pay the required fees or engage in fundraising projects for the school. For example, if members of the community of the school are reluctant to pay fees due to economic restraints, it may not be wise for the principal and the SB to raise school fees, because fewer parents will pay than when fees are relatively low. Ramabele (2000: 25) asserts that awareness of the factors that can impinge on the school is a crucial precondition for setting realistic objectives as planning requires a realistic diagnosis of the situation of the school.

- **Determining the goals and objectives of the school**

From the discussion on strategic planning and operational planning it becomes clear that the school can have long-term as well as short term objectives. The short-term objectives can be derived from the long-term objectives. Niemann in Van der Westhuisen (1997: 376) suggests that the budget for the long term should be drawn concomitantly with the budget for the short-term goals. Otherwise, if such budgets are dealt with as separate entities, failure to achieve long-term goals may result.

To attain the set goals Levacic (1989: 91) and Ramabele (2000: 50) suggest that since it is physically impossible to attain all objectives with scarce resources at the same time, it is advisable to establish a rank order of priorities. According to Jordan in Van der Westhuisen (1997: 376) factors such as available facilities, existing programmes and traditional aspirations of the community can be used to decide on priorities. Financial sources, as well as future potential sources are also of paramount importance in determining priorities. Furthermore, Niemann in van der Westhuisen (1997: 376) asserts that prioritisation is a prerequisite for drawing up a budget. The size of the budget also determines the setting of priorities. This implies that drawing up a school budget and establishing priorities are dependent on each other. With clearly stated priorities, the school's financial policy may be developed.

- **Formulating the financial policy of a school**

Each school needs to develop a financial management policy (Butler et al. 1999: 12; Ntseto 2001: 12). Butler et al. define a financial policy as a document that describes clearly what the procedures and rules for handling money in a school are. It also provides a clear understanding of the responsibilities of the role players such as the principal, treasurer (if the school has one) and other staff members delegated for specific financial management tasks. Allen in Ntseto (2001: 12) also suggests that every school principal is accountable for the interpretation of a financial policy of his/her own school. However, it is acknowledged that a financial policy may differ from school to school because each school develops a policy to address its own problems.

Van Deventer and Kruger (2003: 92) believe that the following guidelines are to be considered in developing a policy:

- The role players which should include managers and educators should be careful in decision making and in drafting a policy which may have long- term implications. An inadequate policy can result in further problems instead of solving specific problems. Ntseto (2001: 15) concurs that incorrect financial planning may lead to the misappropriation of school funds instead of enhancing the achievement of educational goals.

- Policy should initially be drawn up by a small committee which has consulted all relevant stakeholders. The draft policy should then be submitted to the stakeholders for discussion and approval, but it should also provide room for rejection and changes. This means it should allow flexibility to meet the essentials of the school.

- Every policy document should be written in precise and clear language and be brief. This is especially important because a policy is a general plan of action.

Donnley, Gibson and Invancevich (1984: 116), Van Deventer and Kruger (2003: 12) and Ntseto (2001: 12) suggest that an effective financial policy should exhibit the following characteristics:

Legislation: the government may force a policy change through its legislation and in such situations the principal should interpret new and modified policies as soon as they are communicated to him/her. This means that as soon as they are informed about the latest policy that applies to school finance, principals may request the provision of more

definite information (Ntseto 2001: 12 -13). Therefore a school policy should be aligned with the legislation.

Flexibility: it is the responsibility of those who formulate the financial policy to ensure that it allows flexibility (Van Deventer & Kruger 2003: 92). This implies that a policy has to change with conditions, while ensuring some degree of stability. A stable policy will result in the achievement of order and a sense of direction.

Co-ordination: a policy must provide for the co-ordination of various departments whose actions are interrelated. Without co-ordination in the school, each department may pursue its own objectives (Ntseto 2001: 12). For instance, there is no need for the science department to order equipment that is available in the agriculture department. This implies that poor co-ordination can lead to the wastage of financial resources.

Clarity: a policy should be written clearly and logically. It must specify the intended aim of the action it governs, define the appropriate methods and action and delineate the limits of action permitted to those whose actions are to be guided.

According to Van Deventer and Kruger (2003: 92) a policy consists of a series of plans or general statements and interpretations that guide the thinking of the management team when making decisions. Therefore, it is the task of the school principal as a professional, to ensure that the financial policy guides decision making concerning school finances. The aim of achieving educative teaching and learning should be at the forefront of all decisions made. It may then be concluded that financial policy-making is

a fundamental part of financial management which forms the basis of the implementation of the financial plan.

- **Implementing the plan.**

According to Ramabele (2000: 26) the implementation of selected courses of action is usually linked to the financial budget of the school. On the other hand, Niemann in van der Westhuisen (1991: 376) postulates that a budget is analogous to a financial policy since they both have similar basic characteristics and purposes. This implies that the implementation stage is also linked to the financial policy of the school. Ramabele (2000: 26) further mentions that the budget serves to co-ordinate the different plans being implemented.

For implementation purposes, all activities should be clearly set out, standards of performance clearly stated, people responsible for specific tasks identified and the date by which such tasks should be completed need to be specified during financial planning (Blanchard, Lovell & Ville 1989: 76; Ramabele 2000: 26). More importantly, the amount to be expended to complete each task needs to be specified to ensure efficiency. The budget can then be useful in this regard. Thus, more focus is put on the school operational budget.

2.4.2.2 Operational budget

i) Definition of a budget

According to Arnold and Hope in Levacic (1989: 42) the use of the budget is integral to the planning process, but the significance of the budget does not stop with planning. This indicates why an operational budget is explored and discussed under this heading.

Various education management scholars define the budget differently but the emphasis is common to most of them. The following are some of the definitions from the various literature sources:

According to Van Deventer and Kruger (2003: 237) the budget is defined as a mechanism by which the management team and the SB of the school can estimate and plan, utilise, coordinate, monitor, and evaluate the allocated resources of the school in financial terms. A budget reflects the expected income and expenditures of a school which are related to the financial planning of the school programme.

Jordan (1969: 110) in Van der Westhuisen defines a budget as a method of planning income expenditure to achieve educational goals within a stated period.

Campbell et al. in Van der Westhuisen (1991: 375) defines the budget as a way of expressing the school's plan of action in physical and monetary terms.

Van der Westhuisen (1991: 375) describes the budget as a planning instrument which contributes, in a constructive manner, to preventing the disruption of the educational programme as a result of insufficient or exhausted funds.

Encarta (2007) refers to a budget as a plan for allocating resources by specifying how resources, especially time and money will be allocated or spent during a particular period. A business budget is generally used as a tool to formulate intelligent decisions on the management and growth of a business venture.

From the foregoing definitions, it can be deduced that the budget is a financial planning document and has three main sections which are:

- Activities to take place in a given period;
- Expected income section; and
- Expected expenditure section.

For the purpose of this study a budget will be regarded as the financial management tool that reflects both the school activities which are to take place in a given period as well as the expected income and expenditure on each activity to enhance effective teaching and learning in a fiscal year. A budget is a device intended to enhance effectiveness and efficiency in the utilisation of financial resources. It is a formal document which sets expectations of the financial transactions within a school.

It is absolutely imperative for school principals to ensure that the finances of the school are managed in a manner that will enable the intended educational programmes to be funded according to the budget so that objectives of the school can be accomplished.

ii) Types of budgets

The school budget consists of several sub-budgets. According to Van Deventer and Kruger (2003: 237) in most public schools the following sub-budgets are used:

- The **operating budget** which covers the daily activities of keeping the school's actions in alignment with set standards and aims. For example, materials, stationery and repairs.
- The **activity/departmental budget** which deals with curricular, as well as extra-curricular programmes that the school offers. Examples are sports, science and humanities departmental budgets.
- The **capital budget** which covers the purchase of certain assets for the school. Examples include transport and gardening equipment.
- The **project budget** which covers larger projects such as the erection of new buildings, planting grass on the sports pitches, as well as painting school buildings that are planned by the school.

iii) Characteristics of a school budget

A budget can be used for various purposes. The following are some of the characteristics of a school budget as perceived by Van der Westhuisen (1993: 376), Hart (1993: 30), Golembiewski and Rabin (1983: 25), Sallis (1996: 90) and Bisschoff (1997: 66).

A school budget:

- assists in the systematic production of a plan of action of income and expenditure which covers a specified period - usually a year.
- provides the means of allocating expenditure between different activities by quantifying objectives and identifying priorities.
- enables the management team to more effectively plan, coordinate and control the financial activities in a school. It facilitates continuous evaluation and assists the school in keeping its expenditure within the limits set by the available income. By using departmental budgets to coordinate activities, the school is more likely to operate at an optimal level, given the constraints on its resources.
- provides relevant information to a decision-maker at a time when s/he must choose alternatives. Therefore, the budget incorporates control at the point of the decision.
- allows for a comparison with the budgeted performance after decisions have been made, revealing to management the performance of the school as a whole and of individual responsible members.
- makes provision for unforeseen situations so that changes may be made if more funds become available.

In view of the foregoing characteristics of the budget, it is crucial that however well PPS principals may run their schools, the whole structure of the school can be destroyed by an inadequate budgetary system. Thus, it is incumbent upon PPS principals to ensure that budgets are drawn up within the school. Budgets are of paramount importance in striving towards the accomplishment of educational objectives. Without the appropriate and empowering budgetary process, many of the objectives are difficult to realise as they lack a relevant driving mechanism (Sallis 1996: 88-89).

iv) Preparation of school budget

There are a variety of ways in which budgetary planning can be carried out but the most effective approach is usually the one which mirrors the way in which the school is funded. This helps the educators at any level of management to understand the school's finances, as well as those of their individual departments. As a result, educators are made to realise the environmental constraints under which the school operates (Sallis 1996: 91-92).

According to Hart (1993: 3) before the budget can be drafted, the PPS principal and the financial committee (where it exists), should undertake a review of the previous year's financial information and compile it using the mission and the general aims of the school as the framework. This includes the review of the most recent audited statements of accounts, the current position of the school in terms of the receipts and payments and the estimates on likely income and expenses until the end of the year. Such information can be obtained from the bursar or school secretary (Ntsoale 2006: 56).

Using the foregoing information, an analysis of the results of the current year should be made and any variances that may reflect on the current year being budgeted for should be investigated thoroughly. In addition, the outcomes according to the needs of the school programme have to be determined. Then the principal, together with the financial committee, have to investigate possible alternatives to the current year's spending patterns to align them more closely with the general planning priorities and income forecasts (Hart 1993: 5-6 & Sallis 1996: 92).

As mentioned earlier, sources of income vary from school to school (Sharp & Walter 2003: 20). In a private school for instance, student fees may form the major part of the total income, while in a public school, most of the income may come from the Education Department in the form of grants for various purposes. For example, educators' salaries and the erection of buildings in a public school are paid for by the Education Department. Fundraising and donations are other common sources of income in PPS. Moreover, the amount of income from each source is determined on the basis of the estimated students' enrolment and the community which the school serves (Blanchard, Lovell & Ville 1989: 33). The forecast of the number of the learners for the budgeted year can then be obtained from the previous year's information on the average annual percentage increase, the drop-out numbers, as well as the non-achievement rates (Hart 1993: 4; Blanchard, Lovell & Ville 1989: 32-33). Principals need to pay particular attention to the income forecast so as to be able to pay expenses, to avoid overspending and under spending of funds (Van Deventer & Kruger 2003: 238; Sallis 1996: 92).

Teaching units also have to meet the total direct costs of the curriculum delivery. The expected expenditure forecasts are essential as they reflect the costs of materials as

well as the total staffing costs involved in running the programmes in the school. According to Ramabele (2000: 48-51) heads of various departments together with other stakeholders should ensure that they draft the mini-budgets for their departments to show intended programmes and corresponding expected costs. It is also important for the individual departments to justify the relevance of such activities, showing how they will enable the curriculum to be delivered effectively and efficiently within the constraints of the financial policy (Van Deventer & Kruger 2003: 238). Items have to be placed in order of priority and then submitted to the principal.

Having the above information, the principal and the financial committee members can draft a master budget and hand it over to the SB for approval, but stakeholders should remember that not all the programmes can be executed under the constraints of time and money (Ramabele 2000: 48-51). Sometimes departmental budgets have to be cut (Hope & Arnold in Levacic 1989:48). This is because of various constraints such as time and financial resources. Many schools' financial resources do not meet all their educational needs. Therefore, in drafting the master budget the principal may be forced to put most the important items first and cut the least important items.

In drafting the budget, each expected source of income is credited with the proportion of funding anticipated from the number of students who are enrolled (Brazelle 2006: 89). On the other hand, the expenses for each item can be broken down between two guidelines namely, the recurrent expenditure and the capital expenditure. The recurrent expenditure refers to routine running expenses within the PPS for that particular year only (Tronc 1977: 44-45; Gerwin 1969: 16). Examples are headings such as teaching and non-teaching staff salaries, school equipment and stores (e.g. stationery and consumables but excluding office requirements) and local transport and travel. The

capital expenditure covers any capital development such as the erection of new buildings, replacement funds (e.g. replacement of school vehicles) and improvements to roads (Van Deventer & Kruger 2003: 237). Having calculated the estimations of income and expenditure, a simple operating budget of the PPS can be drawn up. Table 2.3.3.2 is an example of such a budget.

After the budget is drawn up the PPS principal has to submit it to the appropriate authorities and stakeholders including parents, the SB, educators and sometimes learners for approval. Once approved, the budget becomes the mechanism which drives the financial decisions made in the school. Thereafter, principals should monitor, supervise and control the budget to ensure effectiveness in the utilisation of the school finances. Monitoring and controlling the budget are the interwoven facets of budget management. Budget monitoring is the process which is used to check whether spending reality conforms to the plans (Van Deventer & Kruger 2003: 238; Hart 1993: 58). Appropriate organisation of the school finances can be a gateway to the successful monitoring of overall school finance.

2.4.3 Organising school finances

Financial school management can only be successful if it is executed in an organised manner. PPS principals have to ensure that there is a clear organisational structure which sets out clearly the flow of money within the school. In designing the structure for financial management, components for administration and accounting tasks have to be considered (Bisschoff 1997:92).

2.4.3.1 Administrative tasks

The administration tasks cover the collection, storage, retention and making available the financial information in a school. It is essential for the PPS to have a school fund account in which all funds collected in the name of the school are deposited.

Table 2.1: An example of a Post-primary School Budget of income and expenditure

Expected receipts	Amount	Expected expenditure	Amount
School fees (500 learners at R50 each)	R25 000	Tuck shop purchases	R7 000
Donations (pick & save)	R5 000	Uniform purchases	R2 500
Tuck shop income	R10 000	Library books	R2 500
FUNDRAISING		Transport	R1 000
Fun Run	R4 000	Office stationery	R500
Concert	R3 500	Consumables (tea, coffee, etc.)	R2 500
Cake sales	R500	Postal services	R500
Civvies Day	R1 000	Bank charges	R500
Tournaments	R4 000	Sports equipment	R4 000

Photocopies (machine used by other schools)	R2 500	Awards day (trophies, etc.)	R2 000
Income from investments	R1 500	First aid	R500
Sale of uniforms	R4 000	Cultural activities	R2 000
		Affiliation fee (sports)	R500
		Sports & athletics meetings	R3 500
		Rental equipment	R4 000
		Cleaning services	R12 000
		Audit fees	R3 500
		Incidental expenditure	R2 000
		Security	R10 000
	R61 000		R61 000

To ensure safety and to minimise mishaps, principals should ensure that the amounts received should be banked on daily basis if possible; otherwise, the money should be safely secured until it is deposited into the school fund account. There should be clear guidelines for the collecting and spending of funds in the school.

Answers to the following questions need to be well known by all stakeholders (Ramabele 2000: 44; Sharp & Walter 2003: 37):

- Who should receive all the revenue?
- Who should authorise all expenditure?
- Who should form the school finance committee?
- Who should be signatories to the bank?
- When should financial statements be issued?

According to Van Deventer and Kruger (2003: 240) it is advisable for secondary school principals to have a bursar or a secretary who is responsible for collecting and issuing receipts for all money received by the school. Even if the principals delegate the duties of financial management to staff members, they are still held responsible and accountable for the end results - bad or good. Consequently, it is the task of the principal to ensure that amounts received and paid by the school are recorded accurately to ensure transparency. To facilitate this, schools may apply the following principles (Van Deventer & Kruger 2003: 241):

- Expenditure must be checked against the funds in the budget based on particular items allocation.
- All purchases and payments made from the school funds should be authorised by the principal and the governing body
- An official order book should be utilised to record all purchases
- Invoices and receipts for purchases from school fund have to be filed for auditing purposes.
- Payments should only be made by cheque on submission of a specified account.

To be able to conform to the above principles, adequate accounting procedures are essential.

2.4.3.2 Accounting tasks

Accounting is an important facet of managing school finance. Bisschoff (1997:92) and Van der Westhuisen (1991:378) concur that accounting systems should provide for the identification, allocation, analysis and interpretation of financial information. They also cover the tasks of implementation and the execution of the financial policies of schools. Moreover, communicating the financial position of the school with the stakeholders is another sub-task of accounting.

It is worth noting that accounting tasks go beyond mere bookkeeping and therefore they are not analogous with bookkeeping (Jordan in Van der Westhuisen 1991). Bookkeeping is only a subset of a large set of accounting programmes. To ensure proper record keeping where the amounts received and paid are recorded accurately, schools need to have books which include a receipt book, a deposit book, a cheque book and an analysis cash book (see sub-section 2).

2.4.4 Leading in financial management

In order to ensure the adequate implementation and organisation of the school budget, PPS should ensure that their leadership style is effective with regard to school finances (Bischoff 1997:99). Leading is all about the leader influencing the followers to work towards the same goal and that can be achieved by the meaningful involvement of the

stakeholders. Thus, principals should direct and activate stakeholders and ensure that a two-way communication takes place throughout the school.

Furthermore, leading in financial management is prominently done by giving financial reports to the stakeholders, such as parents and the Department of Education (Jordan 1969 in Van der Westhuisen 1991: 374). Simple and reliable financial reports enable managers to plan in a meaningful way. Furthermore, it instills a positive attitude towards education on the part of the community. Through meetings, principals should give parents a chance to comment on and contribute to the use of finance. With increased morale of the stakeholders, schools are likely to get support from donors and non-public sectors. (Van Deventer & Kruger 2003:243). Bisschoff (1997:99) also postulates that an effective principal is capable of creating sound human relations, good guidance, exemplary leadership and two-way communication between the principal and staff. From the foregoing it is evident that without proper leadership by principals, the financial management in schools is at risk of hampering the success of the learners in the school.

2.4.5 Controlling and monitoring school finance

Apparently, in the contemporary situation, there is a critical need for competent budgetary control. According to Levacic (1989:43) budgetary control involves managing actual expenditure to keep in line with the budget plan. At the same time, Downs in Davies and Ellison (1997:186) asserts that a scarcity of financial resources demands efficient and effective use of resources which are invested in the school system. To accomplish the above, principals need to ensure that financial activities in a school are controlled in a manner that will enhance successful teaching and learning in a school.

According to Niemann in van der Westhuisen (1991:392) the planning and organisation of school finances alone, cannot give the reassurance that school objectives will be achieved. Monitoring and controlling are necessary to ensure that the actual performance aligns with the expected educational objectives. Control is approached from the perspective of the school principal and s/he is responsible for financial control. Therefore s/he should draw up control instructions according to which, activities relating to school business management may be regulated (Ntseto 2001:36; Van der Westhuisen 1991: 392; Van Deventer & Kruger 2003: 243).

Financial control is directly correlated to the auditing of the financial statements. Sharp and Walter (2003: 36) postulate that principals should encourage auditing, since audits allow the principal to become more aware and more in control of the school. They recommend that audits should be viewed as agents who assist schools to operate smoothly within a legal framework and according to accepted accounting principles. In addition, audits can be done either externally by state audits or by accounting firms, normally on an annual basis or internally by a fiscal officer of the district on a periodical basis.

To maintain a good audit trail, principals need to ensure proper financial control in a school. It involves laying down the standards and criteria for handling school finances, monitoring and evaluating the school's financial progress and implementing corrective actions if need be (Bisschoff 1997: 66). Corrective actions may lead to replanning, reorganising and guidance in case the actual performance does not lead to the achievement of planned educational objectives.

The monitoring process continues throughout the year and involves drawing up a projection for income and expenditure for the whole year and specifies positive and negative variances. According to Butler, Hope and Arnold (in Levacic 1989: 50) variances are differences between anticipated expenditure and actual expenditure. In addition, monitoring covers the checking of expenses against the budget allocation, ensuring that resources are mobilised effectively and evaluating as well as reorganising where there is a need. This implies that continuous monitoring such as checking financial books monthly, quarterly or weekly can help the school principal to assess if there will be a surplus or a deficit at the end of the year, and if there is any possibility of capital development reserves. Controlling and checking the expenditures is done by means of monthly statements, quarterly statements and an annual report (Butler et al 1999:153,157).

2.5 CONCLUSION

Principals as the financial managers of the school have to ensure that the aforementioned necessary control measures are implemented according to plan. Having discussed the global perspective of a school principal as a financial manager and the directives of adequate financial management, in Chapter 3 the PPS principal as a financial manager in Lesotho Education will be addressed.

CHAPTER THREE

GUIDELINES ON THE PRINCIPAL AS A FINANCIAL MANAGER IN LESOTHO EDUCATION

3.1 INTRODUCTION

As the research will focus on the Lesotho situation, this chapter provides an overview of the guidelines for the principal as financial manager in Lesotho education as stipulated by the Lesotho legislation and other official documents. A critical perspective of the Lesotho situation in terms of the theoretical framework underpinning the managing of school finance will follow. Key areas of financial management namely budgeting, record keeping, reporting and controlling will be considered.

3.2 AN OVERVIEW OF LESOTHO EDUCATIONAL FUNDING

There is a wide difference between the ways in which education is funded within and among nations. The extent to which stakeholders such as governments, churches, communities and donors contribute towards education differs from country to country and from school to school (Olembo & Harold 1992:1). Lesotho is one of those countries where households and communities pay substantial amounts for the education of their children – more especially in the PPS. Apart from households and communities, the Lesotho Government and donor agencies are the major sources of financial and other resources allocated to schools (Lerotholi 2001:32).

According to Clause 4 of the LEA 1995/96 Lesotho schools are classified according to four categories, namely, government schools owned by the government, church schools

owned by the churches, community schools owned by the community and private schools which are owned by individuals, churches or organisations and not funded by the government. The first three categories are funded by the Lesotho Government and its main contribution is in the form of educators' salaries. A large proportion of the country's primary and PPS educators are paid by the government, with a few privately employed educators paid for by the community.

In addition, the government contributes to the construction of buildings, but the choice of schools to receive new buildings and the payment of salaries is determined at central headquarters. According to Lerotholi (2001:32-36), all educators of private schools are paid by households and communities. There are ten Ministry of Education and Training (MOET) districts with Chief Education Officers (CEOs) in each of the ten administrative districts who operate as channels through which central MOET decisions are implemented and not necessarily as local education authorities.

Furthermore, the donor agencies such as The Development Bank, IDA and EU target the sub-sectors of the central development plan which are identified by the Ministry of Education and Training (MOET) as priority areas. Most of the donations go towards capital projects and human resource development within the MOET personnel and among educators themselves (Lerotholi 2001: 36).

Because government financing is essentially through educators' salaries, households and communities play a vital role in the successful functioning of Lesotho PPS. The most obvious resource input by households is through the payment of the school fees. However, households are also expected to pay for textbooks, stationery, uniforms,

meals and transport for the learners to get to school. In addition, parents and community members participate in fundraising activities organised by the schools or the community in the case of community schools. Parents of learners in Forms C and E pay an extra amount in the form of an examination fee. The overall financial contribution expected from the households, make the PPS too expensive for most parents and some children fail to enrol in post-primary education (Lerotholi 2001: 36-37).

The principal is mandated by the legislation to ensure that the centrally formulated educational policies are implemented in the schools. The Lesotho Education System and its management are based on the prescriptions of the Education Act No. 10 of 1995 and in the Education (Amendment) Act of 1996 (LEA1995/96). Among others, the Act provides for how school finances should be managed in Lesotho. Furthermore, it indicates who the stakeholders are and how they should be involved in the school to ensure the achievement of educational goals. Thus principals need to engage all stakeholders in a meaningful way within the schools under their leadership. For schools to function properly, all stakeholders have to be empowered to play their various roles (Ntsoaole 2006:70).

As mentioned earlier (cf. section 3.4.1) parents have to play their role in paying the school fees charged by the school, with principals ensuring that through meetings, parents are involved in deciding on the amount of fees to be paid in a fiscal year. Furthermore, educators are involved in drafting the departmental budgets, as well as ensuring that teaching and learning at classroom level take place effectively and in an economical manner. In other words, educators who are directly involved in the implementation of the budget through the use of resources need to be empowered to do

their job effectively and economically. Figure 3.1 shows some of the stakeholders and agencies involved in the governance of Lesotho schools.

STAKEHOLDERS INVOLVED IN LESOTHO SCHOOLS

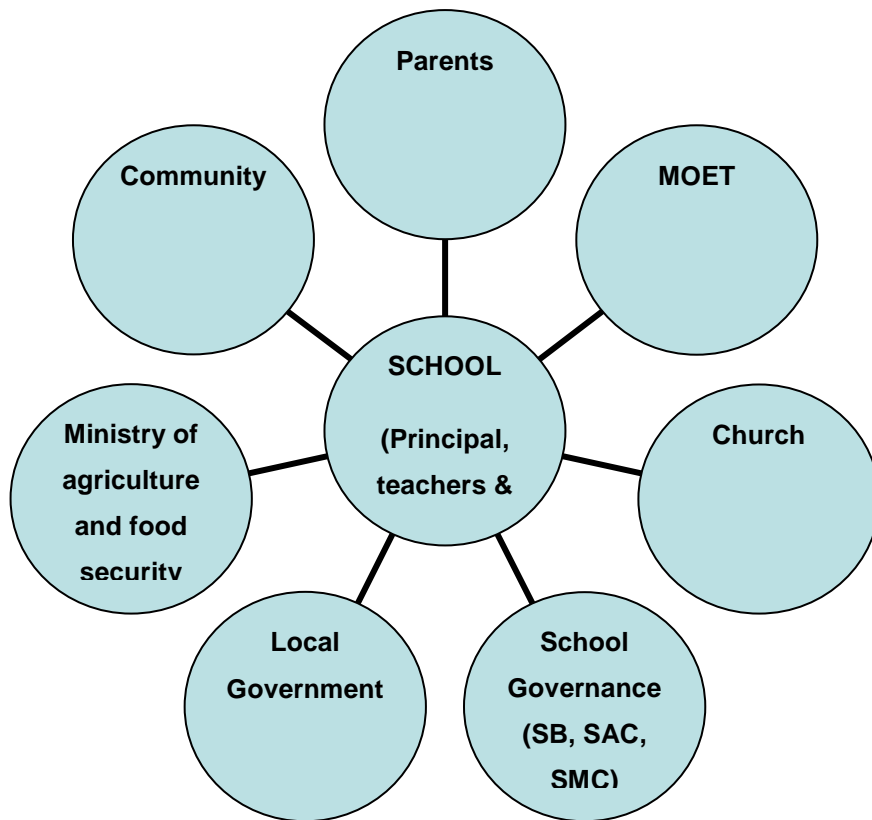


Figure 3.1: The stakeholders and agencies involved in the governance of Lesotho schools.

MOET: Ministry of Education and Training

SB: School Board for post-primary schools

SAC: School Advisory Committee, where a proprietor owns several primary schools. Each should have an advisory committee under a coordinating School Management Committee (SMC), the members of which are elected from within SACs.

3.3 LESOTHO EDUCATION LEGISLATION AND REGULATIONS GOVERNING FINANCIAL MANAGEMENT IN PPS

The Lesotho education system, like any other system in the world, is faced with financial difficulties. Principals have to ensure that the limited resources in a school are utilised in a cost-effective manner, while the provisions of the legislation are used as a basis on which decisions are made. The LEA 1995/96 Section 14 provides an overview of the duties of the principal as financial manager in a school; the Act is supplemented by the School (supervision and management) Regulations 1988 (SSMR). The Manual for Principals of Secondary Schools and High Schools in Lesotho (MP) was formulated by the central Inspectorate to further clarify the provisions of the Act and the regulations of the general practices of principals as school managers. The following are stipulations of the foregoing documents in relation to financial management in Lesotho schools.

3.3.1 The provision of Lesotho Education Act No. 10 of 1995 and Education (Amendment) Act 1996 (LEA 1995/96) on the role of a principal in financial management

As financial manager, a Lesotho school principal is mandated to be the chief accounting officer of the school. S/he is also responsible to the SB for the control and use of school financial resources. The constituent members of the SB supervise the principal and thus are responsible for the management and efficient running of the school. Every PPS is managed by the SB that is appointed by the proprietor and approved by the Minister of Education. The constituent members of the SB are as follows:

- two representatives of proprietor, one of whom shall be the chairperson of the SB;
- three members of the community served by the school, who shall be elected by the parents of pupils admitted in that school, one of whom shall be the vice-chairperson;
- one representative of educators who shall be elected by teachers who teach in that school;
- a chief of the area where the school is situated or his/her representative; and
- a principal of the relevant school who shall be the secretary of the SB.

Scrutinising the way the SB is structured, it seems that almost all the stakeholders are represented in managing the school. By implication, Lesotho PPS principals are obliged to involve all the stakeholders through their constituent representatives in financial management. However, this may not be a simple activity since it may happen that all other members of the SB have little idea of how the school is managed; in which case, the principal and the educator are the only professionals. This is because the elections of members have nothing to do with qualifications and most of the community interested in education is illiterate. Therefore principals have to play a vital role in managing the

finances to ensure that the structure of the schools do not fall apart under their management.

According to the LEA 1995/96, the principal should prepare an annual budget and submit it to the SB for its approval. The problem might be that members may simply approve whatever the principal has compiled on account of their lack of capacity in educational issues; therefore, principals have to train other members in order for them to contribute meaningful input. According to Ntsoaole (2006: 56), principals should review recent audited statements of accounts, the current position of the school regarding receipts and payments, and the projections on likely income and expenditure until the end of the year before a budget is drafted. Such information may be provided by the bursar. Furthermore, departmental heads should also prepare departmental budgets and submit the estimates to the principal.

To be more explicit, Ntsoaole (2006: 60) states that the expected income of the school can be calculated from the forecast of the student enrolment for the budgeted year. Previous records can be useful in providing the required information. From there, the principal can engage in drafting the budget while trying as far as possible to avoid ultimate deficit. In drawing up the budget, principals also have to remember that the best interests of learners are used as the guiding principles. Most importantly, the school budget should be formulated in a manner that will provide all learners with opportunities and facilities to enable them to develop to their fullest. In addition, the Central Inspectorate expects the role players to draw up the budget as early as September and submit it to the SB for approval by November/December of each year (Ntsoaole 2006: 60; LEA1995/96 Section 3(a) & (c)).

Once the budget and the fee structure are approved, the PPS principal collects the fees and expends them on school programmes as authorised by the SB. During the implementation of the budget, principals should maintain the records of income and expenditure, as well as assets and liabilities for the school (LEA1995/96 Section 14(c). According to Lerotholi (2001: 36), the SB has the responsibility of ensuring that the principal submits periodically, a financial progress report that will be compared to the budget for reviewing, re-organising or re-prioritising.

At the end of each year, the principal should submit to the SB an annual financial statement for approval. The SB shall then appoint an external auditor to audit the statement of accounts which will subsequently be submitted to the proprietor and the Principal Secretary (PS). Apart from the foregoing duties of Lesotho principals Section 14 (e) states that principals should perform other duties which may be prescribed by the Minister or delegated to them by the SB.

3.3.2 School (Supervision and Management) Regulations 1988 (SSMR 1988)

It is incumbent upon the PPS principals to ensure that accounts are prepared in time and audited to ensure that activities are in alignment with the plans (SSMR) 1988 regulations 34 & 39). Additionally, the Principal Secretary may appoint an auditor to inspect and audit the school accounts at any time s/he considers necessary. Nonetheless, such auditing may not be carried out nine months after the end of the financial year. Some important issues raised by the manual of PPS on financial management will be highlighted below.

3.3.3 The Manual for principals of secondary schools and high schools in Lesotho: managing school finance

Ntsoaole (2006:60) suggests that to facilitate successful record keeping, PPS principals should ensure that a workable and acceptable financial management system that is aligned with the recommendations of the Central Inspectorate is implemented in a school. Moreover, each time a payment is made, a receipt has to be issued and the transaction recorded in the daily cash book. Again, principals have to ensure that the cash in the school is counted daily and banked as soon as possible, thus avoiding keeping large amounts of money on the school premises. Another important practice required of principals is always to make payments by school cheque and never from undeposited cash. If the school property happens to be stolen, principals must report such theft to the police and the SB immediately.

In view of the above, it is indicative that Lesotho PPS principals need to be competent and skilful in managing school finances. Any surplus according to Ntsoaole (2006:60), which is reasonably small, should be carried forward to the following year. In such a case, or where school funds are transferred from one item head to another, the principal should seek the approval from the SB. In proper budgeting, the school cannot behave like a business in which case, some stakeholders may be given loans from the school funds. This should be strongly discouraged by the Central Inspectorate. Taxpayers struggle to pay fees, so principals should ensure the best use of their financial contributions. The teaching of learners should always be at the forefront of all decisions made concerning school financial resources.

In order to be knowledgeable about cheques issued in the name of the school, it is advisable that the principal is one of the signatories to all school's bank accounts.

Because a minimum of two signatories is legal, one other SB member should be authorised to sign cheques with the principal (Ntsoaole 2006: 60). This method is more likely to prevent the misappropriation of school funds.

The overall security of physical and financial resources within the PPS is another important issue to be considered by principals. To facilitate this, reasonable security should be provided where large sums of money are kept (though it is strongly discouraged). Moreover, the bursar's office should either be manned or locked at all times. Parents should be encouraged to pay fees during office hours or else directly into the school's bank account (Ntsoaole 2006: 61).

All stock represents the school money in the form of physical resources such as furniture, office equipment, library books, textbooks and stationery. Principals should encourage the implementation of an adequate accounting system of stock in the school to avoid theft, breakage or the misappropriation of stock. Moreover, if there is not a proper stock control system operating in schools, it may result in the misuse of funds. This is possible in cases where some items need repair or replacement that could have been avoided by proper control measures.

Considering the above tasks of the principal as financial manager, it is incumbent upon Lesotho PPS principals to be conversant with some of the basic skills of accountancy in order to execute financial management tasks or manage those who may be delegated to do the job. Competency in various management tasks such as communication, delegation, the coordination of activities, and the monitoring and controlling of finance are basic requirements of Lesotho PPS principals. The current situation in Lesotho,

according to the literature, with regard to how principals play their role in financial management will now be explored. The Lesotho situation will be based on the theoretical framework underpinning the managing of school finance by the principal.

3.4 THE CURRENT FINANCIAL MANAGEMENT PRACTICES IN LESOTHO PPS

3.4.1 Sources of income in Lesotho PPS

School income is of vital importance in the area of financial management in PPS. For the schools to have funds, various stakeholders contribute such funds. Regulation 35 of SSMR 1988 states that the Lesotho schools get income in the form of school fees charged by the school, interests on investments of monies belonging to the school and donations. Households and communities (parents or guardians of learners or a learner if s/he is an adult) are responsible for the payment of school fees.

In 2004, the school textbook rental scheme (STRS) was introduced in Lesotho PPS and in addition to normal school fees a rental fee of M220 per learner per year was charged. Each PPS had to open and manage a textbook revolving account (TRF). The scheme applied to Form A learners only and it was anticipated to gradually proceed to other classes with time until in 2008 when all classes would be involved. Principals have to ensure that all school fees are paid and managed properly.

Presently, school fees form a major part of the total income in Lesotho PPS. However, from a study carried in 2000, (Lerotholi 2001:76) points out that there is great variance between PPS regarding the amount of fees paid for each learner per annum. During the

period 1995 to 2000 the range of fees charged in various PPS was from M100 to M12 000 per learner per annum. In most cases, school fees are meant to cover a wide range of administrative costs including the salaries for private educators and non-educators. Other forms of fees charged in PPS are for maintenance, a feeding fee, a building/development fee, a uniform fee (where the uniform is bought from the school), a sports fee, a government levy, a science laboratory fee, practical subjects' fee, amongst others. All of them form one item called school fees. The composition of the fees payable differs from school to school. Some schools charge different types of fees depending on their needs, while in other schools fees are not categorised into various items.

3.4.2 Findings from previous studies on financial management practices in Lesotho PPS

Concerning the financial management of various types of fees collected in Lesotho, PPS studies have revealed the following findings (Lerotholi 2001: 49-78, Chapter 3: 12):

- There is a serious lack of accountability by those in charge of school fees. By the year 2001, when the research was undertaken, stakeholders who were responsible for paying fees were not given enough feedback on the use and expenditure of the monies they pay.
- Almost all schools charge a registration fee but few stakeholders know precisely what its purpose is.
- Form C and Form E learners have to pay an extra examination fee which is then remitted to the Examination Council of Lesotho (ECOL) at a specified time, but some schools delay forwarding their payments, thus hampering the efforts of ECOL from implementing its plans efficiently.

- Some parents and educators are not satisfied with the payment of sports fees because they are not convinced that such funds are well utilised by those in authority. Principals claim that such funds are inadequate to support all activities taking place in their schools, yet they are reluctant to increase the fee (the average fee was M25 per learner).
- The government of Lesotho through the MOET expects PPS which are funded by the government to collect a levy of M25 per learner per year and send it to the MOET every year in March to supplement the grants provided by the government. Though almost all PPS collect fees from households and communities, less than 40 per cent send the government levy to the MOET, while a few schools claimed that they did not collect the levy.
- A science laboratory fee is generally charged by the majority of the PPS to cover the cost of chemicals and equipment needed for practical work in science. In other schools where there are no categories for fees, some money is put aside from school fees to cover science laboratory expenditure. This causes dissatisfaction among science educators due to the level of financial support they receive, despite the collection of special fees which are meant to ensure the availability of all the necessary equipment and chemicals.
- A building/development fee is charged by most PPS because of a lack of facilities such as classrooms, laboratories, and workshops for practical subjects and educators' quarters. However, according to the inspectors' reports the building/development fee is among the worst accounted for by the Lesotho PPS, as monies collected over years do not necessarily accumulate even if no development projects are undertaken and no structures are visible.
- Apart from school fees, some schools sell agricultural products obtained from gardening, poultry and farming. Vegetables, eggs, chickens and milk are examples of such products. However, more often than not, the income from these

sales is not recorded in the schools, with most of the products being consumed within the school.

In view of the above findings, it is evident that some of the Lesotho PPS principals need to reconsider their financial management systems. Strategic planning seems to be inadequately practised; for instance, funds should be collected for a particular purpose and ultimately be spent on different items.

Furthermore, studies have also revealed that in 2001 fewer than five per cent of the PPS met the standards required by the MOET. This implies that about 95 per cent of the PPS had problems of poor facilities or no facilities at all. Where facilities such as libraries and laboratories were available, they were misused. For instance, library buildings were used as book stores and laboratories were inoperative due to lack of resources such as water, electricity and gas. In addition, a lack of adequate maintenance and repair of school facilities is identified as a contributing factor towards poor examination results in some of the Lesotho PPS (Chapter 3: 12).

On the basis of sound financial management, it is incumbent upon the PPS principals to ensure transparency and information sharing among stakeholders. Apparently, the government's policies on financial management are clear to some role players. However, according to findings from the document reviews on the sub-sector level (Chapter 3: 12), inspectors observed that the reality indicated that a lot still had to be done to ensure the implementation of the policies. On the other hand, there are those role players who consider the MOET regulations and policies too complicated and difficult to understand. As a result, some schools never draw up a budget which is a reflection of inadequate financial planning (Lerotholi 2001:76).

Insufficient organisation and control of school finances is observed when schools do not draw up the financial statements accounts for the year, thus avoiding auditing. This is because principals and members of the SB, who should ensure that proper management of finances occurs, do not have the capacity to do so. Moreover, external auditing implies extra costs to schools; thus, those in authority avoid such costs whenever possible. On the contrary, there are those PPS where sound financial management systems are in place and this is reflected in their examination results (Lerotholi 2001: 77).

3.5 CONCLUSION

In this chapter it became clear that sound financial management should be at the forefront of all activities carried out by Lesotho PPS principals. The Lesotho policies clarify that the principal is accountable and responsible to the SB for proper utilisation of school finance. Furthermore, the apparent methods in the way finances are being managed in the majority of the Lesotho PPS have been highlighted. The school principal should be able to develop a safe and secure system of financial management in the school under his/her leadership. This also includes knowledge of proper planning, organising, leading, monitoring and controlling of school finances. In Chapter Four, the empirical quantitative research results on the current situation in the Leribe and Buthe-Buthe districts regarding financial management practices by PPS principals will be explored and discussed.

CHAPTER FOUR

A QUANTITATIVE INVESTIGATION OF PROBLEMS ENCOUNTERED AND THE EMPOWERMENT NEEDS OF PRINCIPALS

4.1 INTRODUCTION

The previous three chapters provided an important background to this research. Chapter One provided an orientation to the study. Chapter Two provided a theoretical framework of the role of the principal as financial manager, while Chapter Three examined the guidelines for principals on financial management in Lesotho education. This chapter focuses on the quantitative research methodology and research design, as well as a questionnaire as the data collection instrument. The last section of the chapter deals with data analysis and the interpretation thereof.

4.2. QUANTITATIVE APPROACH METHODOLOGY AND DESIGN

The researcher aims to first explore the phenomena in question by applying the quantitative method. The quantitative method is underpinned by a positivistic approach which focuses on positive facts and phenomena, excluding speculations on causes and origins (le Roux & Jacobs 2006: 9). It is carried out by establishing laws or principles through the construction of models for explaining and predicting the social phenomena. The researcher then codified the social reality which would result in acquiring data quantitatively through relevant indicators to identify the underlying financial management practices of managers (Walliman 2005: 168) in the schools. Thus the researcher sought from the respondents a reflection of the extent to which managers encountered problems in executing finance policies and guidelines in post-primary schools (PPS).

The researcher undertook the research with the values and skills such as sound financial management procedures and accountability which pertained to the problem under investigation. The preceding practice was based on the normative positivistic approach, according to which the researcher undertakes the research with values, skills and objectives derived from the social world to acquire objective, external, quantifiable and verifiable data (Berh 1988: 8; Bryman & Bell 2003:18). Thus, the researcher intended to strive towards being as objective as possible and interactions with the respondents were such that the researcher adopted a physically detached and impartial stance with the respondents (Behr 1988: 8-9; Winberg 1997: 24). The preceding stance is deemed necessary by positivists as it ensures that the researcher does not interfere with the behaviour of the respondents during the collection of data, so as to ensure objectivity. The researcher then attempted to deduce outcomes in a context that would enable her to indicate the requirements for the sound implementation of financial management policies and guidelines by the PPS principals in the Leribe and Butha-Buthe districts.

For the purpose of collecting the quantitative data, a questionnaire was utilised as a measurement instrument.

4.2.1 Questionnaire

The information gathered through the literature review was used to develop a researcher-designed questionnaire (RDQ). This (RDQ) was administered to PPS principals in Leribe and Butha-Buthe who then completed the RDQ to reflect the present situation regarding financial management in their schools. Managers were requested to provide their biographical information, namely gender, experience, type of school, location of the school and sources of income. Through an ordinal scale in the form of

closed Likert-type items, respondents also indicated the rate at which the statements of accounts were reviewed at the schools, the extent to which various stakeholders could provide valuable contribution to financial management, the degree to which respondents encountered problems in executing financial management guidelines and policies and consequently, the training needs of managers.

The questionnaire was chosen because the researcher believed that it was an appropriate instrument with which to obtain some of the relevant data for the study with as little interference and intervention with respondents as possible to attain objectivity (cf. 4.2). It enabled the researcher to achieve a high response rate which otherwise time and financial constraints would make unfeasible. Moreover, the names of respondents were treated as anonymous. According to Schnetler et al. (1989: 19) “suspicions concerning anonymity can influence the validity of responses, particularly when research of a sensitive nature is undertaken”. Therefore, another advantage of a questionnaire is that participants respond to questions with the assurance that their responses will be treated as confidential. As a result, participants may be more truthful than they would be in a personal interview, particularly when they have to talk about sensitive issues such as money (Leedy & Ormrod 2001: 197). Another advantage of the questionnaire which encouraged the researcher to use such an instrument is that responses to questionnaires can be measured in a standard way (Babbie & Mouton 2001: 52), which renders them susceptible to a wide variety of statistical manipulations. Therefore the researcher used statistics through the help of a statistician from the University of the Free State to manipulate the quantitative data.

In contrast to the foregoing advantages, the questionnaires have some limitations. Hurter (1988: 12-13) and Robson and Burns in Mantlana (2006: 85) identify

unwillingness, inflexibility and lack of control as limitations in the use of questionnaires. This means that some capable respondents may decide not to provide information on account of how sensitive they find such questions. It is also impossible to elicit more specific answers if the respondent's answers need probing because the researcher would be detached from the respondent. A lack of control implies that the researcher hardly checks on the honesty and seriousness of the responses. Although all the respondents who received questionnaires returned the completed questionnaires, it was very difficult for the researcher to check the honesty and reliability of the responses. For instance, a few of them complained that they had too much work to do at the time as the external examinations were about to begin and they were busy with preparations.

4.2.2 Construction of the questionnaire

The questionnaire consisted of 105 items (cf. Appendix A) relating to the findings on the literature study. Questions were designed in a manner that would ensure that their nature and variety represented the sound financial management practices from the literature study.

To ensure a wide coverage of questions related to financial management tasks in the questionnaire, the researcher initially grouped the questions into five main categories namely, biographical information, planning, organising, leading and controlling. However, in an effort to ensure a greater measure of objectivity, the researcher arranged the individual questions in no particular order in the questionnaire. Instead, the groups were structured according to the response mode.

The researcher considered the principles of questionnaire construction as suggested by Schnetler, Stoker, Dixon, Herbst and Geldenhuys (1989: 74) in formulating the items. These scholars postulate that it is important to plan the order of questions which implies that the researcher had to begin with simple non-threatening and interesting questions which were easy for the respondent to answer. For this study, the researcher began with biographical information (type of school, gender, location of school and experience). The aim was to create rapport and put the respondent at ease (Babbie in Schnetler et al., 1989: 74) before engaging in more demanding questions.

The researcher also made introductory statements explaining to the respondent of what the subsequent set of questions comprised when changing from one subject to another. The introductory statements were phrased and positioned in such a way that they contributed to the flow of the items. Moreover, items that required similar responses were grouped together. According to Schnetler et al. (1989: 74) the preceding stance could eliminate repetition of response categories for every question, particularly in the case of scaled items. For this study, headings such as the stakeholders' involvement, problems encountered in practices and training needs were used to group items into similar response categories.

A brief outline of each section of the questionnaire is provided below:

Section A provided the respondents' biographical information which covered the type of school, the location of school, gender and years of experience as a principal, as well as sources of income for the particular school. In addition, respondents were expected to indicate the frequency at which the school conducted internal auditing of the statements of accounts.

Section B indicated the parties which the respondents considered valuable in contributing towards financial activities and the extent to which they could contribute. The ordinal scale used was a five-point Likert-type scale where 1 = never, 2 = rarely, 3 = sometimes, 4 = most of the time and 5 = always.

Section C dealt with the extent to which respondents encountered problems with regard to executing financial management activities and procedures. Participants chose from: 1 = never, 2 = rarely, 3 = sometimes, 4 = most of the time and 5 = always.

Section D presented a reflection of the training needs of the principals in terms of financial management activities and behaviours, as well as the extent to which they needed training. A five-point Likert scale where 1 = not at all, 2 = to a small extent, 3 = to some extent, 4 = to a great extent and 5 - to a very great extent, was utilised to measure the training needs of the principals.

4.2.3. Sampling

The appropriate population would be all the PPS principals in the Leribe and Butha-Buthe districts. This region was chosen because it is the most accessible to the researcher in Lesotho, typifying the sampling procedure as convenient.

For the purpose of the quantitative investigation the researcher sent a letter requesting permission to conduct research to the Leribe and Butha-Buthe Education Officers. After securing permission, the researcher obtained a list of all PPS from the two Education Officers. Because of time and financial constraints, only 50 per cent (i.e. 30) of the PPS

principals participated in the research; there are 61 PPSs in both districts (Leedy & Ormrod 2001: 214-215).

This size of sample was also based on the idea of Best and Kahr (2003: 18) who suggest that samples of 30 or more are usually considered sufficient samples and those with fewer than 30, small samples. Then from the list of PPSs in both Leribe and Butha_Buthe a list of 30 PPSs was selected systematically by first writing down the names of the schools in alphabetical order. Thereafter, the schools were numbered from one onwards. The researcher then chose 30 PPSs by selecting every second PPS on the list.

4.2.4. Validity and reliability

Prior to the actual quantitative data collection the researcher checked the RDQ for both validity and reliability. The validity and reliability of a questionnaire is crucial as they are used primarily in connection with measurement instruments. To support the above viewpoint, Hurter (1988: 22) is of the opinion that validity and reliability are essential for all scientific measurements. Leedy (1997: 32) asserts that they govern the acquisition of data and the skilfulness with which a researcher designs the structure of a study and creates the instruments of measurement as an integral part of it. In other words, the greater the validity and reliability of the measurement instruments influencing the degree of learning something about the phenomenon under study, the greater the chances are of obtaining statistical significance in the data analysis, and the greater the extent to which the researcher can include meaningful conclusions from his/her data. A brief outline of how the researcher enhanced the validity and reliability of the RDQ is provided hereunder.

4.2.4.1 Validity

According to Peterson (2000: 79) and Leedy and Ormrod (2001:31), the validity of a measurement instrument refers to the extent to which a scale measures what it is designed to measure. To support the foregoing stance, Berdie and Anderson (1974:14) assert that the validity of a questionnaire item is concerned with whether or not the item actual elicits the intended information. The implication is that validity can be associated with the accuracy of measurement. Leedy and Ormrod (2001:98) points out that validity takes different forms depending on the nature of the research problems, the general methodology the researcher uses to address the problem and the nature of the data that are collected. For the purpose of this investigation, both face validity and content validity were therefore used to evaluate the validity of the questionnaire as discussed below.

a) Face validity

The face validity of the questionnaire was evaluated through the use of pilot testing. Leedy and Ormrod (2001: 98) and Neuman (2000: 168) suggest that face validity is the extent to which, on the surface, an instrument 'looks like' it is measuring a particular characteristic. For instance, in this study the face validity was assessed by determining whether the RDQ looked like it was measuring the training needs of principals on financial management or not. To support the foregoing, Peterson (2000: 79) points out that face validity can be evaluated by determining the extent to which it intuitively appears to consist of a representative and balanced set of items reflecting the construct being measured. Peterson considers face validity and content validity as one and the same approach of evaluating the scale. However Leedy and Ormrod (2001: 98) and Hurter (1988: 23) look at them as two separate approaches.

Pilot testing

To pre-test the questionnaire on its quality of measurement and to promote validity, the researcher asked six PPS principals who were more accessible but not necessarily part of the sample, to complete the questionnaire. Participants were also asked to comment on the extent to which the questionnaire appeared to be measuring the construct being measured. The researcher also asked her supervisor to assess the validity of the questionnaire. Having done the pre-testing, the researcher refined the questionnaire and the necessary changes and corrections were made. Berdie and Anderson (1974: 47) recommend that the pre-test of a questionnaire should be undertaken as it reveals confusing and unnecessarily offensive questions that may exist in the questionnaire.

b) Content validity

For this particular study content validity was facilitated by ensuring that the items of the questionnaire dealt with the domain of financial management. To achieve the foregoing intention, the literature study findings were used to formulate the questions in the RDQ. Content validity refers to the extent to which a measurement instrument represents the entire content area which is being studied and focuses on whether the items truly sample all issues the researcher intends to measure (Leedy & Ormrod 2001: 98; Hurter 1988: 23). As Leedy and Ormrod (2001: 98) suggested, the researcher checked whether items or questions on the RDQ showed various parts of the school financial management domain in adequate proportions and whether they required the particular behaviours and skills that are central to that domain.

Furthermore, to enhance the validity of the questionnaire the researcher used the PPS principals in Leribe and Butha-Buthe because they were directly involved in school

financial management and therefore competent to answer the questions. Moreover, the researcher asked experts from the University of the Free State to carefully examine the items of the questionnaire to judge whether or not and to what extent they considered the questionnaire to be valid.

4.2.4.2 Reliability

As mentioned earlier, the researcher tested the reliability of the RDQ. According to Peterson (2000:79) and Neuman (2000:164), reliability refers to the extent to which a scale such as a questionnaire produces identical results if a particular construct is measured repeatedly. In simple terms, it means the degree of dependability and trustworthiness. In addition, Gay in Hurter (1988: 26) contends that the degree to which a questionnaire is reliable is directly proportional to the degree of confidence the researcher has that the responses from the administration of a questionnaire would basically be the same as the responses that would be obtained if the questionnaire were re-administered.

Cronbach's alpha coefficient

For this study the researcher used a Cronbach's alpha coefficient to test the reliability of the questionnaire. The RDQ could be regarded as reliable because Cronbach Alpha Reliability analysis revealed coefficients of 0.949 for all the variables, 0.828 for questions 7.1 to 7.3, 0.939 for questions 8.1 to 8.37 and 0.977 for questions 10.1 to 10.34. Cronbach's alpha coefficient involves correlating every test item with one another (Holm & Liewllyn in Leedy 1997: 35).

According to Leedy, this approach is relatively accurate compared to others as he describes it as “a statistical procedure with relatively little error”. Mantlana (2006: 93) cites Terre Blanche and Durrheim (1999:90) who state that the reliability coefficients vary from zero with no consistency to one with maximum consistency. This implies that a 100 per cent consistency will yield 1.00. On the other hand, Leedy (1997:35) is of the opinion that a score over 0.70 is acceptable. In addition, Cronbach in Mantlana (2006: 93) and Leedy (1997: 35) suggest that reliability coefficients should, in practice, be higher than 0.70 which is evidence that the items or questions in the instrument are measuring the same factors.

4.2.5. Administration of the questionnaire

Having taken the foregoing measures to enhance the validity and reliability of the questionnaire, they were then distributed to the participants by the researcher in person.

4.2.6 Collection of questionnaire data

To ensure a high response rate, the researcher distributed and collected the questionnaires in person. During distribution, the researcher and each of the participants agreed on a date on which the completed questionnaires would be collected. In some cases, the participants returned questionnaires through educators residing near the researcher’s home to minimise time and costs.

Although the anonymity of the respondents was preserved, numbers known to the researcher alone were used to identify participants who had received the questionnaire. As a result, a follow-up could easily be made with those who did not respond within the

agreed time. Ultimately, the researcher collected all the 30 questionnaires implying a 100% return rate.

4.2.7 Analysis of data collected by means of a questionnaire

Having collected the data through the questionnaire, the researcher then engaged in an analysis of the data. Nachmias and Nachmias (1981: 323) maintain that the task of data analysis involves examining the pattern of relationships between the variables. On the other hand, Walliman (2005: 253) postulates that the main reasons for analysing the data are to measure, make comparisons, examine relationships, forecast, test hypotheses, construct theories and concepts, and control and explain the phenomena. In this study, both descriptive and inferential statistics were utilised to analyse the data as described hereunder.

4.2.7.1 Descriptive statistics

According to Walliman (2005: 255) descriptive statistics provide a method of quantifying the characteristics of the data, where their centre is, how broadly they spread and how one aspect of the data relates to another aspect of the same data. To achieve the foregoing, the researcher requested the statistician from the University of Free State to calculate the necessary entities which thereafter, enabled the interpretation of the results to take place. As advocated by Mahlangu (1987: 94), the researcher used frequency tables since they showed categories or measurement classes together with number of cases corresponding to such categories or measurement classes, in a clear manner.

The researcher further presented the data graphically using pie charts and bar charts. The central tendencies of the variables were measured by determining the means of the scores. To measure the spread of the variables, the standard deviations and variations were calculated (cf. 4.3.1 and 4.3.2).

4.2.7.2 Inferential statistics

Inferential statistics is used to produce predictions through inferences based on the data analysed. The researcher asked for help from the statistician to perform the independent t-tests for the difference of means between character groups such as gender, the location of the school, the experiences of managers and the type of school. The statistician also conducted the analysis of variance (ANOVA) by means of SPSS. This enabled the researcher to make inferences from the sample to the population.

Bernstein, Fox, McCallum, Schultheis, Seymour and South (2005: 7-8) state that inferential statistics use probability to predict the likelihood of the events happening. It is also used to generalise the data or information from a sample to the larger population. The foregoing viewpoint is supported by Mahlangu (1987: 93) when he says that researchers employ the method of statistical inference when they intend to draw conclusions, make generalisations and predictions, as well as estimations. Therefore, in this study the researcher utilised the information gathered from the sample to predict the financial management practices and training needs of PPS principals in both the Butha-Buthe and Leribe districts and to assess whether there were relationships between the various characteristics of principals. The data for quantitative investigation were then presented and analysed as follows hereunder.

4.3 DATA PRESENTATION AND ANALYSIS

Having collected the raw data as required from the questionnaire, the researcher assembled the set of raw data into a meaningful organisation by setting up frequency tables and drawing pie charts to represent some of the data.

4.3.1 Section A: Biographical information

4.3.1.1 Gender (Question 1)

Respondents were requested to indicate their gender. Table 4.1 is the frequency table representing gender of the 30 participants. Table 4.1 and Figure 4.1 indicate that of the 30 participants 18(60%) were males and 12(40%) were females.

Table 4.1: classification of respondents according to gender

Gender	Number of participants	Percentage (%)
Female	12	40
Male	18	60

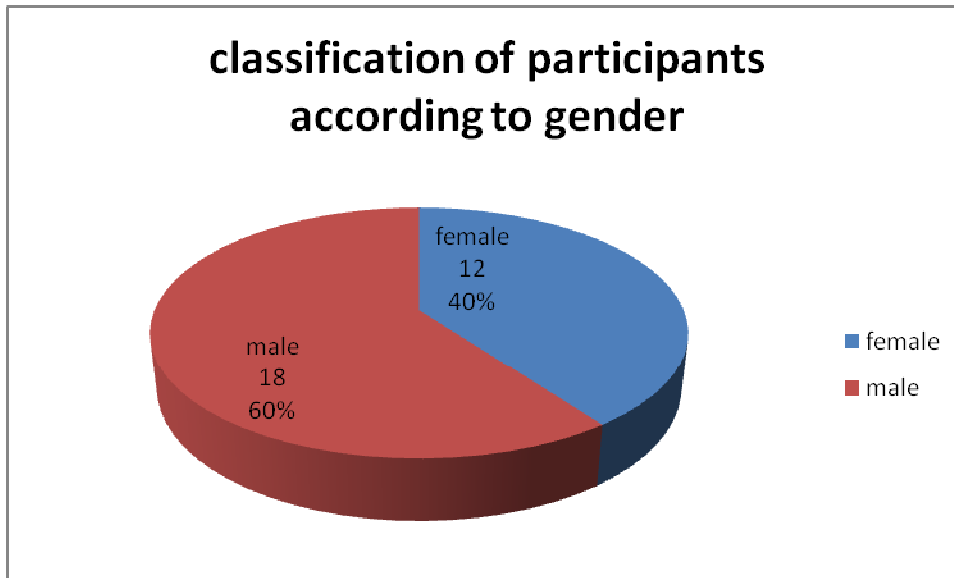


FIGURE 4.1: Classification of participants according to gender

From these results, one may conclude that the majority of PPS principals are males, while female principals form the minority in the Leribe and Butha-Buthe districts PPSs.

4.3.1.2 Location of the school (Question 2)

Respondents were also asked to indicate the location of their schools. Table 4.2 and the pie chart of Figure 4.2 show that 15(50%) of schools were in rural areas while 15(50%) were in urban areas.

Table 4.2: Classification of participants and location of their schools.

Location of the school	Number of participants	Percentage %
Rural	15	50
Urban	15	50
Total	30	100

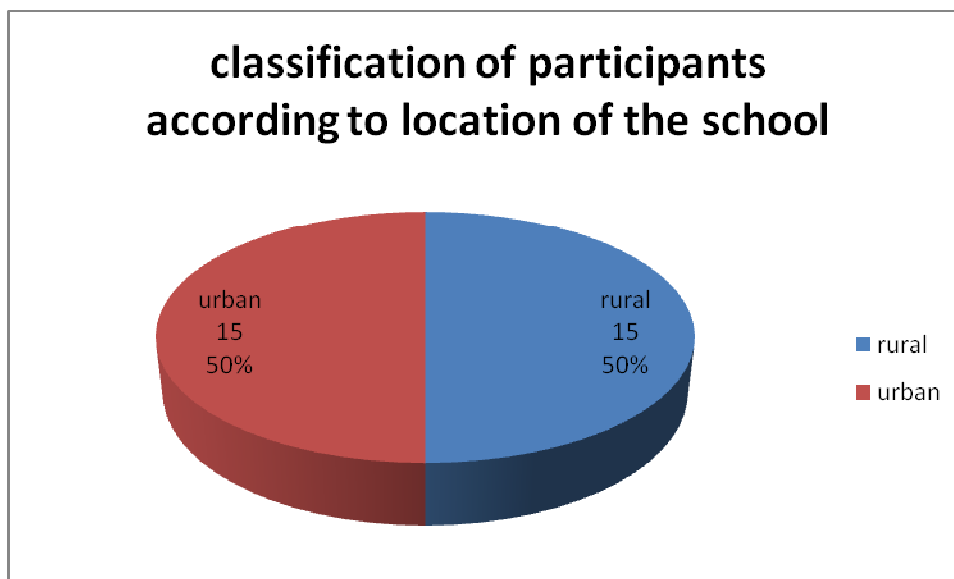


FIGURE 4.2: Classification of participants according to location of the school

The foregoing pie-chart reveals that the number of PPSs in rural areas might be equal to the number of PPSs in urban areas in the Leribe and Butha-Buthe districts. This also indicates equal representation of both rural and urban PPS principals in the sample.

4.3.1.3 Type of School (Question 3)

Respondents were requested to indicate the type of their individual schools. Table 4.3 shows that 24(80%) of the participants were managers of high schools (Form A-E) and 6(20%) were managers of secondary schools (Form A-C). This implies that there are more high schools than secondary schools in Leribe and Butha-Buthe.

Table 4.3: Classification of participants according to the type of the school

Type of school	Number of participants	Percentage%
High (Form A-E)	24	80
Secondary(Form A-C)	6	20

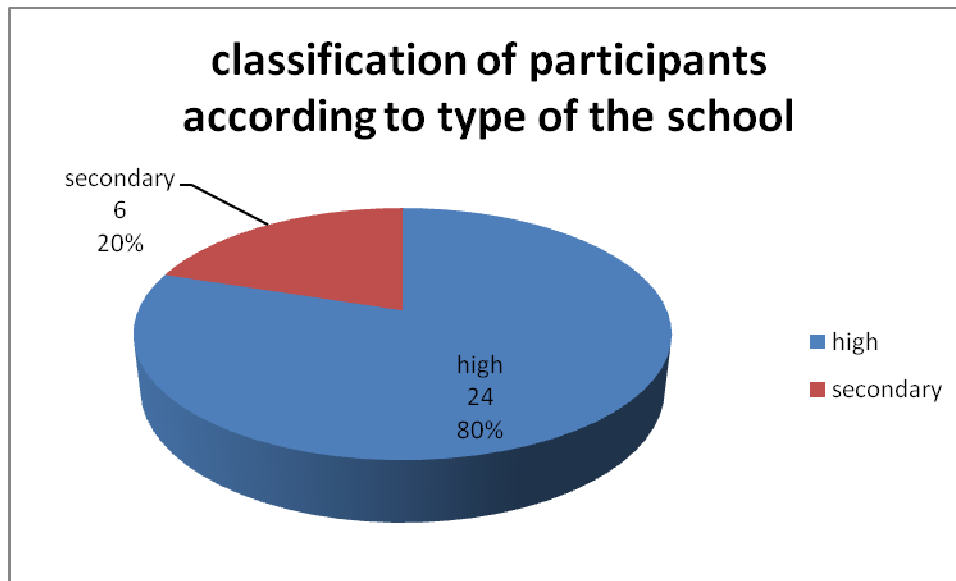


FIGURE 4.3: Classification of participants according to type of the school

4.3.1.4 Years of experience as a post-primary school principal (Question 4)

The questionnaire also requested the participants to select the range within which their number of years as PPS principals falls. According to Table 4.4 and the pie- chart in Figure 4.4, of the 30 participants, 19 (63.3%) had been principals of PPSs for 10 or fewer years; 9(30%) participants had been principals of PPSs for years ranging from 11 to 20 and only 2(6.7%) participants had experience of more than 20 years. This indicates that most of the participants have experience of 0 to 10 years as PPS principals.

Table 4.4 classification of principals according to their years of experience

Years of experience as a post-primary school principal				
		Frequency	Percent	Cumulative Percent
Valid	0-10	19	63.3	63.3
	11-20	9	30.0	93.3
	More than 20	2	6.7	100.0
	Total	30	100.0	

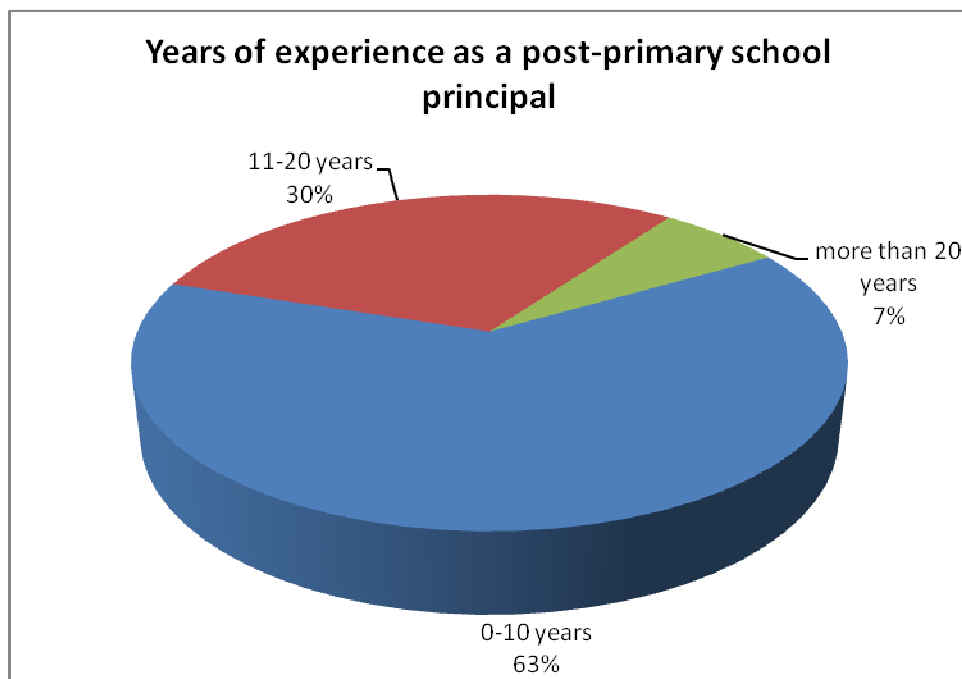


Figure 4.4: Years of experience as a post-primary school principal

4.3.1.5 Sources of income used in the school (Question 5)

Table 4.5 and the bar-graph in Figure 4.5 indicate the sources of income at the participants' schools. Table 4.5 shows that all 30 respondents (100%) indicated school fees as the source of income at their schools, typifying it as the main source of income in PPSs. Government was indicated by 21 respondents as the second source of income in the schools; 14 participants indicated income from sponsorships, while 10 schools received donations from interested and community groups. Seven participants indicated fundraising, while only one person indicated investment income as one of the sources of income.

Table 4.5: Sources of income in the schools

Sources of income	Number of participants
School fees paid by parents or learners	30
Donations	10
Sponsorship	14
Fundraising	7
Investment income	1
Government	21

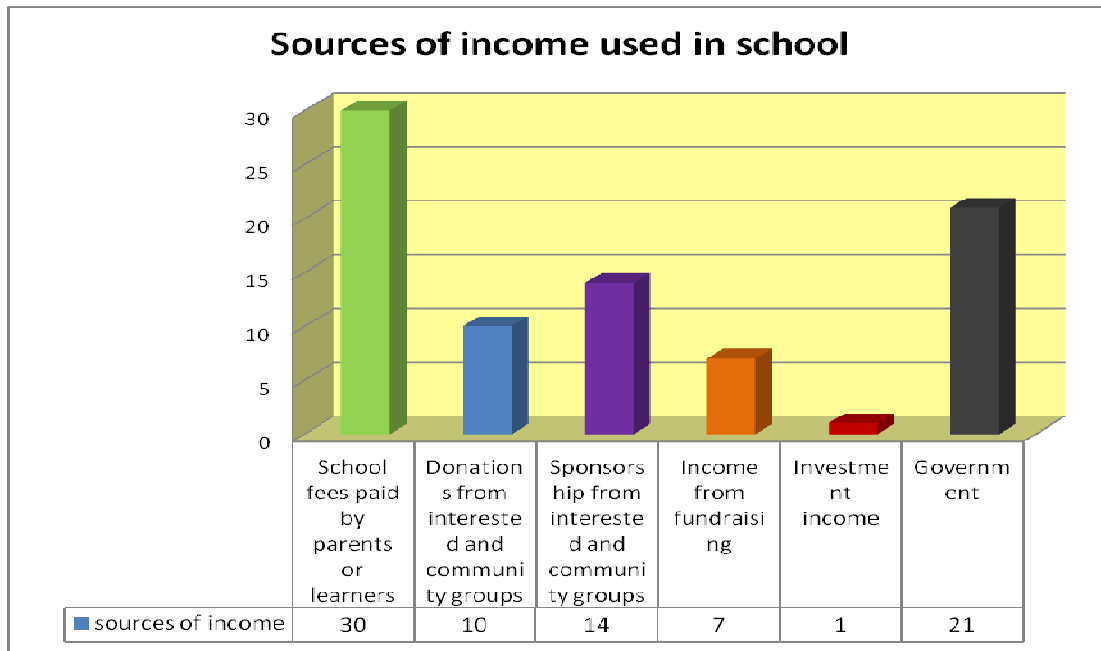


Figure 4.5: Sources of income used in the school

It should be noted that only seven schools used fundraising projects as a source of income, which might imply that some schools do not understand how to run such projects or else stakeholders, such as parents were not sufficiently informed to give enough support to such projects. Investment also seemed to be a problem for most of the schools. A possible reason could be that most schools have a limited income. However, a reasonable number of schools seemed to be making extensive use of donations and sponsorships, but the number of schools could be increased to 100%. The reasons behind the preceding may be clarified by the use of qualitative research.

3.1.6 Checking the financial statements of accounts (question 6)

Respondents were also asked to indicate how often their schools checked the statements of accounts. The results are shown on figure 4.6 where two participants indicated that they check the statements of accounts once per week. The majority of the schools (16) check the statements once every month. Once in a quarter was indicated by six participants. Similarly six participants indicated once per year.

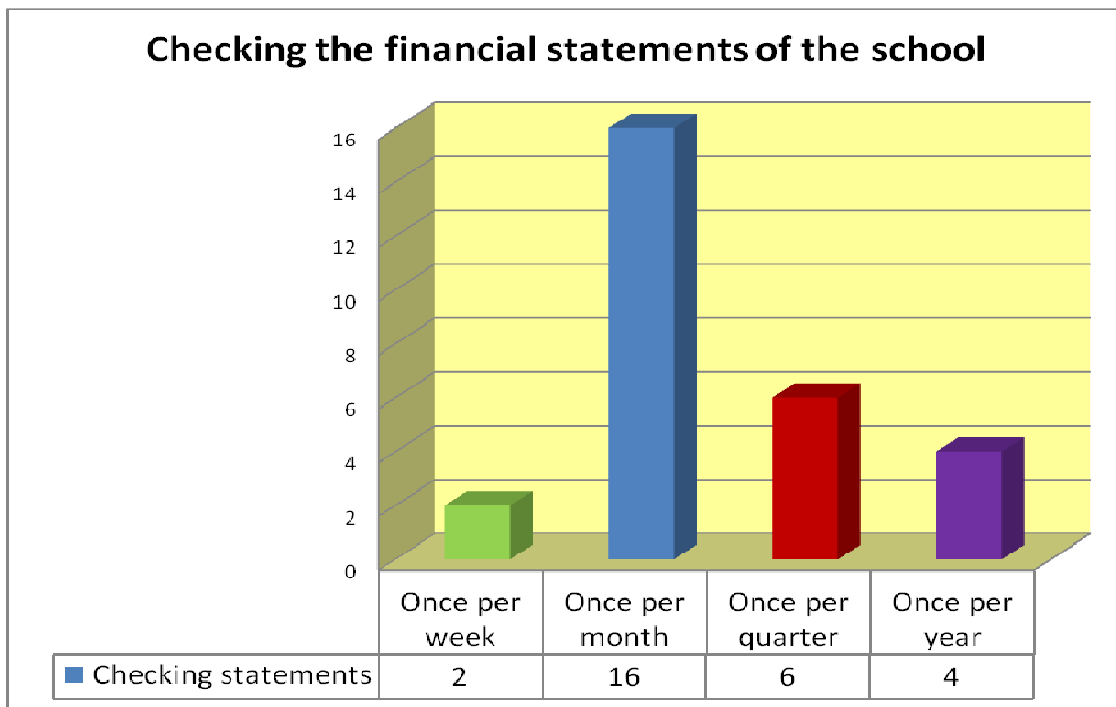


FIGURE 4.6: Checking the financial statements of the school

It is also important to note that external auditing which according to the Lesotho legislation has to be done by every school on annual basis was carried out only in four schools. One may deduce that schools do not have enough income to pay the external

auditors. Another possibility is that there is no follow up from the side of the government to ensure that the SB implements the legal provisions. More explanation would be elicited through the interviews (cf. 5.4).

4.3.2 SECTION B

Managers of the PPS in Leribe and Butha-Buthe were requested to indicate the stakeholders whom they considered to be valuable contributors in the given financial management activities and also to rate the extent to which such parties could contribute on a scale of 1 to 5 as follows: 1-never, 2-rarely, 3-sometimes, 4-most of the time and 5-always. Because the five point scale was used to measure the ratings, the researcher calculated the mean scores for each item and used those mean values to draw the frequency tables and bar charts and hence to describe the results as shown below.

4.3.2.1 Preparing the school budget (question 7.1)

Table 4.6 and bar chart in figure 4.7 show that the mean score for the principals' contribution in preparing the budget is 4.80, for heads of department are 4.07 and then the bursar 3.80. The mean value for the contribution of educators is 2.93 while for the parents is only 1.93.

Table 4.6: The extent to which various parties could contribute valuably in preparing the budget

Descriptive Statistics: Preparing the School budget

	N	Minimum	Maximum	Mean	Std. Deviation
Heads of Departments	30	1	5	4.07	1.311
Educators	30	1	5	2.93	1.639
Principal	30	1	5	4.80	.761
Parents	30	1	5	1.93	1.285
Bursar	30	1	5	3.80	1.627
Valid N (listwise)	30				

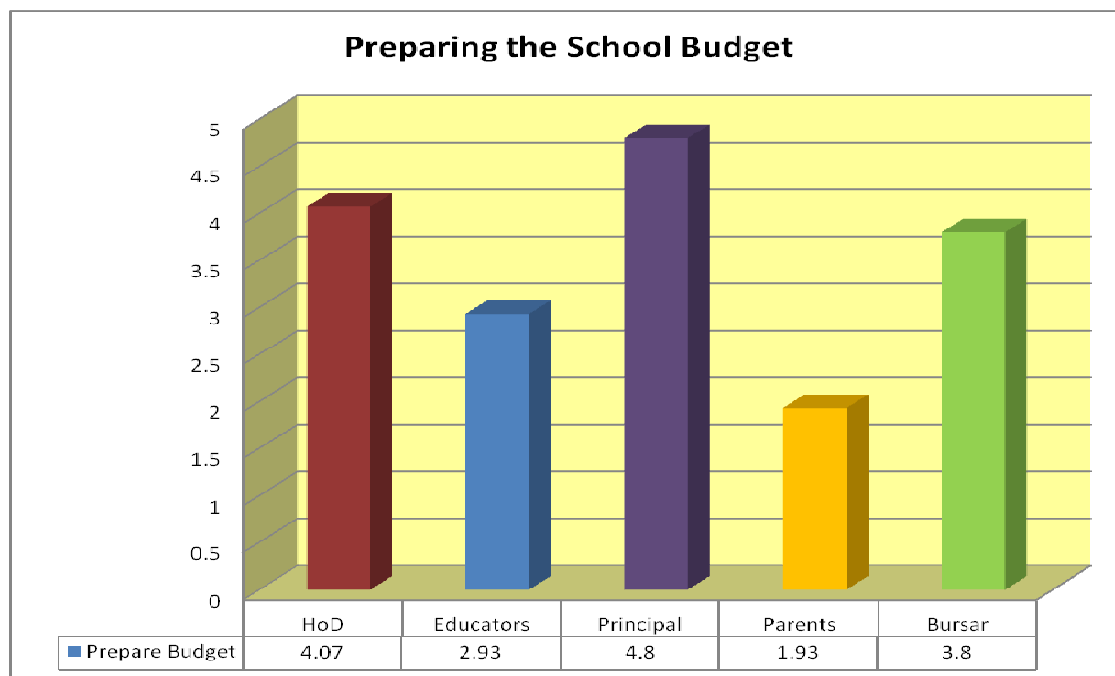


Figure 4.7: Preparing the school budget

When rounding off to a whole number 4.80 is equal to 5. It is therefore indicative that according to the participants, principals always contribute in preparing the school budget; heads of department (4.07) and bursar (3.80) contribute most of the time while educators take part sometimes. Parents (1.93) rarely participate in preparing the school budget in the PPS in Leribe and Butha-Buthe.

4.3.2.2. Formulating the financial policy of the school (question 7.2)

Table 4.7 and the bar graph in figure 4.8 indicate that the mean score for the rating of a principal as a valuable contributor in formulating the school financial policy is 4.63, for the school board is 4.50, for the bursar is 3.23 while the mean value for educators is 2.60. For the MOET and parents the mean values are 2.40 and 2.17 respectively.

Table 4.7: The extent to which parties could contribute in formulating the finance policy

	N	Minimum	Maximum	Mean	Std. Deviation
Principal	30	1	5	4.63	.890
Educators	30	1	5	2.60	1.567
Parents	30	1	5	2.17	1.555
School board	30	2	5	4.50	.777
Bursar	30	1	5	3.23	1.736
Ministry of Education and Training	30	1	5	2.40	1.754
Valid N (listwise)	30				

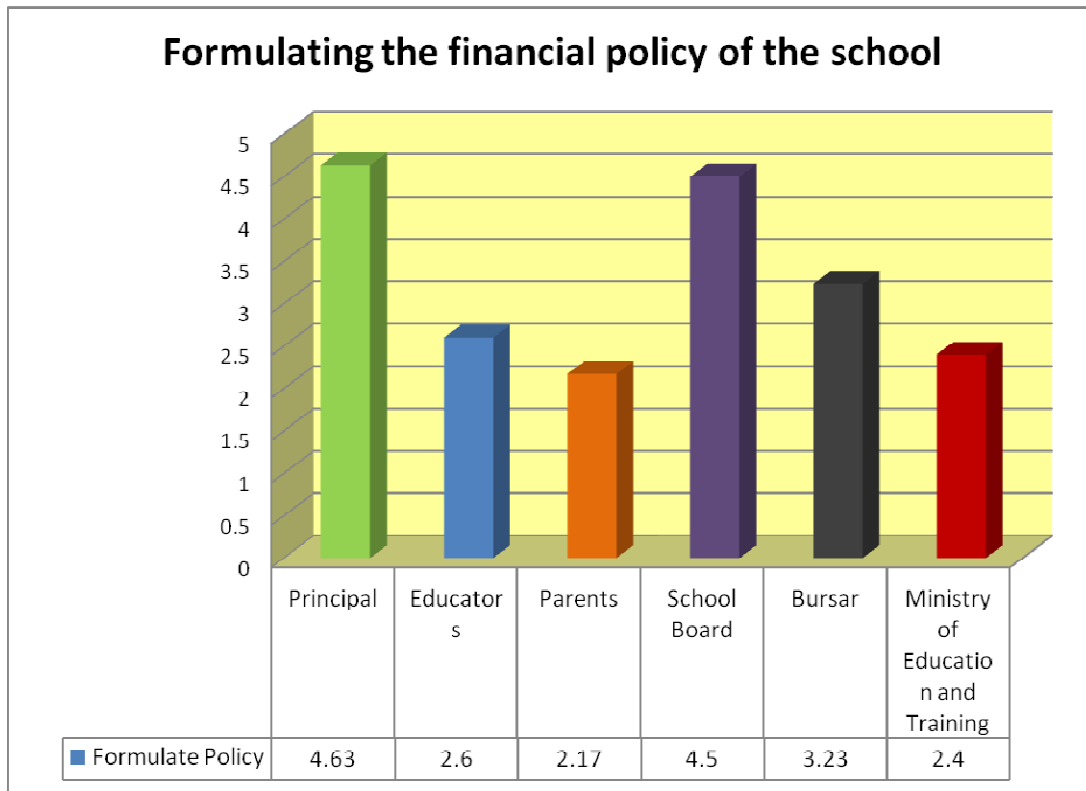


Figure 4.8: Formulating the financial policy of the school

The foregoing diagrams portray that principals and the SB can always have a valuable contribution in formulating the financial policy while the bursar and the educators can sometimes provide a valuable contribution in formulating the finance policy. However participants believed that the MOET and parents could rarely contribute valuably in formulating the school finance policy.

4.3.2.3 Participating in financial reporting (question 7.3)

Managers were requested to indicate the parties whom they thought could deliver a valuable contribution in participating during financial reporting. According to table 4.8 and bar graph in figure 4.9 the highest mean value which corresponds to SB is 4.83 followed by parents (3.03), then the educators (2.93) and the least corresponds with the MOET (2.17).

Table 4.8: The extent to which various parties could contribute in reporting school finances

	N	Minimum	Maximum	Mean	Std. Deviation
Educators	30	1	5	2.93	1.760
Parents	30	1	5	3.03	1.752
Ministry of Education and Training	30	1	5	2.17	1.555
School Board	30	3	5	4.83	.531
Valid N (listwise)	30				

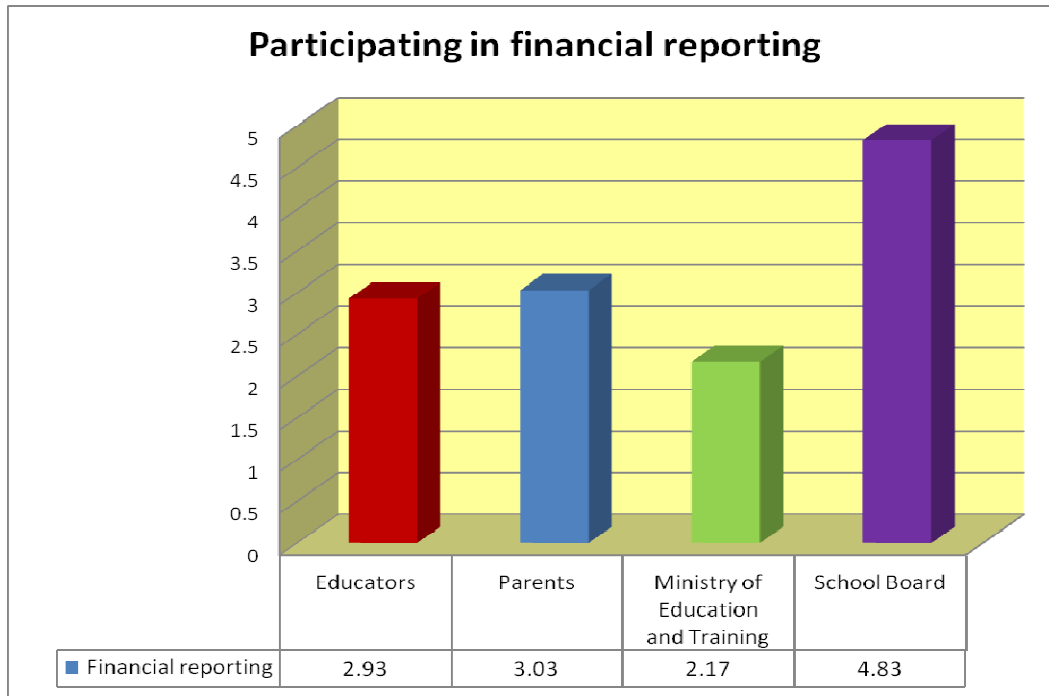


Figure 4.9: Participating in financial reporting

Considering the 5-point scale used to measure the extent and the results portrayed, it is indicative that the participants suggested that the SB members could always contribute in a valuable manner in financial reporting whereas educators and parents could sometimes deliver a valuable contribution. The MOET rarely contribute in financial reporting.

4.3.3. SECTION C

4.3.3.1 Problems encountered by the PPS (question 8)

Principals were requested to indicate the extent to which their schools encounter problems with regard to the given item on a 5-likert scale where 1 was assigned to never, 2 assigned to rarely, 3 assigned to sometimes, 4 assigned to most of the time

and 5 assigned to always. The SPSS data processing program and excel were used to compute the means, standard deviations and variances of the variables. Then items on problems encountered were arranged in a rank order of priority according to the mean scores. This part of the questionnaire (appendix B) had 44 items. However for this study the researcher only used the first ten major trends in the ranking order as shown in Table 4.9.

Table 4.9: Rank order of the top 10 problems encountered by most of the PPS principals in managing school finances as indicated by their mean scores

	N	Mean	Std deviation	Variance	Rank order
*Drawing up long term budgets	30	3.13	1.306	1.706	1
**Controlling the income to align with the plan	30	3.10	1.125	1.266	2
**Monitoring expenditure to align with the plan	30	3.03	1.217	1.482	3
Engaging in financial management professional training	30	3.00	1.390	1.931	4
*Raising funds to improve education of learners	30	2.93	1.388	1.926	5
**Carrying out external auditing on annual basis	30	2.90	1.768	3.128	6
**Directing school finance towards specific goals	30	2.87	1.279	1.637	7
Developing financial management	30	2.87	1.252	1.568	7

skills of staff members					
*Investigating variances that reflect on the current year	30	2.73	1.081	1.168	9
**Submitting the audited statements of accounts to the Ministry of Education and Training Principal Secretary	30	2.73	1.680	2.823	9

Table 4.9 shows that the respondents sometimes encountered problems in executing the financial management activities and procedures. This is because the mean scores ranged from 3.13 to 2.73, all of which could be rounded to the nearest whole number 3.

It should also be noted that most of the items in Table 4.9 (**5 items) are centred on control followed by planning (*3 items). This implies that participants sometimes encountered problems in planning and controlling finances such as drawing up long-term budgets and monitoring the income and expenditure to align with the plan (cf. Table 4.9). Considering the fact that the standard deviations and variances are very small (the smaller the standard deviation and/or variances, the higher the precision of the sample (Dowdy, Wearden & Chilko 2004:136)), one can deduce that PPS principals in Leribe and Butha-Butha sometimes encountered more or less the same problems in performing financial management activities and procedures in their schools.

a)Independent sample t-test for the difference of means between character groups

For the gender (male and female), the location of the school (rural or urban) and the type of the school (high and secondary) analysis for the t-test was performed to determine whether there was a significant difference of means between the two groups

on the variables (Coolidge 2006:197). Tables 4.9 to 4.16 (cf. Appendix B) provide a reflection of the extent to which the respondents encountered problems in managing the finances in their schools.

For this study, the observed t-values (t_{obs}) were compared with the critical t-value (t_{cr}) found in the statistical tables in relation to the size of the sample. According to the sample size ($n=30$) for this investigation, t_{cr} is 2.042 for $p=0.05$ or at a 95% level of significance and 2.750 at $p= .01$ or at a 99% level of significance. Using abbreviations, if $t_{obs} > t_{cr}$ (i.e. if $t_{obs} > 2.042$ at $p=0.05$ or $t_{obs} > 2.750$ at $p=0.01$), then one mean is significantly different from the other mean, implying that the character tested has a significant impact on the variable. On the other hand, if $t_{obs} < t_{cr}$ (i.e. if $t_{obs} < 2.042$ $p=.05$ or < 2.750 at $p=.01$), then there is no significant difference between the two means other than a chance difference. Thus the latter implies that the character tested has no significant impact on the variable.

As mentioned earlier for $n=30$ t_{cr} is 2.042 at $p= 0.05$ (95%) and 2.750 at $p=0.01$ (99%). Table 11 indicates that the major differences at a 99% significance level between males and females seem to be in monitoring expenditure and controlling income to align with the plan. Females encounter problems more frequently than males in monitoring expenditure and controlling income to align with the plan (Table 10).

The location of the school did not have any significant influence on the variables (Tables 4.12 and 4.13). Similarly, the type of school (i.e. whether secondary or high school), did not have any significant impact on the variables. This was indicated by all observed t-values being less than the critical t value.

In terms of the standard deviations and standard error mean scores, one can conclude that since the values portrayed are very small, there was a high standard of precision in the sample. This means that the principals sometimes encountered problems in implementing financial activities regardless of the location and type of the school they managed.

b) Analysis of Variance (ANOVA) on years of experience

For the analysis in terms of years of experience, of the respondents as PPS principals (i.e. 0-10 years, 11-20 years and > 20 years) an analysis of variance (ANOVA) was used (Tables 4.16 and 4.17). The results of ANOVA are portrayed by the F-value (Coolidge 2006:248). In this case, the critical F- value is 3.35 at $p < 0.05$ (95%) and 5.49 at $p < 0.01$ (99%) for the degree of freedom (df) of 27 (df=27) (i.e. $F(2,27) = 3.35$), while the observed F-values in Table 16 range from 0.007 to 3.313; all less than the critical F-value. From the above-mentioned statistics it may be deduced that years of experience have no significant influence on the extent to which principals encounter problems in managing school finances. The implication is that PPS principals in Leribe and Butha-Buthe encounter problems regardless of the experience they have.

Since the results of ANOVA indicated that no significant differences existed among the three groups means regarding experience, the Turkey's HSD test results (cf. Table 17) were not utilised (Coolidge 2006: 263).

4.3.4 SECTION D

4.3.4.1 Training needs (Question 10)

Principals were requested to rate the extent to which they needed training with regard to the stated financial management activities and behaviours. The scale ranging from: 1 = not at all, to 5 = to a very large extent, was used to measure the extent. Table 18 reveals mean values ranging from 3.93 to 4.17 which could all be rounded off to nearest whole number, 4. The latter implies that principals needed training to a great extent in among others:

- Encouraging the provision of quality education when using financial resources (4.17);
- Providing in-service training to staff members to enable them to align with the plan (4.13); and
- Creating a shared financial vision which communicates to the stakeholders the end purpose of the school (4.10) which was rated highest.

The small values of the standard deviations and standard error mean scores portray that the data values are closely clustered around the mean, implying that principals seem to have the same training needs to the same extent with regard to financial management.

Independent samples t-test ; groups' training needs

According to Table 4.20, the number of participants is 29 ($n = 29$) and from the statistic tables the t_{cr} for $n = 29$ is 2.045 at $p < .05$ (95%) and 2.756 at $p < .01$ (99%) significance. Considering the t_{obs} values in Table 20 it seems that gender had a

significant influence at a 95% (0.05) level of confidence on training needs between males and females. Females need more training than males on promoting the economical use of resources, encouraging the provision of quality education when using financial resources, encouraging staff members to be effective innovators, formulating a mission which describes how to attain a vision and doing strategic financial planning (Table 4.19 and 4.20).

Apparently (tobs < tcr) location, type of school and the years of experience have no significant impact on the training needs of the respondents (Tables 4.23-4.25). This implies that irrespective of the above characters, principals need financial management training across the board.

4.4: SUMMARY OF THE QUANTITATIVE INVESTIGATION FINDINGS

The main data collection instrument was the RDQ. The RDQ consisted of the following sections:

Section A: biographical information

1. Gender: the sample had 60% males and 40% females.
2. Location of the school: 50% of the schools were rural and 50% were urban.
3. Type of school: 80% of the schools were high schools and 20% were secondary.
4. Years of experience as post-primary school principals: 63.3% had 10 or fewer years, 30% had 11 to 20 years and 6.7 had more than 20 years.
5. Sources of income in the school.

There were six categories as depicted in Figure 4.5 and Table 5. Responses were as follows:

School fees	100%
Donations	33.3%
Sponsorship	46.7%
Fundraising	23.3%
Investment income	3.3%
Government	70%

6. Checking the financial statements of accounts

Responses for the frequencies with which the schools checked the statements of accounts were as follows (Figure 4.6):

67% of the schools checked the statements once per week

53.3% once per month

20% once per quarter

13.3% once per year

6.7 % did not check the statements of accounts (no current accounts)

Section B: Parties contributing valuably in financial management activities

The means of the extent to which respondents thought each party could deliver a valuable contribution to events concerning financial management are indicated in Tables 6 to 8 and Figures 4.6 to 4.8. The findings are listed below:

- Respondents thought that principals, heads of departments and bursars could, most of the time provide valuable contributions in preparing the school budget (Table 4.6 and Figure 4.7).
- The principal and the school board can always offer a valuable contribution in formulating the financial policy of the school (Table 4.7 and Figure 4.8).
- The school board can always deliver a valuable contribution in financial reporting. Sometimes educators and parents can contribute in a valuable manner.

Section C: The extent to which problems are encountered

- Principals sometimes encounter problems in executing the financial management activities such as drawing up long-term budgets, controlling income to align with a plan and engaging in professional financial management training.
- Females encounter problems to a greater extent than males in controlling income and monitoring expenditure to align with the plan (Table 4.10).
- Principals encounter problems to a relatively similar extent regardless of location, type of school and the experience they have as PPS principals (Tables 4.12 to 4.16).

Section D: Training needs

PPS principals' training needs were rated as follows:

- Principals needed training to a great extent on encouraging the provision of quality education when using financial resources, providing in-service training to staff members

to enable them to align with the plan and create a shared school vision which communicates to the stakeholders the end purpose of the school (Table 4.18).

- Female principals need more training than males in promoting the economical use of resources, encouraging the provision of quality education when using financial resources, encouraging staff members to be effective innovators and planning strategically.
- Principals need training to a great extent irrespective of the location, type of school and experience.

4.5 CONCLUSION

In this chapter, quantitative research was undertaken and the RDQ was used as the measurement instrument. A sample of 30 participants comprising 50% of the population returned the questionnaires. The RDQ collected data on the biographical information where principals had to indicate their gender, the location of the school, the type of school and their years of experience as principals. In addition, sources of income were indicated, as well as the frequency at which the schools checked the statements of accounts. Parties that could contribute valuably and the extent to which they could contribute in preparing the budget, formulating the financial policy and reporting the finances were also reflected. The extent to which participants encountered problems in executing financial management tasks were shown, together with the empowerment needs of the manager. The implication of the results of this chapter was that principals encounter problems sometimes when practicing financial management in their schools. In addition, the principals seem to need financial management training to a great extent.

The results of the quantitative investigation were interpreted using numbers. However, some of the findings needed some clarification from the principals who answered the

RDQ and some of the MOET. Consequently, the researcher used such findings to prepare an interview schedule for the qualitative investigation discussed in Chapter 5.

CHAPTER FIVE

QUALITATIVE INVESTIGATION INTO THE EMPOWERMENT NEEDS OF POST-PRIMARY SCHOOL PRINCIPALS ON FINANCIAL MANAGEMENT

5.1 INTRODUCTION

In the previous chapters of this study a valuable background was provided. The first chapter addressed the orientation of the study by providing an overview of the background and the statement of the problem, the purpose of the study and the methods of study. Chapters Two and Three explored the school financial management practices of principals from international and Lesotho perspectives, respectively. Chapter Four dealt with the quantitative study on how stakeholders should be involved in financial management, the problems encountered in implementing policies and the empowerment needs of post-primary schools (PPSs) in Leribe and Butha-Buthe. In order to follow up on the data that emerged from the quantitative investigation, Chapter Five deals with a qualitative investigation of the empowerment needs of PPS principals which will thus lead to the provision of the training framework for Lesotho PPS principals on managing finances.

5.2 QUALITATIVE RESEARCH METHODOLOGY AND DESIGN

According to Niemann (2004: 6) qualitative methodology refers to those approaches which enable researchers to learn first hand about the social world they are studying by means of involvement and participation in that world, focusing on what individuals say and do. In the above context, for this study the researcher investigated the training needs of PPS managers in terms of meanings they brought to the way they managed the finances in their specific schools. The researcher strived to grasp the motives for the

actions of PPS managers in financial management in order to elicit information from and an understanding of financial management in schools.

According to Husen in Niemann et al. (2000: 283) the qualitative research approach is underpinned by the post-positivistic paradigm which strives to comprehend the reasons behind the behaviour of research subjects through empathy. In the above context, the qualitative methodology developed as a result of the post-positivistic paradigm according to which the gathering of information and interpretation thereof are conducted in terms of non-regimented methods. Thus, the collection and interpretation thereof are conducted by using open, flexible and lenient methods to grasp the meanings respondents gave to their situations. Janestick in Holliday (2002: 52) supports Niemann by pointing out that research is ideologically driven. This implies that research is neither value free nor bias free.

To gain more clarity and depth on some issues emerging from the quantitative data, the researcher carried out the qualitative investigation. This phase of the study was conducted from a post-positivistic interpretive stance. As suggested by Cohen & Crabtree (2008), the researcher ensured that there was adequate communication between the researcher and the respondents, in order to collaboratively construct a meaningful reality on the training needs of PPS managers regarding school finance. Interpretive approaches are premised on naturalistic methods which according to Cohen and Crabtree (2008) involve interviewing and observations as analyses of the meaningful experiences of people. Moreover, the view of criteria for interpretivists' positions is founded on the theoretical belief that social reality is mainly based on what people perceive it to be (Neumann 2000: 72). The implication is that what the participants and the researchers know is always communicated and negotiated within

cultures, social settings and relationships with other people. Therefore, participants were interviewed and tape-recorded and the interviews transcribed. Thereafter, the data were analysed and interpreted to gain the required knowledge.

5.3 THE RATIONALE FOR THE CHOICE OF METHOD

The researcher used a combination of both quantitative and qualitative research methods because such a combination would be a pragmatic solution to the research problem. It helped the researcher to understand financial management events against the background of the whole context in which they occurred. This mixed-method approach also enabled the inquirer to strive to fully comprehend the situation as holistically as possible, from the insider perspectives of the managers in school financial management.

The purpose of the qualitative research in this study was to acquire a deeper understanding of the training needs of the PPS principals in Leribe and Butha-Buthe in managing finances as portrayed by the quantitative data. To attain the preceding purpose the researcher then strived to capture ideas from the participants while examining specific reactions in natural settings during the interviews, with the view of providing valid data on the phenomenon in question.

Furthermore, qualitative investigation has the substantial advantage of bringing both the inquirer and the respondent close together (Hitchcock & Hughes :1995). The researcher therefore involved the participants being studied in rapport with one another through the interviews in an endeavor to acquire the necessary knowledge. The MOET officials were also interviewed in order to gain valuable information regarding the need for training of

school managers. Ultimately, the researcher used the results of both the quantitative and qualitative approaches to construct a framework for training the PPS principals in financial management.

5.4 SELECTING THE PARTICIPANTS

To carry out the qualitative investigation, interviews were conducted with two groups of people, namely some of the PPS principals who were involved in quantitative research and the MOET officials. The number of principals was not determined beforehand, but the process continued until the point of theoretical saturation was reached. This means that the process was terminated when no new affirmative or negative data were received. In other words, the researcher stopped gathering information at the point where the same information was repeatedly reported and she no longer learnt anything new (Seidman in de Vos 2005: 295).

In contrast, the Leribe Education Management Advisor was purposively selected as a MOET official to provide more clarity on some of the issues raised by principals relating to the problem in question.

5.4.1 Interview setting

Before conducting the interviews, the researcher made the necessary arrangements with the participants. Firstly, the researcher visited the participants to arrange a time and place of contact two weeks ahead of time. Secondly, the researcher followed up the arrangement in writing; then, two days before the interview, the researcher either confirmed the agreement in person or through a telephone call.

To ensure sufficient results and to facilitate the process the researcher encouraged the participant to choose a relatively quiet environment where interruptions would not occur. De Vos (2005: 294) maintains that a setting that provides privacy and comfort, as well as a non-threatening environment which is easily accessible should be encouraged. In this study, the researcher ensured that the seating arrangements encouraged the involvement and interaction of the participant. In addition, the researcher also indicated to the respondent an estimation of the time span of the interview. Having accomplished the above preconditions, the researcher then proceeded with the interview as outlined in Section 5.5. However, the researcher considered the important concepts of reliability and validity during the qualitative data collection and they are discussed hereunder.

5.5 RELIABILITY AND VALIDITY OF THE QUALITATIVE INQUIRY

To ensure the quality and rigor of this study, the researcher endeavoured to apply all possible efforts to enhance the reliability and validity of the qualitative research findings.

5.5.1 Reliability

Reliability in qualitative research is associated with the elimination of possible errors that can distort the research results. Smaling in Niemann et al. (2000: 284) views reliability as a sense of absence of random errors and as an aspect of methodological objectivity, because being objective is one way of avoiding distortions. The researcher took the following measures to eliminate random errors and thus to increase the reliability of the study.

- **Triangulation of methods**

Both the quantitative and qualitative research methods were used to gather relevant data on the empowerment needs of Leribe and Butha-Buthe PPS principals regarding school finance. Questionnaires (cf. 4.2.1) were utilised as a quantitative data collection tool, whereas interviews (cf. 5.4) were used for the qualitative research. Neumann (1994: 324) and Denzin in Babbie and Mouton (2001: 275) advocate the use of triangulation of methods as the combination of different methodological techniques which can assist researchers to overcome weaknesses in specific techniques. Babbie and Mouton (2001: 275) view this technique as one of the best ways to enhance reliability. Thus, the researcher triangulated the RDQ and the interview results obtained during the investigation process. Furthermore, the researcher attempted to eliminate any bias that might be brought to the investigation by repeatedly referring to the research problem.

- **Thick description**

Other measures that the researcher took include keeping a thick description of the investigation process so that other researchers may be able to replicate the same procedure in compatible settings (cf. 5.3.1 & 5.8.1). The researcher provided a rich account of the details of the status and role of managers in managing finances, the relevant characteristics of the participants, the places where interviews were conducted, the concepts that were used, the theoretical ideas and methods of research as suggested by Bryman and Bell (2003: 289). The description of the settings in which the study took place was also provided.

5.5.2 Validity

According to Mason (in Bryman & Bell 2000: 288) and Goetz and LeCompte (in Niemann 2000: 285), validity is concerned with the accuracy of scientific findings. The foregoing is implied when the foregoing scholars indicate that validity is refers to whether the researcher is really observing, identifying or measuring what s/he intends to measure. Furthermore, validity can be divided into internal validity and external validity. However, Bryman and Bell (2005: 284) argue that in terms of qualitative research, internal validity parallels credibility; whereas external validity parallels transferability. Therefore, in this study, credibility and transferability will be used to refer to both internal validity and external validity, respectively in qualitative research.

- **Credibility (internal validity)**

According to de Vos (2005: 346) credibility is enhanced by demonstrating that the inquiry is conducted in such a manner that will ensure that the subject is accurately identified and described. In this study, the researcher made use of the PPS principals and MOET officials (cf.5.4.2) who were able to supply the necessary financial management information. Moreover, the researcher created a balance between 'letting the object speak for itself' and using abstract categories for data analysis and interpretation (Niemann et al. 2000: 285). In addition, participants were asked to answer questions using the language of their own choice in which case Sesotho or English was used.

- **Transferability (external validity)**

Transferability refers to the extent to which the qualitative research findings can be applied in other contexts or with other subjects of study (Babbie & Mouton 2001: 277).

Babbie and Mouton maintain that the researcher's obligation to demonstrate transferability ultimately depends on those who wish to apply it and to the readers of the study. The following strategies were therefore applied to improve the transferability of this study.

The researcher made every effort to collect sufficiently detailed data in context and to report them in sufficient detail and precision so that readers are able to make judgements about transferability (cf. 5.4.1).

The researcher purposely chose the MOET officials who were closely involved in the management of schools (cf.5.3). In addition, the principals who were interviewed were also involved in answering the questionnaires. This implies that they were used in order to better clarify the quantitative research results.

5.6 DATA COLLECTION METHOD

For this investigation the interviews were used as the main data collection. The following section deals with the interviews.

5.6.1 Interviews

The researcher chose interviews to collect the qualitative data because it seemed relevant to provide information regarding the extent to which PPS principals in Leribe and Butha-Buthe need training in financial management. Since the primary aim of qualitative investigation is to clarify and probe deeper into some of the issues emerging

from quantitative research, interviews enabled the object to 'speak for itself'. Bryman and Bell (2003: 364) opine that the problem under investigation and the purpose of the research properly dictate the method.

The interviews seem to be the most widely used method of data collection in qualitative research. De Vos (2005: 287) asserts that interviewing is the predominant mode of data collection in qualitative research. According to Mantlana (2006: 131), a qualitative interview is a conversation with a purpose to obtain valid and reliable information. It involves a conversation between the researcher and the participant. Scheunih (in Mantlana 2006: 131) posits that interviewing as a qualitative research method can be artificially separated into two categories namely, the actual conducting of the interview and the interpretation of the interview. In addition, Manning (in de Vos 2005: 287) maintains that all interviews are interactional events that apparently reside within the participants. Thus, both the researcher and the participant were unavoidably active and involved in the task of making meaning out of the conversation concerning school finances.

The researcher attempted to understand the world from the participant's viewpoint, to unfold the meaning of the latter's experiences and to uncover his/her lived world. De Vos (2005: 287) points out that some qualitative researchers typically employ semi-structured interviews. Therefore, in this study the researcher used the semi-structured, open-ended interview as outlined below.

5.6.1.1 Semi-structured, open ended-interviews

In this investigation the open-ended, semi-structured interviews were conducted with the participants (cf. 5.5). The researcher made face-to-face contact with the participants who were then requested to clearly express their ideas about issues relating to their empowerment needs in financial management. According to Bryman and Bell (2003: 342), a semi-structured interview consists of a list of questions to be covered. The list is usually referred to as an interview guide or schedule (cf. Appendix D). Thus, the schedule about the subject areas was developed in which case, the researcher attempted to explore, probe and ask questions that elucidated and illuminated the problem (Patton in Mantlana 2006: 133).

The interview schedule seems to be useful in various ways. Patton (in Mantlana 2006: 132) postulates that it is used when it is necessary to minimise the variation in the questions directed to the participants. It also reduces the bias that may occur from having different interviews for different people. In addition, the schedule lessens the chances of the researcher facing the challenge of obtaining a great deal of data from certain participants, while obtaining less systematic information from others. Since the aim of the interview was to acquire clarity in those areas of the quantitative data which needed elucidation, the schedule was based on the quantitative data results. The most important aspect of the schedule was that during the data analysis, it enabled the researcher to locate each respondent's answer to the same question rather quickly. The foregoing advantages indicate that it was easier for the researcher to analyse the data and to organise questions and answers that were similar.

Although the researcher had to develop a schedule before conducting the interview, it is relevant to note that during the conversation, the interviewee was given considerable

leeway in how to reply. In other words, the process allowed flexibility, in which case, questions did not strictly follow on exactly the way in which they were outlined on the schedule (Bryman & Bell 2003: 343). Furthermore, the researcher was ready to ask questions that were not on the schedule. The foregoing behaviour occurred when the interviewer picked up on things said by the interviewee which necessitated more probing or even undertook new areas of inquiry that were not originally included in the schedule. Besides, qualitative interviewing is all about the interviewee's responding in his/her own words to express his/her own personal worldview.

It is of utmost importance for qualitative interviewers to provide a framework within which respondents can express themselves in their own words. Therefore, in this study the open-ended, semi-structured interviews were employed to enable the researcher to understand the world as seen by the respondents. Ultimately, this enabled the researcher to understand and capture the perspectives of participants without predetermining their views on the basis of the results of the questionnaire data.

Face-to-face interviews enabled the researcher to observe the behaviour of the respondents as interviews proceeded. Moreover, the interviewer was able to repeat, reformulate and explain questions where she considered necessary. If the response was deemed incomplete or unclear, the researcher had the opportunity of asking for additional information. The researcher also repeated some of the information given by the participant to ensure that the researcher had grasped the message conveyed.

By interviewing the participants, the researcher attained a 100% response rate. Each participant and the researcher engaged in a conversation and the participant answered

questions in the presence of researcher. Therefore, unlike in the case of questionnaires where the respondent and the researcher are detached and where the participant might decide not to answer the questions, with interviews the respondent answered the questions directly. The participants also provided genuine responses as they were able to ask for the clarification of any question that was unclear to them or where there were perhaps some misunderstandings.

The researcher employed the following techniques in conducting the interview as suggested by Seidman (in de Vos 2005: 288):

Step 1: To stimulate interaction between the researcher and the participant, the researcher started by confirming, once again (cf. 5.4.4), that the general purpose of the interview was to gain clarity on the quantitative investigation findings on financial management. The researcher then gave the participant the assurance that his/her identity would be confidential by treating his/her name as anonymous. During that time, the researcher bore in mind the stance of Niemann (2006: 15) by ensuring that if the person did not want to participate, the researcher would not force the interview on him/her, because a researcher needs co-operation and not apathy or hostility.

Step 2: The researcher provided the respondent with a brief explanation of how the interview would be conducted. At this stage the researcher informed the interviewee that the interview would be tape recorded and therefore, the researcher sought the cooperation of the respondent. The respondent was allowed to choose the language to be used.

Step 3: Before asking the main questions on the schedule, the researcher commenced by asking the first question on the schedule to stimulate a sound relationship with the respondent as suggested by Bryman and Bell (2003: 365). To accomplish the foregoing, the researcher asked the participant about his/her years of experience as a PPS principal, the location of the school, as well as the type of the school he/she managed. The intention was to allow the participant to feel relaxed.

Step 4: After the participant was made to feel comfortable and at ease, the researcher facilitated and guided him/her by setting up the first question on the interview schedule, followed by subsequent questions. The researcher had ensured that she had learnt the schedule in advance so that she was able to concentrate on what the participant was saying, so that she could occasionally monitor the coverage of questions on the schedule (Smit et al. in de Vos 2005: 297). To ensure that the participant understood the questions, the researcher gave the interview schedule to the respondent to read beforehand.

Step 5: The interviewer ensured that the participant, was stimulated to react as if he/she were engaged in a conversation. The interviewer also allowed for flexibility, in that the interviewee was the main determinant of how the interview would proceed. For instance, the interviewer did not strictly ask each question on the schedule or ask the questions in the order in which they appeared. Instead, there was room for the interview to move away from the questions on the schedule. Nevertheless, the researcher as the facilitator made every possible effort to remain cautious and therefore decided on how much deviation was acceptable.

Step 6: While the participant was talking, the interview was tape recorded. This occurred after permission was obtained from the participant. According to Smit et al. (in de Vos 2005: 298), a tape recorder allows a much fuller record than notes taken during an interview, thus assisting the researcher to focus on how the interview is proceeding and where to go next.

Step 7: Where necessary, the researcher took notes on the behaviour of the participants.

Step 8: After the interview, the researcher thanked the interviewee and asked permission to interview him/her again if anything was found to be unclear or to ensure that certain information was interpreted correctly.

Step 9: Thereafter, the researcher transcribed the interview *verbatim*. The transcripts were then used for data analysis and interpretation.

5.7 DATA ANALYSIS

According to Patton (in de Vos 2005: 334) data analysts are obliged to monitor and report their procedures. In this study, the researcher analysed the data by first reading through the transcripts thoroughly, as well as re-listening to the recordings. As mentioned in Chapter One, thematic clustering was used to analyse the data. In fact, the data analysis began at the research site during the data collection. According to Erlandson et al. (in de Vos 2005: 335), as the data are collected for qualitative analyses,

they are analysed and the procedures and strategies are revised to yield data that are then subjected to new analysis.

The researcher continued to analyse the data away from the place of interview following the collection of the data. In order to build up a coherent interpretation of data the researcher strived to analyse the data between site visits, before and after the completion of data collection (Erlandson et al. in de Vos 2005: 335).

The researcher identified the themes which were followed by coding. The researcher wrote down the themes and awarded each theme a particular code in the form of abbreviations of key words, followed by numerous re-readings of the transcripts to award more codes to those parts (sub-themes) that concurred with the previously given codes. The new sub-themes that arose were also given axial codes and added to the list. Meanwhile, the researcher continued to examine the data so as to become familiar with such data and thus be able to expose patterns of differences, similarities and tendencies.

Having determined the tendencies and differences, the data were then grouped into categories of themes and sub-themes of affirmation and differences and the patterns recorded in the report. According to de Vos (2005: 337-338), the formation of categories, themes and patterns forms the basis of qualitative data analysis. As a result, the researcher strived to remain focused on the data and open to any observable subtleties.

Notes on regularities of the settings and the people chosen for study were taken. In consequence, the researcher was able to identify the salient grounded theories of meaning held by the participants in their settings.

Subsequent to the grouping of the data into categories, the researcher then began the process of evaluating the plausibility of his/her developing understandings and exploring them through the data. In this phase of data analysis, the researcher also determined how useful the data was to illuminating the questions being explored, as well as how central they were to the problem under investigation. Additionally, the researcher also searched for alternative explanations to the data and the links among them. Thereafter, the researcher engaged in a data analysis, description and interpretation of the results. However, the study revealed some limitations as discussed hereunder.

5.8 LIMITATIONS OF THE STUDY

The sample for this qualitative investigation was small. Only six participants were interviewed; three secondary school principals, two high school principals and one MOET official participated. This was, among other things, due to the difficulty encountered by the researcher to meet the principals. Most PPS principals indicated that they were too busy and therefore had no time for the interview.

However the purpose of this qualitative study was to elicit more information that would clarify the findings on the quantitative investigation. Although the sample was small, participants were able to provide clarification and further insight into some of the issues emerging from the quantitative study. Thus, the sample was considered sufficient.

5.9 DATA REPORTING

In this section there are two parts. The first one provides the biographical details of the participants. The second part gives the details and analysis of the important themes that arose from the interviews. Table 5.1 below is a summary of the details of the participants.

Table 5.1: The biography of the participants

Participant number	gender	Experience in years	Type of school	Location of school	Place of interview	Length of interview/min
P1	Female	3	secondary	Rural	Office	25
P2	Female	1	High	Urban	Office	30
P3	Male	9	Secondary	Rural	Home	28
P4	Female	3	secondary	Rural	Office	31
P5	Male	12	Moet	Urban	Office	28
P6	Female	9	Female	urban	Home	35

The intention of the researcher was to interview an equal number of males and females, but because of limitations stated in Section 5.7, four female and two male participants were involved. Of the six participants one was a MOET official and five were principals of PPSs in Leribe and Butha-Buthe.

Interviews were held at either the offices or homes of the participants, depending on what was convenient for them. The researcher and the participant agreed on switching off their cell phones during the interview so that they could focus on the interview.

5.10 FINDINGS EMERGING FROM THE INTERVIEWS

During the interviews the researcher asked the participants the questions which provided information on areas of financial management, particularly those which emerged from the quantitative findings and required some clarity. Aspects such as the role of a PPS principal in managing finances, training needs, the ways in which PPSs collect income, problems encountered by the principals, auditing and differentiating training needs were used as the main themes which were given codes. During the course of the investigation, sub-themes arose and they were added to the list together with their codes. The themes and their sub-themes are discussed hereunder.

5.10.1 The role of the principal in managing school finance

Participants revealed various categories as their role in this theme. These categories are chief accounting officer, budgeting, keeping proper records, reporting to stakeholders, as well as problem areas in executing their role. They expressed their views as discussed below.

5.10.1.1 Chief accounting officer

Some of the participants indicated that they are the chief accounting officers whose central task is to ensure the adequate management of finances. One participant opined as follows:

“In my opinion, I think the role of the school principal is that he or she is the chief accounting officer and as chief accounting officer, his/her role is solely to ensure that school finances are well managed. So the school principal should act as an overseer for everything and see to it that all financial activities are properly managed.”

According to the participant, principals need to oversee all financial activities in the school. This could well imply that principals have to ensure that they take the responsibility for daily financial activities in the school with the aim of ensuring a viable environment in which quality education can be provided. Another participant supported the above viewpoint by saying:

“According to the law, principals are the chief accounting officers and they are responsible for the incoming and outgoing money of the school. Even though the bursar may be in charge of the incoming and outgoing finances, the principal must know what to do in order to be able to check the bursar.”

This indicates that principals need to have a basic knowledge of what the bursar does when accepting money and when making payments. Thus, one participant elaborated in this manner:

“It is to check the receipts and payments of the school from the petty cash records daily. This helps the managers to find out who the debtors or creditors in the school are, so that payments can be made. It also helps in some decision making concerning finances, as the principal is the chief accounting officer.”

Decision-making is crucial for principals since they are the accounting officers. Another participant sees the principal as the key manager and expressed this as follows:

“I think the principal must be the key manager regarding school finance, so that he/she knows about every cent that is spent. He/she must know exactly how much has come in, how much has been spent and on what.”

It seems that principals have to check their bursars regularly. Alternatively, they should communicate with their bursars to keep in touch with the income and expenditure of the school.

5.10.2 Financial procedures in PPS schools

A number of financial procedures taking place in various schools were indicated by the participants as discussed below.

5.10.2.1 Budgeting

To ensure that school finance is directed towards those activities that will promote the best education of learners, principals have to ensure that budgeting takes place in schools. One participant considers the budget as a primary concern and puts it this way:

“When it comes to the planning of school finances, a principal has to prepare the school budget. That is the first thing one has to do. Then that budget has to be estimated depending on the expected learners’ enrolment for that particular year.”

The participant also believed that the budget should be a joint venture and then continued:

“One will have to collect all the information from the parents, from the SB and from the students, then the immediate needs prioritised should be addressed. From the estimated amount then one can say: ‘This year I’m going to do this as the principal, rather as a joint venture because everybody has already contributed towards the planning of the finances.’”

However, another participant with a slightly different opinion stated:

“Planning finance is another role of a school principal. He/she is the one who knows the needs of the school. So in her/his budget, in order to manage properly, he/she should have budgeted properly.”

Another participant concurred that:

“Principals have to ensure that they make estimations of the income and expenditure through budgeting. They have to budget the money for the school. They also have to record clearly how much is collected and how much is spent.”

The above exposition shows that some school managers involve other stakeholders when preparing the budget, while other principals decide on the budget on their own as they are the ones who know the needs of the school.

5.10.2.2 Collecting income for the school

Schools use different means to collect income from stakeholders. Some participants indicated that they rely on school fees from parents and the MOET bursary scheme.

One participant put it this way:

“Honestly speaking, at present we do not have a department of fundraising as we are still struggling with the site. We use the primary school buildings. However, we are hoping that when we have our own site we will form a partnership with the local community and have projects where we would plant and produce vegetables on their fields. Another project could be a tuck-shop since we are far from town. For now, we rely solely on school fees as our source of income.”

Another participant concurred:

“Well, normally we don’t have a special fundraising project and get money only from school fees. We don’t have anything concerning fundraising. Yes, some schools have got some activities which make money, such as concerts, allowing people from outside to come and present concerts during weekends. From this, they charge something for the use of the school property.”

However, the participant mentioned some constraints for that particular school and continued this way:

“Well, my school is very new and being new, we don’t have enough facilities such as a hall, where people can participate in activities, such as church services and all those

things. Normally, if they do not have places to pray, churches use the space of school halls, but our school is very new and we don't have a hall, enough chairs and all those things. That is why we are unable to let the community or whoever come and use our facilities and things like that."

Another participant indicated that sources of income for the school are school fees and intervention from the MOET as the school is a government school. They had not thought of other ways to raise funds. The participant explained:

"We have not actually thought about any fundraising activities; our sources of income are parents, some of whom do not even pay very well. We also rely on funds provided by the MOET through bursary scheme for orphans and vulnerable children. We are also fortunate if I may be allowed to mention, that, as a government school, we also get intervention from the government because if you are unaware of our situation, school fees are only M280 per annum, because the M500 includes M220 for a book rental fee. So with that it is very difficult to run the school but we don't actually have fundraising at our school. We are assisted by the government through the intervention of their budget."

Government schools seem to be at more of an advantage than non-government schools since they get subsidised on an annual basis.

Because the school fees paid by the parents are, in most cases, not enough to meet the financial requirements of the school, some schools have fundraising projects.

One participant generalised in this manner:

“Schools raise funds using various projects. Some use farming projects such as rearing chickens for sale, producing vegetables to sell and other products. Other schools raise funds by holding concerts and other activities at the school. The MOET also assists the schools by paying school fees for orphans and vulnerable children.”

Another participant asserted:

“We do a lot of fundraising; I mean a lot! Probably on Monday next week, it will be a funny day. It is one of our fundraising days on which the students and teachers will be wearing funny things and they pay some money. Apart from that, we raise funds by requesting parents to buy food when they come for open day at our school. Probably from the 13th to the 15th we shall have called parents here, class by class. We have realised that they made a long journey and have nothing to eat because our school is not in town. So we decided that when they come, they would be able to buy food for M15 per plate. That is how we raise funds. Apart from that, our students especially those in agriculture and accounts, when they do their projects, we lend them some money, and then we get some profit from that as the school. If they have agreed to pay five maloti each, our school will give in ten maloti, so that 50 per cent profit will come to us when they share. Apart from that, in agriculture we sometimes rear chickens and these days we sell vegetables. So we do raise funds but I don't know about other schools, so I can't say.”

Another participant in similar vein said:

“Concerning the issue of fundraising, we normally come across certain projects in the school such as requesting the Department of Agriculture and the Department of Business Education to organise projects that can generate more money for the school. If

not, we decide that some students who do not comply with the regulations of the school, like not putting on the proper uniform and the like, are charged and in that way, we raise funds. We also hold concerts in the school or we stage beauty contests.”

From the preceding participants, it is evident that celebrating a funny day, agricultural projects, business education projects, the use of school buildings to hold concerts or beauty contests and charging a fine for students who do not comply with the school regulations are used in some schools to raise funds.

5.10.2.3 Keeping proper records

Maintaining a good audit trail by ensuring that money collected and money paid goes through the proper bookkeeping procedures in the school, is a fundamental practice for school principals. One participant pointed out:

“Their role is to see to it that the money is collected, deposited in the bank and that money is withdrawn from the bank and used by the school. That means s/he must know how much money is collected and how much money is deposited in the bank. Another thing is that s/he should get the bank statements on a monthly basis. S/he is also responsible for the signing of cheques of money withdrawn from the bank and also being responsible for how the money is used. All those things are supposed to be recorded, so that any time when he/she gives the statement to the SB, everything is clearly recorded.”

In other words, principals have to ensure that all the details of the financial activities are written in the proper books. Another participant added:

“The most important aspect of financial management is recording and keeping proper financial records so that principals can report to the public. Principals use public money...” This means that stakeholders who contribute funds to the school should be provided with proper records whenever there is a need.

Another participant added:

“His/her main responsibility is to ensure that proper records are kept at all times. Even if you have other departments managing their own affairs, you have to monitor that the budgets are adhered to and proper records are kept.”

Apart from recording, monitoring departmental budgets is another key responsibility of the principal.

Some PPS schools do not have bursars or secretaries and the principal has to do the entire job of keeping records; one participant gave details of the procedures in the school in this way:

“As a principal, by law I am the financial controller. However, there is no bursar in my school and at the moment I am the principal, the secretary and the bursar at the same time. However, there is one educator whom I have chosen to do the job when I am absent. When we receive money, we record it in receipt books. We make sure that every cent that goes out is recorded somewhere. If it was for a workshop, we write down what the workshop was for, who went and how much was paid for transport. I do this quarterly, because I have too much other work to do. I sit down and check the books that we use for recording and transfer the information to an analysis book. In the analysis book, we write the total amounts used for each purpose. For example, if it is on trips, we write in the column for transport, check how much we have used for transport

altogether and write the total under transport. Every item has a column in the analysis book.”

Although there seems to be a lot of work for a principal without a bursar, proper records are still imperative in a school. Therefore, in such cases, the principals are compelled to do the job or at least delegate someone to do the job.

5.10.2.4 Reporting

To build good relationships between the principal and the community or the stakeholders, it is imperative that principals give a financial report to them at least once a year (Bisschoff 1997: 104).

One participant who gave the report to parents on an annual basis said:

“At the end of each year, we give the report to the parents. Firstly, I give the report to the SB, explain to them how much in school fees was received, and how much was used.”

In a supportive manner another participant said:

“They (principals) use the public funds and the public should know what the school is doing with their money”. The previous participant added: “so that any time, he (the principal) can give a statement to the SB...”

Another participant added:

“Reporting should be done so that the public know what the school is doing.”

The preceding exposition implies that principals have to explain to other SB members, the payers of the school fees, and other sources of income how the finances are utilised in the form of a financial report.

5.10.2.5 External and internal auditing

Participants had various viewpoints regarding the issue of auditing the statements of accounts in schools. In some schools, external auditing had not been practised, while other schools had done external auditing for several years.

One participant indicated that auditing is essential in PPS by saying:

“Auditing the school statements of accounts should be done and the public should be given the report.”

However another participant explained it this way:

“In 2007 and 2008 I did not have audit report. Maybe it was due to the fact that it was not difficult to collect M280 from each learner in a year. However, this year it will include money for the feeding scheme and the roll has also increased to 275. Since the number of learners has gone up, the work has also increased. Therefore, we need external auditing.”

In the same vein another participant said:

“We have not actually audited our books since we started in 2007. We have just started and we are planning to audit our books officially, because we have realised that it is the current practice.”

This participant further added:

“When I came into this office, I learned that the books had not been audited in any way. So with me, I would like the auditors to come and audit our books. Now that is what I want, so that we see and plan more efficiently on how to use funds.”

Another participant expressly said:

“Well, we prepare the financial statements; there is no auditing, nothing! We the SB, decide how the money is used, meaning all income and expenditure, record it and report to the parents on how much we have spent for the school. We don't have any particular person who is in a position to audit our books.”

Two of the foregoing participants indicated that they planned to implement external auditing in the near future, but one participant pointed out that they only practise internal auditing.

One participant indicated that they had been practising external auditing for several years and the participant put it this way:

“Actually, our financial records are audited annually; that is, every November when the school closes. We send all the financial records, school fees records to our auditor. Then we get the report back by the end of February every year. During the course of the year, we have an auditor who is a member of the SB and an accountant. So he is the one who checks all the records that are made quarterly or monthly, depending on the number of times the SB has a meeting. That’s why we are even able to question our external auditor if his records differ from ours in the school. For example, if we have a surplus of M5000 but the auditor finds we’ve got a surplus of M2000. Why is it that you differ from us?”

The above participant indicated that they practised both internal and external auditing in the school. According to his findings, Lerotholi postulated that those schools which implement appropriate financial systems are also reputable schools (cf. 3.4.3).

5.10.3 Problems encountered by principals

Because of a lack of skills in dealing with school finances, some managers encounter problems in trying to execute their role. Some participants revealed the problems they encounter. These problems are explored in this section.

5.10.3.1 Planning

The planning of finance is crucial in handling school finances. According to Lesotho legislation, budgets have to be prepared by September of the previous year (cf. 3.3.1). However, some schools do not prepare their budgets in time. One participant complained:

“The planning of finance in the PPSs in Leribe is a serious problem. It is difficult to believe that there are some schools which have not yet prepared their annual budgets for this year, as we speak.” (March)

Another participant pointed out:

“At the moment, we give the parents a report saying that we have done this and that. There is no time when we tell them that next year we have planned to do this and that. If one is not trained in how to handle finance it would be difficult to plan for the following year.”

This participant implies that they have a problem in planning their finances.

5.10.3.2 Use of proper books

Another participant was aware of the fact that proper records should be kept using appropriate books, but found it difficult to put that into practice. The participant elaborated like this:

“It is difficult when I have got petty cash of about one thousand rand and when it comes to those columns, I prefer just writing it down on a piece of paper. For example, such as: I paid transport, when it has to be in clear order. Even if it is clearly stated on the papers and in the exercise books I use, when it comes to money, there are books that are meant for this, but I don’t know how to use such books.”

One participant felt that he/she was expected to do a lot of work without any orientation for the job and put it this way:

“Because you see, we are appointed as principals and then left there to find out for ourselves. Without even a little bit of knowledge on accounts or bookkeeping, principals are likely to make many mistakes. You see other principals being accused of not having their audit reports, yet we were not told in advance that the school should carry out external auditing of the statements of accounts. Some principals don’t even know that financial reports should be given. Another problem is that they (MOET) say that we should provide copies of all the receipts for payments made, including using a public phone; where do we get such receipts? We did not even know that they would need them. It is just too much taking a bag full of receipts to them. As I said earlier on, I’m working alone and this is too much work for me.”

School managers differ in their knowledge and skills regarding finance. As a result, they are faced with various challenges in dealing with school finance. This implies that a needs’ analysis should be done so that principals are given appropriate training.

5.10.3.3 High costs of external auditors

Various participants had different opinions about the cost of auditing; in general, there is a problem of external auditors being too expensive for the schools. One participant put it this way:

“This auditing will be done once in a year because auditors are very expensive; the cheapest I heard of is M5000. So, if it is done many times in a year, it would take all the money received from the poor parents. It is better done at the end of the year.”

To support the above viewpoint another participant argued:

“To get somebody to come and audit, we are supposed to pay and paying means a lot of money. Because of the status of our school, we are unable to hire somebody who is competent in book-keeping. That is why we audit on our own.”

It seems the participant does only internal auditing in the school.

Another participant argued that external auditing is too expensive to afford and it was not a priority for the school. However, they would do external auditing because:

“We have realised that it is the current practice, even though auditors’ fees are very high - we cannot afford them, but we are really thinking of making use of the auditors this year, because this is the current practice in as far as financial practices are concerned. So we are going to do it, but we have not audited the books in previous years. To be honest, I don’t really know how expensive auditors are. I have heard from people who have been audited that it would be something like M6000; someone else told me that they were charged M15000, but that was not only for auditing financial records but also for a general audit of even the premises. Yes, we are still going to find quotations on it. I don’t know whether it depends on the size of the school. For us to part with M6000 is really a lot of money because we are still trying to improve our premises. We don’t have enough buildings for our learners, so we try to prioritise. It is not that we are trying to undermine auditing records, but it is just that we have more pressing issues than auditing.”

According to his findings, Lerotholi postulated that those schools which implement appropriate financial systems are also reputable schools (cf.3.4.3).

Another participant expressed the cost of auditors as follows:

“They are very costly, depending on the type of auditor you have. If it is a new auditor altogether s/he is going to charge you a lot of money, such as M6000 or more. Ours have been charging us up to M4500 because we have been working with him since 2000.

5.10.4 Training needs

Some participants said that they needed training in some areas of financial management. The responses are given below.

5.10.4.1 Planning

The contemporary education system demands that principals cope with the high inflation rate and as a result, managers have to consider inflation in their planning. One participant suggested:

“As the inflation is gradually increasing year in year out, they (MOET) have to train us every year so that we develop skills in how to cope with it.” (inflation)

In a supportive manner, another participant elaborated:

“Actually, they need to be trained in the preparation of the school budget, because without a budget there is no way that the school can run effectively, which means if there is proper training of principals in budgeting and in school finance, everybody will know what should be done in that particular year. Sadly, most principals lack training in budgeting.”

Another participant indicated that they did not even plan their finances due to a lack of training. The participant said:

“At the moment, we give the parents the report saying we have done this and that. There is no time to tell them that next year we have planned to do this and that. If one is not trained on how to handle school money, it is difficult to plan for the following year.”

Because of present financial constraints, the principal might sometimes be forced to cut the budget and put the most significant items first and the least important at the bottom. One participant argued that some managers need training in prioritisation and explained as follows:

“In fact they (male principals) need to be trained again in priorities. Sometimes they will spend too much money on sport because most of them like sport. When a teacher wants reference materials, they are often turned down because of a lack of funds, but when you see the money that has been spent on sport you know there is enough.”

According to the participant reference materials should be more important than sport when priorities are set. This means that principals might need to be trained in which part of the curriculum should be put at the top of the list of priorities.

5.10.4.2 Record keeping

Most participants believed that in managing school finances, it is very important to keep proper records, as one participant said:

“S/he must know where to keep the records of money received. They (principals) should give us training and inform us well in advance that at a particular time, school managers are expected to have certain documents. Before appointing a person as a principal the MOET has to give him/her basic training in how many receipt books are required. For instance, one receipt book for school fees, one for book fees and another for other costs.”

Another participant agreed by saying:

“I am one of those principals who desperately need training in financial management. I majored in Arts and English. I have a problem in dealing with these books of finance. When it comes to income and expenditure and when using ledgers and materials for book-keeping, I rely mostly on people who have done accounts and sometimes I don't feel confident. It's as if I'm bothering them when I consult them all the time. So I think that there should be training in how to use ledgers, in which column one has to write down income and where to write down expenditure, so that when the auditor comes, one doesn't have a problem.”

To support the above viewpoint another participant postulated:

“Because most of us are not accountants and some principals have not studied accounting, I think it is important that the Department or the MOET should hold workshops to train managers on proper record keeping. Sometimes people may make

mistakes due to a lack of skill and knowledge in financial management. So I think the MOET should hold workshops which will equip principals with the necessary accounting skills.”

Another participant added:

“The most important aspect of financial management is recording and keeping proper financial records, so they (principals) need to be trained in the basic knowledge of accounting.”

According to Ntsoale, principals should use financial management systems which align with the recommendations of the Central Inspectorate (cf.3.3.3).

In this era when funds are limited and need to be allocated judiciously, some principals are desperately in need of skills which will equip them with knowledge of basic accounting. This skill would help managers to improve their systems and thus, the quality of education in schools.

5.10.4.3 Collecting income

To ensure that fees are properly collected in schools seemed to be a concern for one participant who noticed that some learners go to school and drop out later without paying any fees. Therefore the participant feels that principals need to be equipped with the necessary skills to ensure that they collect such funds. The participant explained:

“With regard to the collection of income, I have noticed that one may not collect enough funds to correspond with the actual enrolment. For example, we don’t have a registration fee, so one will find that we admit learners who don’t pay anything and at the end, some learners drop out of the school without paying anything. I think we should be equipped with the skills to ensure that we collect enough funds to correspond with the number of learners we have. For example, if we have an enrolment of 100 learners, we should, at least be equipped with how to ensure that we always collect fees from all 100 learners.”

Another participant was of the opinion that some parents should be motivated to pay if the approach of the principal is appropriate. The participant explained like this:

“One of the things is that we lack appropriacy concerning how we approach parents... For example, in a rural school people may not understand education at all. They don’t see the benefits of education because their children get married or go to circumcision school. So the way one approaches the parents is important in showing them the necessity of paying school fees. Then maybe some parents in one way or another would be able to pay at least some money to solve the education problem.”

The implication is that in their training principals need to be equipped with the proper communication skills that would encourage stakeholders to pay for their learners.

5.10.4.4 Reporting

Because of the prevailing scarcity of funds in the schools caused by the global economic recession, most households and communities who pay money to the school are keen to

know how such funds are utilised. Therefore, it is essential that school managers provide such information to the stakeholders.

One participant expressed this as follows:

“How do we report to the parents, especially those who are the ones who need to know what has happened with their school fees? You will find that we don’t have proper reporting skills, so principals need to be trained to report properly.”

On the other hand, some participants felt that all Lesotho PPS principals needed training in all areas of financial management.

One participant is concerned about the prevailing practices regarding financial management practices in the PPSs and pointed out:

“In general, financial management in schools is very poor, so much so that training is absolutely crucial.”

Another participant put it this way:

“What I think is that once a person begins to accept money from parents s/he must know what to do with the money, so principals should be conversant with all areas of financial management. Sometimes they (MOET) train principals when they have already started dealing with finances. I remember that I first received training in 2007. I think it was in June, yet I started managing this school in January 2007. What had happened during all that time when one did not know what one had to do? Training should not be only for

those two days; it has to be on an annual basis. Sometimes you find that other schools are in a mess financially.”

Another participant concurred:

“Principals need training in all areas, because even if the school has a bursar, and a secretary, the principal needs to know what they are doing. Ultimately, s/he (principal) will be answerable to issues concerning money.”

If the school finances are not properly managed, the responsibility rests on the shoulders of the principal (cf.2.3).

One participant also felt that all the PPS principals needed training as the participant said:

“If financial management training is done for PPS principals, I think that it should be done for almost everybody or every principal in the system.”

The responses of the preceding three participants imply that Leribe and Butha-Buthe PPS principals need urgent and comprehensive training in school finance.

5.10.5 Differentiating training

This section deals with the ideas on the different training needs for various character groups which emerged from the interviews.

5.10.5.1 Forms of training

One participant said that workshops and in-service training are just for a few schools in the Leribe district. However, due to financial constraints, other schools do not get such services. The participant said:

“To rectify the prevailing situation, my office holds workshops for principals and I also visit some of the schools. In as far as I know the Butha-Buthe district does not get such services due to a lack of funds.”

This implies that those managers for whom workshops and in-service training are not available need attention.

The participants had different opinions and experiences regarding the ways in which gender affects financial management in schools, as well as its influence on empowerment needs.

5.10.5.2 Accounting for gender differences

Participants had different perspectives on gender differences with regard to the need for empowerment in financial management.

One participant had this opinion:

“As far as I am concerned, there are no differences between the training needs of male and female principals. I think they all need the same training regardless of their gender. I don’t see any difference.”

Another participant concurred:

“No, there is no difference between the way female and male principals need training. Yes, they are required to manage school finances in the same way. You will find that what is practised in one school is also practised in the other schools.”

Another participant who could not tell if there was a difference, responded this way:

“From the family point of view, females as mothers handle money in a better way than fathers. However, I cannot say which gender handles school finances better, because even if the principal is male the deputy or bursar might be female and since they work together to manage finances, one cannot really tell if there is a gender difference.”

In contrast, other participants see it from different perspectives. One participant argued:

“I am not sure about this one. I only know about my school, since we have had female principals for a long time. There has been one man here; I’m talking about my school and he just wanted to know what the bursar did. I noticed that he was not involved in the management of funds. With the female principals that have been here, we have seen many changes since females like many things. I think female principals are better in handling school finances than male principals. I can even talk about myself and my deputy - we want to see that this money does not stay in the bank but is used. The parents have paid money to develop the school, so we discuss what needs to be done

in the school with the money. The male principal, who was here, would just become very angry that there was no money in the bank or that the money was less than he thought.”

The indication is that male principals do not like developments and are over- dependent on secretaries, while females ensure that they use school income to develop the school. Ntsoale (cf.3.3.3) postulates that if there are surplus funds at the end of the year, they should be reasonably small.

Another participant argued that the background of a principal has an impact on the way s/he manages the finances. The participant said:

“I think there might be some difference, because in most cases, the way we manage the school finances also depends on our background. As females or as mothers, we try to do market research when we want to buy something by trying to compare prices. We don’t just buy! What I have noticed is that with males, they just buy anywhere and they are not actually very concerned about comparing prices; they just buy. So I think there is an influence from the way we live at home, because I have noticed that many men and husbands at home just buy even if one sends them. I think they just spend without comparing prices and even when they spend, most male principals want to spend money on vehicles and other luxury items. But with females it is true that we like vehicles, but in terms of priorities, vehicles would be the last thing on our list, unlike males. Actually, our priorities or maybe our wants and necessities differ according to gender.”

The participant then thinks that male principals need to be trained in prioritisation and continues like this:

“Our needs actually differ, because as much as I need certain things in the school, I have to prioritise as a mother or as a woman. Even if I like something I look at whether I need it; whereas males just go for what they want if what they want is there. In fact, male principals need to be trained in priorities.”

Another participant strongly believes that females are more precise, as well as sticking to the recommendations of their trainers. The participant argued in this manner:

“Being a female principal, I actually think that there is a gender difference. One of the reasons that I can give is that I am a female principal and have specialised in accounting. Since I know that when I do recording, I don’t have erase figures because these figures are going to be given to the stakeholders. So I must be very precise in whatever I do. I don’t only rely on the petty cashier that she is correct, but check all the entries myself. Then before I submit all my records to the auditor, to the government or whoever is in need of the financial records, I know exactly what figure is what and what the meaning is. I have seen many inconsistencies when I have visited other schools and checked their records, especially those with male principals; there were just too many errors demonstrating that people don’t care much. I think that is the general way of doing things. It depends... you know, women are precise. I’m not trying to be biased (we laughed), but actually that’s how we are. Most male principals lack the skills to keep proper records. As it is, male principals depend on their secretaries most of the time.

Additionally, you find that male principals regard themselves, as you know, as heads; like he is the head in his house. Therefore, the way he is going to manage the finances of the school, is like the way he manages the finances of his own family, but of course, this depends on the community which one is in. As female principals we are a bit fearful, so one will find that whatever one has been trained in, if one was told to do A, B, C, and

D in order to record the finances properly, that is what one would follow. On the other hand, a male principal will say: 'I don't care what they might come here to say, but I know what I will tell them'. I think males need more training in proper record keeping, because ultimately, they have to check their secretaries, even though they depend largely on them. Principals should be trained, for when whoever comes to the school to question anything on school finances one doesn't always have to call the secretary for assistance. One should know exactly what his/her role as principal entails."

The preceding participant indicated that female principals are meticulous in keeping records, check their bursars' records and because of their lack of confidence, stick to what they are trained to do. Conversely, male principals do not care much about keeping proper records and rely on their secretaries most of the time. Therefore, they need training on proper record keeping and accounting practices.

5.11 TRENDS EMERGING FROM THE INTERVIEWS

The following trends emerged from the interviews in this chapter.

5.11.1 The role of the school principal

S/he is the chief accounting officer who is responsible for the day-to-day financial activities in the school (see 5.10.2.1). The managers pointed out some of the financial procedures as shown hereunder.

5.11.2 Financial procedures in the PPSs

The emergent procedures in the schools are as follows. Some principals ensured that budgeting took place in their schools, while others did not prepare school budgets.

- Schools collected income from parents and the MOET in the form of school fees. Government schools received subvention from the MOET's annual budget. Other schools carried out fundraising projects to supplement school fees (cf.5.10.2.2).
- Principals should ensure that all the details of financial activities were recorded in the appropriate books. Those principals without bursars/secretaries did record keeping on their own or else delegated the task (cf. 5.10.2.3).
- Managers had to account to the stakeholders for the utilisation of school funds in the form of financial reports (cf. 5.10.2.4).
- Most of the schools had never done external auditing. Some schools relied on internal auditing done by the SB. One school practised both internal and external auditing (cf. 5.10.2.5).

5.11.3 Problems encountered by the principals

Managers experienced the following problems when executing financial management procedures:

- Planning finances was a serious problem in most schools. In some schools budgeting was not done (cf. 5.10.3.1).

- Some managers did not know how to use record books. Others were unaware that stakeholders should be given reports, while some are overloaded on account of having no bursars/secretaries (cf. 5.10.3.2).
- Most managers could not engage in external auditing because auditors are too expensive (cf. 5.10.3.3).

5.11.4 The training needs

The following were identified as the training needs:

- Some managers needed training in preparing the school budget, taking into account aspects such as inflation and setting priorities (5.10.4.1).
- Some managers desperately needed training in basic knowledge of accounting, as well as keeping proper financial records. Some respondents suggested that orientation should be done for newly appointed principals on keeping proper records before they engage in managing finances (cf. 5.10.4.2).
- Some managers needed training in ensuring that they collected 100% of the school fees from each learner enrolled in the school. Others needed to be equipped with skills to approach stakeholders in order to encourage them to pay their school fees. Some managers believed that all managers in the education system in Lesotho needed training in all areas of financial management (cf.5.10.4.3).
- Some participants indicated that some managers needed training in proper financial reporting (cf. 5.10.4.4).

5.11.5 Differentiating training

The following opinions about differentiating training emerged:

- Some participants recommended that workshops should be held for managers on an annual basis. Some principals receive in-service training and workshops from the MOET, while others do not have access to such services due to financial constraints (cf. 5.10.5.1).

- Some participants said there was no gender difference in managing school finances, while others thought male principals are stingy unlike their female counterparts who use money to develop their schools. Some males are extravagant while females are careful and spend money on priorities. Unlike males, females are careful to keep accurate records, are obedient to rules and do not overly rely on secretaries/bursars. Male managers need training particularly in keeping proper records and in how to prioritise (cf. 5.10.5.2).

5.12 CONCLUSION

In this chapter the qualitative investigation on the empowerment needs of PPS managers in Leribe and Butha-Buthe on managing finances was explored. The interview findings revealed that as chief accounting officers, managers encountered problems in executing some of the financial management activities in their schools. As a result, areas in which empowerment was needed were identified. Planning finances, the proper use of account books to ensure regular recording, and proper financial reporting, were the critical areas in which empowerment is required. The next chapter presents a summary of the main findings from the quantitative and qualitative investigation,

recommendations and a possible training framework for managers on sound financial management in schools.

CHAPTER SIX

SUMMARY AND RECOMMENDATIONS

6.1 INTRODUCTION

Nowadays, the ways in which finances are managed in Lesotho schools, as well as in other countries, are often ascribed to the principals. The future of each school depends mostly on the principal's ability to ensure that all available financial resources are managed in a way that promotes effective teaching and learning (Mophet in van der Westhuisen 1991: 372). School financial management as a concept, has received extensive coverage in educational scholarship, as well as in the national legislation in order to help school principals grasp the logistics of managing the finances in a school.

Education managers have to realise that it is imperative to empower and involve other stakeholders in making financial decisions in an endeavour to make schools responsive to the needs of their clients (learners). Principals then have the great task of making certain that such stakeholders are able to make constructive decisions, while at the same time ensuring that those decisions are in alignment with the legislation. Thus empowered, principals need to be able to empower other stakeholders and to improve the education of learners.

The purpose of this investigation was to establish the areas of financial management in which Leribe and Butha-Buthe PPS principals needed empowerment. The researcher then used the identified areas to construct a framework for training educational managers in order to improve the education provided in particular schools.

The researcher commenced the investigation with a review of the literature. Information on the international perspective of a school principal as a financial manager and the general directives of adequate financial management was addressed in Chapter 2. The review also provided the salient points of policies and guidelines of the Lesotho legislation (Chapter 3). The findings from the literature review were used as the point of departure for the quantitative enquiry.

From the quantitative investigation carried out, subsequent to the review of literature, the researcher could deduce among others, that the majority of PPS principals in Leribe and Butha-Buthe lack the skills and knowledge of proper financial management. Issues that emerged from the quantitative inquiry and needed some clarity were further explored through the qualitative approach and interviews were used to collect the data. The interviews were meant to capture raw data by letting the participants give a detailed account of their perceptions in the form a dialogue in a natural setting. It became evident from the interviews that the practice of financial management in PPSs needs great attention from the MOET.

The rest of the chapter dealt with an overview of the development of the study, the realisation of the objectives, a summary of the study findings and a recommended framework for training Lesotho PPS principals in school financial management.

6.2 OVERVIEW OF THE DEVELOPMENT OF THE STUDY

The study was based on the establishment of the training needs of the Leribe and Butha-Buthe PPS principals from a financial management perspective.

In Chapter One the background to the study was explored by reviewing the literature associated with the study problem. This chapter also revealed that school managers need to be able to adopt some of the results of business management research when managing finances, but at the same time, realise that schools aim at service delivery while businesses aim at profit making. Then the important concepts namely, school financial management and empowerment were briefly explained. The statement of the problem was provided which resulted in stating the problem questions to be answered. The purpose of the study was then given together with objectives to be realised. Then a brief account of the research design, details of which were provided in Chapters 4 and 5, was given. The chapter ended with the value of the research, an outline of the study and the conclusion.

In Chapter Two the researcher studied the literature on empowerment, the role of the principal and the general norms and standards used in executing financial management tasks in schools. In general, empowerment means providing a shared opportunity and power to the stakeholders, in order to improve and develop their own school. The chapter also revealed that education managers as chief accounting officers need to be competent and skilful in drafting day-to-day financial management directives, communicating with the stakeholders, accountancy, coping with the environmental pressures and using systems suitable for their particular schools in managing finances. It was also evident that to accomplish the goal of the school, principals have to sometimes delegate financial management tasks, while bearing in mind the principles of responsibility, accountability, authority and flexibility which go hand-in-hand with delegation (cf. 2.3.1).

It is vital that managers are conversant with financial management tasks, in which case, planning is the cornerstone of all other tasks. Planning entails situation analysis and strategic planning, as well as operational planning. Budgeting is the main exercise of operational planning. Organising, monitoring and controlling are other important tasks discussed in this chapter. Education leaders should take cognisance of the fact that all financial management tasks have to be carried out within the legal framework. Chapter 2 provided some global perspectives on information which can be used by education managers to improve the financial management systems in schools.

In Chapter Three, the literature was studied to gain insight into the guidelines on the principal as financial manager in Lesotho education. The LEA1995/96, the SSMR (1988) and the MP were used as the main sources of information. It was revealed that households, communities and the government are the major sources of income in Lesotho PPSs. Parents mainly pay school fees, while the government pay staff salaries in most schools, as well as school fees for orphans and vulnerable learners. Therefore, education managers cannot ignore these stakeholders when making decisions that could possibly be detrimental to the education of learners. Education managers are also mandated to make certain that the centrally formulated education policies are properly implemented in schools and within the stipulated time frame.

Previous research was also studied to elicit the necessary information about financial management practices which prevail in Lesotho PPSs. The impression was that the way finances were being managed in most schools was far from the recommendations. The chapter concluded by emphasising the significance of the role played by the principal in managing school finances. The chapter was important for education managers since it provided and brought together information from which principals could benefit in their

position regarding financial management procedures in relation to the recommendations of the MOET.

Findings from Chapters 1, 2 and 3 were used to construct the researcher-designed questionnaire (RDQ) for the quantitative investigation. Chapter 4 then presented a quantitative investigation on the biographical information of the participants, the parties contributing to financial activities, problems encountered by principals and their training needs. The RDQ was the main data collection instrument. After collecting the data from the participants in a sample, the data were analysed using both descriptive and inferential statistics through the use of Excel and SPSS programs. The findings were then presented, interpreted and discussed. The validity and reliability of the questionnaire was also determined as described in sections 4.2.4.1 and 4.2.4.2.

Chapter Four revealed that managers encountered problems when executing financial management activities and procedures in schools. Managers also reported that they needed more empowerment in financial management.

In Chapter Five a follow-up on the quantitative investigation was done in the form of a qualitative study. The researcher used the qualitative approach to gain more clarity and depth on some of the data emerging from the quantitative enquiry. The feasibility of this study was then enhanced by the fact that the data were collected and interpreted by using open, flexible and semi-structured methods. Therefore, the researcher was able to understand the meanings respondents gave to their own experiences in a natural setting. The data were collected by interviewing some of the respondents in the

quantitative study sample and one MOET official. The data were analysed by thematic clustering and then reported in Sections 5.9 and 5.10.

Significant perceptions of managers emerged from the interviews. Managers showed their role, procedures and problems they encountered, as well as their training needs regarding financial management in various schools. There was clear evidence that school principals as the accounting officers should ensure that they do everything in their power to enhance proper financial management activities and procedures in their schools on a daily basis. Aspects such as budgeting, collecting income, recording, accountability and auditing were highlighted as the responsibilities of school managers regarding school finance.

School leaders pointed out some areas in which they experienced difficulties when trying to implement such activities and therefore proposed training in that regard. It was also revealed that empowerment needs differed from one character group to another and from one manager to another. Therefore, suggestions were made regarding the areas in which training should be focused. However, some participants opined that considering the situation in Lesotho PPSs, all principals needed training in all areas of financial management and on-going professional training was necessary for all. The next section deals with the achievement of the objectives.

6.3 ACHIEVEMENT OF THE OBJECTIVES

The researcher conducted this study to accomplish the following objectives so that the purpose of the study could be attained. Below is the exposition of the achievement of the objectives.

OBJECTIVE 1: To review the role of the school principal in proper financial management.

Chapters 2 and 3 met the requirements of this objective. The literature reviewed indicated that the principal plays a vital role in managing the finances of the school (cf. 2.3 & 3.3.1). Principals have to ensure that schools make economical use of financial resources. To achieve this, managers should draft day-to-day financial management directives to attain proper financial management practices. It is therefore the duty of the principal to ensure that the following take place in the school:

- Managers need to engage in on-going professional development and training to improve financial management systems in schools. This will enable principals to implement those financial management systems that will encourage the attainment of quality education (2.3.1).
- Principals should ensure that proper accounting procedures are implemented in their schools. It involves keeping proper records using the correct books which will enhance accountability and transparency in school finances (cf. 1.1 & 2.3.1).
- Managers cannot afford to do the job on their own. Sometimes they need to delegate duties to other stakeholders (cf. 2.3.1.1). Delegation needs to be treated with circumspection and thoroughness, because ultimately, the responsibility, bad or good, lies with the principal. There are four fundamental principles to be considered by

managers when delegating financial tasks: responsibility, accountability, authority and flexibility (cf. 2.3.1.1).

- Stakeholders play an important role in school finance because they contribute funds in various ways to the school. Educators are also important as they are the ones to make the financial plan of the school work successfully. Managers also have to ensure that they involve stakeholders adequately in decision making, with these stakeholders then realising their worthiness by providing full support to educative teaching and learning in a cost-effective manner (cf. 2.3.1.2).

- A good manager will allow clear two-way communication on financial matters with the stakeholders. Empowered principals provide financial report and feedback to stakeholders as a means of instilling trust in stakeholders (cf. 2.3.1.2).

- In general, the principal has to ensure that financial management tasks are competently executed in the school. These include planning (cf.2.4.1), organising (cf.2.4.2), leading (cf. 2.4.3), controlling and monitoring (cf. 2.4.4) of school finances. All activities regarding financial management should take place within the legal framework and it is the duty of the principal to see to it that s/he explains and interprets the legislation to stakeholders in a meaningful way.

OBJECTIVE 2: To provide an exposition of what the Lesotho MOET's standpoint is with regard to financial management in schools.

This objective was achieved in Chapter Three. The Lesotho education system and its management are based on the prescriptions of the LEA1995/96. The Act is supplemented by the SSMR (1988), with the manual (MP) clarifying the Act and the regulations. Most of the findings in Chapter 2 are reflected in Chapter Three. However, some of the guidelines which are directed at Lesotho principals are outlined below:

- As chief accounting officer, the principal is responsible to the SB. The SB which consists of two representatives of the proprietor, three parents, one educator, a chief and the principal, is appointed by the proprietor and approved by the MOET (cf. 3.3.1).
- Principals are expected to draw up an annual budget as early as September and submit it to the SB for approval by November/December of each year. It is therefore obligatory for Lesotho principals to complete the budget before the end of each year (cf.3.3.1).
- During the implementation of the budget, principals have to ensure that proper records of income and expenditure are recorded (cf. 3.3.1 & 3.3.3). Additionally, the system of maintaining the records should also align with the recommendations of the Central Inspectorate.
- Education managers also should submit periodically to the SB, a financial progress report. The aim is to compare such a report with the budget for reviewing, re-organising or prioritising (cf. 3.3.1).
- At the end of each year the principal should submit to the SB, an annual financial statement for approval. The SB shall then appoint an external auditor to audit the statements of accounts which will then be submitted to the proprietor and the MOET Principal Secretary (cf. 3.3.1 & 3.3.2).

The Lesotho MOET guidelines seem to be clear; nevertheless, previous studies have revealed that some managers have found them complicated and difficult to understand (cf.3.4.2). Probably managers need empowerment on the practical implementation of such policies in their schools.

OBJECTIVE 3: To investigate the extent to which Leribe and Butha-Buthe PPS principals encountered problems in executing the financial management policies and procedures provided by the MOET.

This was attained through the study described in Chapters Four and Five. The results of the quantitative investigation (cf. 4.3.3 & Table 4.9) indicated that managers sometimes encountered difficulties when employing the financial management activities and procedures. The qualitative investigation (cf. 5.10.3.1) also confirmed that managers encountered various problems in dealing with school finances. Drawing up long-term budgets, controlling the income and expenditure and monitoring expenditure to align with the plan were identified as the main problems experienced by school managers.

OBJECTIVE 4: To establish the empowerment needs of Leribe and Butha-Buthe PPS principals for their task as financial managers in schools.

The quantitative (Chapter 4) and qualitative (Chapter 5) investigations maintained that managers needed empowerment with regard to financial management to a great extent. The principals revealed that they needed training in areas such as creating a shared financial vision, providing in-service training and budgeting as reflected in 4.3.4; Table 4.18; 5.10.4; and 5.10.5.

OBJECTIVE 5: To provide a possible training framework for Lesotho PPS principals that would equip them with knowledge and skills, which would assist them in refining financial management systems in schools with the aim of attaining educative teaching.

Findings from Chapters 2, 3, 4, and 5 were utilised as guidelines to formulate the recommended framework for training Lesotho PPS principals on financial management.

This framework will be provided in this chapter (cf. 6.5). It is envisaged that the framework will equip managers with the skills and knowledge that could improve management of financial resources and thus improve the quality of education in schools. The following section deals with the synthesis of the research findings.

6.4 SYNTHESIS OF THE RESEARCH FINDINGS

In this section, important findings from the literature study and the quantitative and qualitative investigations were summarised and integrated. Firstly, the empowerment is explained hereunder.

6.4.1 Theoretical base of the term empowerment

Various authors have different ways of explaining the term empowerment. Where there is empowerment, schools are given the opportunity to make decisions on the use of available resources; stakeholders are given power to use their own capabilities to develop the school (1.1 & 2.2); and teams have to work within the strategies and directions that are pre-set by the leadership of the organisation. In the school situation principals have to ensure that there is a clear strategy and direction to be followed when delegated members do their work (cf.2.2). Therefore, the empowerment of school principals in managing finances implies that managers are given the opportunity and power to plan, organise and control financial aspects of management, while regulating them to ensure that educative teaching is accomplished in the school (cf.1.1).

6.4.2 The role of the principal in managing finances

The majority of participants in the interviews articulated that the principal is the chief accounting officer in the school (cf. 5.10.1). The principal has to oversee all the daily financial activities in the school as described in Sections 2.3 and 3.3.1. In general, the principal plays a vital role in planning, organising, monitoring and controlling the school finances to ensure quality education.

6.4.3 Financial management procedures

Respondents indicated various financial procedures which take place in schools.

6.4.3.1 Collecting income

The respondents of the RDQ indicated that all (100%) PPSs in Leribe and Butha-Buthe use school fees from parents as the main source of income. 70% of the PPSs use income from the government, while other sources are sponsorship (46.7%), donations (33.3%), fundraising (23.3%) and investment (3.3%). These findings are presented in Table 5 and Figure 4.5 and were also reflected in Sections 3.2 and 3.4 of the reviewed literature. It also emerged from the interviews that school fees from parents and the MOET are the main sources of income in PPSs. Some schools raise funds to supplement the school fees as indicated in 5.9.2.2. From the foregoing findings, it is evident that the role played by the parents in schools is pivotal to the success of the schools. Therefore, principals should ensure that parents of learners and other stakeholders are adequately involved in decision making.

6.4.3.2 Parties that could make a valuable contribution in preparing the school budget.

The RDQ respondents indicated that principals should always (mean score of 4.80 on a scale of 5) make a valuable contribution in preparing the school budget. Heads of departments (4.07) and bursars (3.80) should also contribute as much as they can. Educators sometimes (2.93) make valuable contributions, while parents rarely (1.93) play a part in preparing the school budget (cf.4.3.2.1). The interviewees held the same viewpoints since they indicated that principals should prepare school budgets. Some participants indicated that the heads of departments, educators and parents should be consulted before preparing the school budget (see 5.10.2.1). Details of the contribution of each stakeholder in budgeting were given in 2.3.1.2 and 3.2. From the interviews and the RDQ findings, it became clear however, that some principals do not involve other stakeholders in budgeting. This implies that principals need to involve parents and other stakeholders, as discussed in 2.3.1.2 and 3.2.

6.4.3.3 Formulating the financial policy of the school

Table 7 and Figure 4.8 present the extent to which various parties could provide a valuable contribution in formulating the financial policy of the school. The mean scores of 4.63 and 4.50 on a scale of 5 showed that principals and the SB respectively, should work together in formulating a financial policy for the school. Drawing up a policy is part of planning and these findings are related to the findings which emerged from the interviews, where the respondents stated that the principals are responsible for the planning of finances (cf. 5.10.2.1).

Every school principal is responsible for ensuring that the financial policy is drawn up and interpreted to the stakeholders. The essential point is that drawing up a financial policy is not enough if the policy does not align with the legislation. Therefore, the principal should be updated on the relevant legislation to avoid violation of the law and the repercussions thereof (cf. 2.4.1.2).

6.4.3.4 Keeping proper records

From the qualitative investigation it emerged that principals have to ensure that all the details of financial management are written down in proper record books. In some cases, where there is no bursar in the school, principals are compelled to do the job by themselves (cf.5.9.2.3). A lucid exposition of proper recording is provided in 2.4.2, 3.3.1 and 3.3.3. Managers without proper record-keeping skills are at risk of hampering the success of learners in the school since organisation and prioritising with the interest of learners at heart become difficult.

6.4.3.5 Parties who could provide a valuable contribution to financial reporting

Table 4.8 and Figure 4.9 in Section 4.3.2.3 portray the extent to which the stated parties should deliver a valuable contribution to financial reporting. The ratings were on a scale of 5. The results indicated that the SB, which includes the principal, could always (mean 4.83) contribute in a valuable way to financial reporting. Respondents further indicated that parents (3.03) and educators (mean 2.93) could sometimes make a valuable contribution. Some of these findings correlate with the findings from the qualitative investigation. Participants' perceptions were that principals have to ensure that they report to the public on how the money has been utilised in the school (cf. 5.10.2.4). As it has been indicated in Sections 2.3.1 and 3.3, it is essential that principals communicate with the stakeholders concerning the finances of the school. This could help in meaningful planning and increased moral support from the stakeholders.

6.4.3.6 Auditing the statements of accounts

The majority of the RDQ respondents indicated that the schools check the statements of accounts once every month (i.e. 16 respondents out of 30). Once a year was indicated by only four participants (cf. 4.3.1.6). This information was depicted in Figure 4.6. The respondents in the interviews confirmed that annual external auditing was not practised by most of the PPSs in Leribe and Butha-Buthe. Most of the schools had never employed external auditing. Only one manager out of five indicated that they audited statements of accounts internally and externally (cf. 5.10.2.5).

Principals can play a remarkable role in ensuring that schools keep good audit trails and then embark on external auditing as recommended by the legislation in Section 3.3.2. Moreover, previous studies have revealed that some of the Lesotho PPS managers did not draw up financial statements of accounts for the year and thus avoided auditing (cf. 3.4.2). Despite the foregoing findings, it seems that even after a number of years, there is still a problem in some schools with auditing. The critical factor with the above aspect is that school managers should encourage auditing in their schools. Auditors have the advantage of helping schools to operate smoothly within the legal framework and according to recommended accounting principles.

6.4.4 Problems encountered by the principals

According to Table 4.9, the quantitative investigation indicated that school managers sometimes experienced problems in drawing up long-term budgets (mean 3.13 on a scale of 5); controlling income to align with the plan (3.10); monitoring expenditure to align with the plan (3.03); engaging in financial management training (3.00); raising funds to improve the education of learners (2.93); carrying out external auditing on

annual basis (2.90); directing school finances towards specific goals (2.87); developing the financial management skills of staff members (2.87); investigating variances that reflect on the current year (2.73); and submitting the audited statements of accounts to the MOET Principal Secretary (2.73). Careful scrutiny of the above problem areas revealed that school managers sometimes encounter problems mainly in long-term planning, as well as monitoring and controlling the financial plan.

In the qualitative investigation, participants clarified some of the preceding views as they indicated that some managers encountered problems in planning school finance. This led to other schools not preparing annual budgets. Some managers did not know how to use proper record books due to a lack of knowledge and basic skills in accounting. Managers also explained that most schools did not practise external auditing because of financial constraints (cf. 5.10.3.1) - auditors are too expensive. As cited in 2.4.1 and 2.4.2, appropriate organisation of school finances which includes administration and accounting tasks, is a gateway to the successful monitoring of school finance. This means that for those schools which do not implement robust systems of organising school finances, controlling and monitoring problems are likely to follow. Taking the preceding comments into account, it is crucial that education managers are given training in organising finances and thus being able to audit their school's account books.

During the analysis of the RDQ data, the t-tests for the difference of means between character groups namely, gender, location and type of school were performed. The results of the t-test on problems encountered revealed that females encountered more problems than males in monitoring expenditure and controlling income to align with the plan. Location and type had no significant influence on the problems encountered (cf. Table 4.10 & 4.3.3.1(a)).

An analysis of variance (ANOVA) on years of experience was also conducted in 4.3.3.1(b) and the results indicated that managers encountered problems, regardless of the experience they have. However, it was different from the findings of the interviews where participants felt that novice principals without orientation are likely to make many mistakes (cf. 5.10.3.1).

6.4.5 Training needs

Table 4.18 dealt with the ratings on the extent to which respondents needed training in the given financial management activities and procedures. The extent was measured on a scale of 5. Most of the training needs of the managers were also reflected in the problems encountered. Managers felt that they needed intensive training on aspects including encouraging the provision of quality education when using financial resources (mean, 4.17); providing in-service training to staff members to enable them to align with the plan (4.13); creating a shared vision which communicates to stakeholders the end purpose of the school (4.10); doing strategic financial planning (4.07); encouraging staff members to be effective innovators (4.07); formulating a mission which describes how to attain a vision (4.03); developing skills to audit the statement of accounts (3.97); promoting economical use of resources (3.93); enhancing harmonious collaboration among all the stakeholders (3.93); and setting financial training processes in motion (3.93). The foregoing empowerment needs indicated that most managers needed training to a great extent in long- term planning, empowering other stakeholders and controlling finances.

In addition, the qualitative investigation indicated that school managers needed training in all areas of financial management (cf. 5.10.4.4). Some managers needed training in planning finances (5.10.4.1), keeping proper financial records (5.10.4.2), collecting

income and effective approach methods with parents when requesting the payment of fees (5.10.4.3) and in reporting.

The results of the independent samples on the group's training needs indicated that there is a difference between males and females. Respondents felt that female managers need more training than males on (cf. 4.3.4.1):

- Promoting an economical use of resources;
- Encouraging the provision of quality education when using financial resources;
- Encouraging staff members to be effective innovators; and
- Formulating a mission which describes how to attain a vision through strategic financial planning.

Location, type of school and the years of experience seem to have no significant influence on the training needs of managers.

However, some of the participants who were interviewed had different perceptions regarding the gender differences indicated by respondents of the RDQ. The interviewees indicated that male principals need training in prioritisation because they tend to spend school funds on their particular wants but not necessarily on the priorities. Some males depend most of the time on their secretaries. A possible reason could be that some males are not very dedicated to their profession, as perceived by some participants. The females on the other hand, are perceived as motherly, caring, meticulous and obedient to rules. Most participants indicated that there was no gender difference with regard to training needs. One participant was uncertain because in most cases, a male principal is assisted by a female bursar and/or the deputy (cf. 5.10.5.2) in managing school finance.

Other important findings from the qualitative investigation indicated that newly appointed principals need orientation in the form of workshops or in-service training before embarking on a new job. Even the MOET is attempting to train managers through workshops and school visits. Despite the fact that there is no orientation for novice principals, not all managers have access to such training due to financial constraints. Participants also felt that training should be not only once in a while, but suggested on-going professional development at least once a year (cf. 5.10.5.1).

School finance is the pillar of all other resources in the school. Therefore, it is imperative that before and during the implementation of financial tasks, educational managers should be thoroughly empowered.

6.5 RECOMMENDATIONS: TRAINING FRAMEWORK FOR PPS PRINCIPALS IN FINANCIAL MANAGEMENT

Empowerment of school principals in financial management is crucial since finance is one of the major determining factors as to how the needs of the learners are met in the school. Therefore, school managers should be at the forefront when financial management activities are performed. Schools should aim at quality service delivery, but from the viewpoint of financial management, principals need to take cognisance of some of the findings of business management research since it is a highly developed science (1.1). Education managers could then use such knowledge to carry out activities such as strategic planning (cf.3.4.2), and the monitoring of finances which are indicated as important areas in which training is required.

School managers should contribute to the preparation of the school budget (4.3.2.1). Involvement of the stakeholders such as the parents, heads of departments, educators and donors in budgeting (cf. 2.3.1.2) and policy making (cf.4.3.2.2) is of paramount importance since they contribute to funding (parents) and in the implementation of the budget (educators). Drawing up a budget goes hand-in-hand with setting priorities (2.4) and school managers have ensure that prioritisation is done, having the best interests of learners at heart. During the implementation of the budget, managers are responsible for the maintenance of proper records of income and expenditure (cf. 3.3.1 & 5.10.1). Even if the bursar does most of the work, the principal should check the work of the bursar regularly (cf. 5.10.1). To facilitate proper record keeping, it is advisable that each school implement a workable and acceptable financial management system which complies with the recommendations of the Central Inspectorate (cf. 3.3.3).

A school is a public organisation. Therefore managers should encourage the public to support the school and this can be achieved by giving financial reports to the relevant people. Simple and reliable reports do not only enable managers to plan in a meaningful way, but also instil a positive attitude towards the education on the part of the community (cf. 2.4.3). To ensure transparency and accountability, school leaders should also submit periodically to the SB a financial progress report to be compared with the budget for reviewing, re-organising or re-prioritising if need be (cf. 2.4.1 & 3.3.1).

The fact that many SB members are illiterate cannot be ignored. This calls for school principals, as professionals, to develop a financial control system in the school to ensure that actual expenditure is kept in line with the plan (2.4.4). In addition, school leaders should train illiterate SB members so that they can ultimately contribute in a valuable manner to the control of school finances. However, control is one area in which

managers suggested training takes place (cf. 4.3.4.1 & Table 4.18). Education managers are also responsible for ensuring that both internal and external auditing take place in the school. Audits have the advantage of allowing school leaders to become more in control of the school. Moreover, managers should also view auditors as agents who help schools run smoothly within a legal framework and according to accepted accounting principles (cf.2.4.4).

Some of the Lesotho PPS principals lack skills and knowledge to put financial management policies and guidelines into practice. From previous studies, it was evident that some schools did not draw up a budget; others did not compile a statement of accounts for the year and most did not practise external auditing (cf. 3.4.2). Some of the Leribe and Butha-Buthe principals acknowledged that auditing was still not done in most schools. The preceding practice is mainly because auditors are too expensive and some managers do not have the capacity to audit the books; as a result, they decide to avoid auditing if possible (cf. 3.4.2, 4.3.3.1; Table 9 & 5.10.3.1). The performance of learners in the external examination portrays the way in which financial resources are managed in the school (Lerotholi 2001: 71). The implication is that schools with adequate financial management systems obtain better examination results than those without proper systems.

It is imperative for MOET officials to attend to the serious situation of financial management in the PPSs. To facilitate the foregoing, officials need to consider the areas of financial management which the participants of the quantitative and qualitative studies pointed out as problem areas (cf. Table 9, 4.3.3.1 & 5.10.3.1) and the areas identified as training needs (cf. 4.3.4.1, Table 19 & 20 5.10.4, 5.10.5; Tables 4.23-4.25). The

following are recommended guidelines for a possible framework which MOET officials could use to train Lesotho PPS principals in financial management.

6.5.1 Strategic planning

Effective principals always have a vision from which the strategic plan is developed. Strategic planning is of utmost importance in financial management as it determines the long-term focus and direction of the school (cf.2.4.1). It creates the opportunity for the staff and community members to address their needs and aspirations. School managers should ensure that the vision and the mission of the school are sustained by developing strategic objectives accordingly. It is therefore necessary for school managers to be acquainted with strategic planning in school finances. This will assist in improving decision making about future opportunities and threats faced by the school. It also aids in the development of aims and operational planning which can become powerful motivators for the staff and the community.

Education managers who carry out strategic planning enhance communication, coordination and participation (cf. 2.3.1), which leads to improved managerial decision making (cf. 2.3.1.2). This can result in the use of resources in a cost-effective manner and to the goal attainment and achievement of personnel morale (cf. 2.4.1 & 3.2). However, managers have indicated that they have experienced difficulties and thus need training in the following facets of strategic planning:

- Drawing up a long-term budget (Table 4.9 & 4.3.3.1);
- Creating a shared vision which communicates to the stakeholders the end purpose of the school (cf. 4.3.4.1);

- Formulating a mission which describes how to attain a vision (Table 4.18);
- Promoting the economical use of resources (Table 4.18);
- Directing school finances towards specific goals (4.3.3.1 & Table 4.19);
- Setting priorities (cf. 5.10.5);
- Encouraging staff members to be effective innovators (Table 4.18); and
- Encouraging the provision of quality education when using financial resources (cf. 4.3.4.1 & Table 4.18).

Although these areas were raised by different participants, the high mean values revealed that most managers need empowerment on strategic planning to a great extent. Workshops could be an appropriate means to equip managers with the necessary knowledge and skills.

6.5.2 Operational budgeting

The Lesotho MOET policies and guidelines state that principals must prepare the annual budget within the stipulated time frame (cf. 3.2). School managers should therefore be knowledgeable and skilful with regard to budget preparation - the main financial planning tool (cf. 2.4.1.2). During the preparation of the budget, education managers should make the best use of the knowledge, experience and capabilities of staff members in order to achieve the desired goals. Principals should also be able to estimate expected income and expenditure from the forecasts of student enrolment, drop-outs and non-achievement rates (cf. 2.4.1.2). Expected means of raising funds and the reasons

behind any variances that reflect on the current year, should be considered when making estimations.

Education managers who prepare and utilise the budget appropriately are likely to estimate and plan, prioritise, coordinate and evaluate the allocated resources of the school in financial terms without disrupting the educational programme as a result of insufficient or exhausted funds (cf. 2.4.1.2). It is of the utmost importance for managers to plan how time and money should be expended and on what in a fiscal year. This can assist school managers to monitor and control expenditure to align with the plan which most managers identified as a problem (cf. 2.4.1.2, Table 4.9 & 4.3.3.1). A well-formulated budget could provide all learners with the opportunity to develop to the fullest since it could be responsive to most of the learners needs.

Some managers lack the capacity to prepare school budgets due to insufficient knowledge and skills which demonstrates that managers should be empowered in this regard. Workshops and a follow up in the form of school visits could be used to train managers.

6.5.3 Keeping proper records

Lesotho PPS education is characterised by a lack of transparency and accountability in the domain of financial management. Associated with this is a lack of qualified staff to attend to the accounts which results in disorganised accounting methods (cf. 1.1, 1.2 & 3.4.2). Despite the preceding situation, the legislation demands that during the implementation of the budget, the principal has to ensure that records of income and expenditure, as well as assets and liabilities are correctly recorded (cf. 3.3.1). Principals

need to be able to implement systems to allow a close check on all financial matters. Even if the principal allocates financial duties to staff members s/he is still responsible and accountable for the end results. Thus, managers have to ensure that receipts and payments are recorded accurately to ensure transparency. To ensure proper records, school managers should make available and sustain the use of proper books such as receipt books, deposit books, a cheque book, an order book and an analysis cash book (cf. 2.4.3 & 3.3.3). School leaders should make certain that there is a clear organisational structure that communicates how the administration and accounting tasks are carried out in the school (cf. 2.4.2). Keeping proper records can assist school managers to monitor school finance seamlessly (cf.2.4.1).

Notwithstanding the fact that record keeping is crucial, some school managers are still incapable of keeping proper records of finance in their schools. Managers have suggested that they desperately need empowerment on how to use books of accounts.

6.5.4 Aligning income and expenditure with the plan

Financial resources in schools are never sufficient to meet all the needs. Therefore, managers should monitor and control the implementation of the budget in the school to promote quality education (cf. 2.4.4). It is necessary for school managers to make certain that actual performance aligns with the expected educational objectives. Monitoring is a continuous process and managers are obliged to lay down clear standards and criteria for handling school finances, monitoring and evaluating the school's financial progress, as well as implementing corrective actions. The most effective way to keep income and expenditure in line with the budget is to ensure that a good audit trail is maintained every day in the school. Managers should then check the financial books periodically by means of monthly and quarterly statements and an

annual report (cf. 2.4.4 & 3.3.1). Managers then have to be cognisant of the statements of accounts and implementing the necessary corrective measures timeously to enhance successful education.

It became clear from the quantitative investigation that most managers lack the skills to continuously monitor that the financial performances align with the plan. It is therefore recommended that school managers in Lesotho be empowered in monitoring and controlling the budget as part of the financial management in the school. This could be done through short courses offered by institutions of higher learning or experts from MOET officials. External auditors could also make a valuable contribution to empowering the principals.

6.5.5 Reporting of the statements of accounts

Proper reporting of the statements of accounts emerged from the qualitative investigation (cf. 5.9.4.3 & 5.9.4.4) as an area in which some managers need empowerment. Managers need to report to the parents and other stakeholders on the financial position of the school. This could be done through meetings, in which case, parents should be allowed to comment and contribute to the use of funds. It is of utmost importance for managers to make the reports as simple as possible for all parents, including those who are illiterate, to understand. Proper reporting inculcates a sense of sound relations, good guidance and exemplary leadership in the stakeholders.

Training of managers in proper reporting is essential because without the contribution of parents and other stakeholders in the form of school fees, schools hardly survive. Therefore, it is necessary for the MOET to include reporting in the training programmes.

6.5.6 Financial management training

Lesotho PPS principals lack empowerment in the broad spectrum of financial management (cf. 5.9.4.4). Principals have to oversee all financial management activities and other management tasks in the school. They have to ensure that under the constraints of time, money and inflation, available resources are utilised in a cost-effective manner, while promoting quality education for learners. Education managers need the capacity to carry out financial tasks, share information with other stakeholders, make responsible decisions, decide between alternative strategies and take control of the whole school (cf. 1.1). This necessitates in-service training for staff members who are involved in financial matters. Managers should have the skills to empower such staff members (cf.1.2).

The Lesotho MOET of education needs to embark on a series of short training programmes to keep the school managers abreast of the latest trends in the managing school finances. The courses also need to train managers on how to empower other staff members at school level. School managers also differ in their knowledge and skills with regard to financial management and therefore, a needs analysis could be useful in ensuring that managers are trained accordingly.

6.6 RECOMMENDATIONS FOR FURTHER RESEARCH AND ACTIONS

- Conducting a similar investigation throughout Lesotho to find out the situation in other districts;
- Interviewing staff members who are involved in the implementation of financial management procedures;

- Compiling a manual for MOET officials to assist principals; and
- Establishing and implementing a plan of action on conducting a follow-up on school performance regarding financial management.

6.7 STRENGTHS AND LIMITATIONS OF THE STUDY

The background to the study took some time to compile since the researcher found it difficult to comprehend the literature initially. The literature (Chapters 1, 2 and 3) assisted the researcher in gaining more insight into school financial management and in formulating questions for the empirical investigations.

Only managers of PPSs participated in quantitative inquiry. Of the 61 PPSs in Leribe and Butha-Buthe, 30 managers (50% of the population) were selected as a sample using systematic random sampling. This was done because it was difficult for the researcher to reach each school since their locations are widely spread and the mode of transport not satisfactory. The return rate was 100%, probably because the researcher distributed and collected the questionnaires in person. In some cases, managers did not complete questionnaires at the agreed time; thus, the researcher had to go to the same school two to four times to collect the responses.

The qualitative investigation was conducted with six participants. It was difficult to meet some of the principals due to time constraints. Managers claimed that they were too busy and most of the time, they were out of the school performing other managerial tasks. However, since the aim to get clarification of the quantitative data was achieved, the sample was considered sufficient.

The results for both the quantitative and qualitative enquiries can be applied to different schools in the population. This is because the quantitative sample was representative with regard to the context in which PPS principals in Leribe and Butha-Buthe deal with financial management. The researcher noticed the preceding stance during the qualitative investigations where respondents had similar and opposing views (cf. 5.10).

The researcher could not rule out subjectivity. Nevertheless, the aim was to attain as objective a 'picture' as possible by letting the 'object speak for itself'. Subjectivity was also applied since the researcher used her own understanding to interpret the data within the context of school finance (Niemann et al., 2000: 285).

6.8 CONCLUSION

The pivotal role of empowering principals in school finance to acquire skills to make more effective use of the scarce financial resources cannot be doubted in the current education system. This study reflected on the training needs of the Leribe and Butha-Buthe PPS principals in managing school finances, the results of which were utilised to formulate guidelines for a training framework.

It was evident from the results of the investigation that principals sometimes experienced difficulties when executing activities such as strategic planning and budgeting, as well as controlling and monitoring finances – all very crucial areas of financial management. Therefore, managers urgently need training to acquire the skills and knowledge to overcome difficulties which could hamper the achievement of goals. The training would probably assist managers to ensure that through empowering other stakeholders, the school finances will be managed in a manner that will respond to the

needs of the learners. It is therefore anticipated that better financial management in the schools will mean better education for the present and future Basotho generations.

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APPENDICES

APPENDIX A

Questionnaire

Dear principal

You are kindly requested to complete the following questionnaire as honestly as possible.

Indicate your answer with a cross (x) in the block you have chosen

The questionnaire is to view

- The implementation of the national policy and procedures on school financial management in the Leribe and Butha-Buthe districts and
- The training needs of the Leribe and Butha-Buthe post-primary school principals concerning financial management.

Section A

1. Gender

Female	1	Male	2
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2. Location of the school

Rural	1	Urban	2
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3. Type of your school

Secondary (Form A-C)	1	High (Form A-E)	2
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4. Years of experience as a post-primary school principal

0-10	1
11-12	2
More than 20.....	3

5. indicate all sources of income used in your school

School fees paid by parents or learners	1
Donations from interest and community groups	2
Sponsorship from interest and community groups	3
Income from fundraising	4
Investment income	5
Government	6

Other (specify)	7
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6. How often does your school check the statements of accounts?

Once per week	1
Once per month	2
Once per quarter	3
Once per year	4
Other specify.....	5

Section B

7. **Indicate the parties** that you think can deliver a valuable contribution in terms of the following financial activities and the extent to which they could contribute.

Choose from the following to indicate the extent.

1-never

2-rarely

3-sometimes

4-most of the time

5-always

7.1 Preparing the school budget

		1	2	3	4	5
7.1.1	Heads of departments					
7.1.2	Educators					
7.1.3	Principal					
7.1.4	Parents					
7.1.5	Bursar					
7.1.6	Other (specify).....					

7.2 Formulating the financial management policy for the school

		1	2	3	4	5
7.2.1	Principal					
7.2.2	Educators					
7.2.3	Parents					
7.2.4	School Board					

7.2.5	Bursar					
7.2.6	Ministry of Education and Training					
7.2.7	Other (specify)					

7.3 Participating in financial reporting

		1	2	3	4	5
7.3.1	Educators					
7.3.2	Parents					
7.3.3	Ministry of Education and Training					
7.3.4	School Board					
7.3.5	Other (specify).....					

Section C

8. To what extent does your school **encounter** problems with regard to the following?

Choose from

1-never

2-rarely

3-sometimes

4-most of the time

5-always

		1	2	3	4	5
8.1	Drawing up long term budgets					
8.2	Drawing up annual budgets					
8.3	Directing school finance towards specific goals					
8.4	Reviewing audited statements of accounts					
8.5	Reviewing the current financial position of the school in terms of receipts and payments					
8.6	Analyzing the financial results for the current year					
8.7	Investigating variances that reflect on the current year					
8.8	Taking action if goals are not met					
8.9	Making estimations on the expenses for the year					
8.10	Estimating likely annually income					
8.11	Setting financial priorities					
8.12	Ensuring that there is a legible finance policy in the school					
8.13	Formulating a structure on handling financial matters					
8.14	Facilitating formulation of a financial policy which promotes quality education					

8.15	Ensuring adequate bookkeeping all the time					
8.16	Raising funds to improve education of learners					
8.17	Delegating financial management tasks to staff members					
8.18	Engaging in financial management professional training					
8.19	Encouraging goods relationships between teaching and non-teaching staff					
8.20	Making certain that all financial records are both neat and legible					
8.21	Giving financial feedback to stakeholders					
8.22	Encouraging parents to comment and contribute on the use of school funds					
8.23	Developing financial management skills of staff members					
8.24	Monitoring expenditure to align with the plan					
8.25	Controlling the income to align with the plan					
8.26	Submitting annual financial statement to school board for approval					
8.27	Auditing the statements of accounts					
8.28	Communicating the annual statements of accounts with the Ministry of Education and Training					
8.29	Maintaining a good audit trail by					

	a) issuing receipts for all income received					
	b) examining the amounts on receipts and cheques					
	c) taking notes of details of doubtful handling of resources					
	d) depositing receipts as quickly as possible					
	e) always making payments through cheques					
8.30	Ensuring that parents and School Board know exactly					
	a) who receives income					
	b) who authorizes expenditure					
	c) who are signatories					
	d) when the financial statements are issued					
8.31	Avoiding to deal with cash					
8.32	Avoiding to have unrecorded funds in the school buildings					
8.33	Ensuring that the receipt book is always available					
8.34	Carrying out internal auditing on regular basis					
8.35	Carrying out external auditing on annually basis					
8.36	Submitting the audited statements of accounts to the Ministry of Education and Training Principal Secretary					
8.37	Having a safe way of keeping cash in the school.					

9. Mention any other financial management practices in which your school encounter problems that are not mentioned above

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Section D

10. Rate **your need for training** with regard to the following activities and behaviors.

Choose from

- 1-not at all
- 2-to a little extent
- 3-to some extent
- 4-to a great extent
- 5-to a very large extent

		1	2	3	4	5
	As a school principal I need financial management training in					
10.1	Involving other stakeholders in preparing a school budget					

10.2	Creating a shared financial vision which communicates to the stakeholders the end purpose of the school					
10.3	Formulating a mission which describes how to attain					
10.4	Focusing on the mission while executing financial activities					
10.5	Using long-term financial plans to make short-term plans					
10.6	Developing skills to audit statement of accounts					
10.7	Analyzing annual financial results					
10.8	Developing skills to communicate financial information to various stakeholders					
10.9	Setting priorities in managing finances					
10.10	Considering the needs of learners when making financial decisions					
10.11	Formulating a finance policy					
10.12	Developing structures to foster participation of stakeholders in financial matters					
10.13	Aligning financial practices with the national legislation					
10.14	Implementing financial management system that is suitable to the particular school					
10.15	Providing in-service training to staff members to enable them to comply with the financial plan					

10.16	Delegating financial tasks to staff members to promote educative teaching					
10.17	Nurturing an on going financial support of parents					
10.18	Involving educators and other staff members in making financial decisions					
10.19	Doing strategic financial planning					
10.20	Drawing the annual budget					
10.21	Forming a master budget from mini-departmental budgets					
10.22	Facilitating the formulation of a legible finance policy					
10.23	Enhancing the policy which allows for flexibility when need arises					
10.24	Ensuring that the financial policy guides the decision making concerning school finance					
10.25	Interpreting the relevant legislation to the parents and School Board members					
10.26	Coordinating various departments whose actions are related					
10.27	Promoting economical use of resources					
10.28	Encouraging good relationships between the teaching and non-teaching staff					
10.29	Encouraging provision of quality education when using financial resources					

10.30	Enhancing harmonious collaboration among all the stakeholders					
10.31	Setting financial training processes in motion					
10.32	Encouraging staff members to be effective innovators					
10.33	Checking financial statements regularly					
10.34	Ensuring that the stakeholders have access to the finance policy					

11. Indicate any other financial management skills that you would like to receive training in

.....

.....

.....

.....

APPENDIX B

TABLES FOR ANALYSIS OF DATA

TABLE 4.10 Group Statistics: Problems encountered

	Gender	N	Mean	Std. Deviation	Std. Error Mean
Drawing up long term budgets	Female	12	3.25	1.422	.411
	Male	17	3.00	1.275	.309
Directing school finance towards specific goals	Female	12	3.25	1.545	.446
	Male	17	2.59	1.064	.258
Investigating variances that reflect on the current year	Female	12	3.17	1.267	.366
	Male	17	2.53	.800	.194
Raising funds to improve education of learners	Female	12	3.08	1.621	.468
	Male	17	2.76	1.251	.304
Engaging in professional financial management training	Female	12	3.00	1.414	.408
	Male	17	3.00	1.458	.354
Developing financial management skills of staff members	Female	12	3.33	1.231	.355
	Male	17	2.65	1.169	.284
Monitoring expenditure to align with plan	Female	12	3.75	1.138	.329
	Male	17	2.53	1.068	.259

Controlling the income to align with the plan	Female	12	3.67	1.155	.333
	Male	17	2.71	.985	.239
Carrying out external auditing on annual basis	Female	12	2.67	1.723	.497
	Male	17	3.12	1.867	.453
Submitting the audited statements of accounts to the Ministry of Education and Training Principal Secretary	Female	12	2.33	1.670	.482
	Male	17	3.00	1.732	.420

TABLE 4.11 Independent Samples t-test: differences between gender groups: problems encountered at school

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
Drawing up long-term budgets	Equal variances assumed	.053	.820	.496	27	.624	.250	.504	-.784	1.284

Directing school finance towards specific goals	Equal variances assumed	3.154	.087	1.369	27	.182	.662	.483	-.330	1.653
Investigating variances that reflect on the current year	Equal variances assumed	3.134	.088	1.663	27	.108	.637	.383	-.149	1.424
Raising funds to improve education of learners	Equal variances assumed	2.654	.115	.598	27	.555	.319	.533	-.775	1.412
Engaging in professional financial management training	Equal variances assumed	.001	.973	.000	27	1.000	.000	.543	-1.114	1.114
Developing financial management skills of staff members	Equal variances assumed	.084	.774	1.523	27	.139	.686	.451	-.238	1.611
Monitoring expenditure to align with plan	Equal variances assumed	.964	.335	2.951	27	.006	1.221	.414	.372	2.069

Controlling the income to align with the plan	Equal variances assumed	1.157	.292	2.410	27	.023	.961	.399	.143	1.779
Carrying out external auditing on annual basis	Equal variances assumed	1.417	.244	-.661	27	.514	-.451	.682	-1.851	.949
Submitting the audited statements of accounts to the Ministry of Education and Training Principal Secretary	Equal variances assumed	.099	.756	-1.036	27	.309	-.667	.644	-1.987	.654

TABLE4.12: Group Statistics: location of the school

	Location of the school	N	Mean	Std. Deviation	Std. Error Mean
Drawing up long-term budgets	Rural	15	3.27	1.223	.316
	Urban	15	3.00	1.414	.365
Directing school finance	Rural	15	2.67	1.345	.347

towards specific goals	Urban	15	3.07	1.223	.316
Investigating variances that reflect on the current year	Rural	15	2.67	1.345	.347
	Urban	15	2.80	.775	.200
Raising funds to improve education of learners	Rural	15	3.27	1.534	.396
	Urban	15	2.60	1.183	.306
Engaging in professional financial management training	Rural	15	3.33	1.234	.319
	Urban	15	2.67	1.496	.386
Developing financial management skills of staff members	Rural	15	3.00	1.309	.338
	Urban	15	2.73	1.223	.316
Monitoring expenditure to align with plan	Rural	15	2.87	1.356	.350
	Urban	15	3.20	1.082	.279
Controlling the income to align with the plan	Rural	15	2.93	1.163	.300
	Urban	15	3.27	1.100	.284
Carrying out external auditing on annual basis	Rural	15	2.67	1.759	.454
	Urban	15	3.13	1.807	.467
Submitting the audited statements of accounts to the Ministry of Education and Training Principal Secretary	Rural	15	2.80	1.612	.416
	Urban	15	2.67	1.799	.465

TABLE 4.13: Independent Samples t-test: differences in location of the school: problems encountered

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	Df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
Drawing up long-term budgets	Equal variances assumed	.443	.511	.552	28	.585	.267	.483	-.722	1.255
Directing school finance towards specific goals	Equal variances assumed	.350	.559	-.852	28	.401	-.400	.469	-1.361	.561
Raising funds to improve education of learners	Equal variances assumed	2.082	.160	1.333	28	.193	.667	.500	-.358	1.691

Engaging in professional financial management training	Equal variances assumed	1.237	.276	1.331	28	.194	.667	.501	-.359	1.692
Developing financial management skills of staff members	Equal variances assumed	.035	.854	.576	28	.569	.267	.463	-.681	1.214
Monitoring expenditure to align with plan	Equal variances assumed	.273	.605	-.744	28	.463	-.333	.448	-1.251	.584
Controlling the income to align with the plan	Equal variances assumed	.001	.971	-.807	28	.427	-.333	.413	-1.180	.513
Carrying out external auditing on annual basis	Equal variances assumed	.001	.970	-.717	28	.480	-.467	.651	-1.801	.867
Submitting the audited statements of	Equal variances assumed	1.132	.296	.214	28	.832	.133	.624	-1.145	1.411

accounts to the Ministry of Education and Training principal Secretary										
Investigating variances that reflect on the current year	Equal variances assumed	5.138	.031	-.333	28	.742	-.133	.401	-.954	.688

TABLE 4.14: Group Statistics: type of the school

	Type of school	N	Mean	Std. Deviation	Std. Error Mean
Drawing up long- term budgets	Secondary (Form A-C)	6	3.17	.983	.401
	High (Form A-E)	24	3.12	1.393	.284
Directing school finance towards specific goals	Secondary (Form A-C)	6	2.50	1.517	.619
	High (Form A-E)	24	2.96	1.233	.252
Investigating variances that reflect on the current year	Secondary (Form A-C)	6	2.50	1.378	.563
	High (Form A-E)	24	2.79	1.021	.208
Raising funds to improve education of learners	Secondary (Form A-C)	6	2.67	1.966	.803

	High (Form A-E)	24	3.00	1.251	.255
Engaging in professional financial management training	Secondary (Form A-C)	6	3.33	1.633	.667
	High (Form A-E)	24	2.92	1.349	.275
Developing financial management skills of staff members	Secondary (Form A-C)	6	3.50	1.378	.563
	High (Form A-E)	24	2.71	1.197	.244
Monitoring expenditure to align with plan	Secondary (Form A-C)	6	2.67	1.506	.615
	High (Form A-E)	24	3.12	1.154	.236
Controlling the income to align with the plan	Secondary (Form A-C)	6	2.83	1.472	.601
	High (Form A-E)	24	3.17	1.049	.214
Carrying out external auditing on annual basis	Secondary (Form A-C)	6	3.00	1.897	.775
	High (Form A-E)	24	2.88	1.777	.363
Submitting the audited statements of accounts to the Ministry of Education and Training Principal Secretary	Secondary (Form A-C)	6	2.33	1.506	.615
	High (Form A-E)	24	2.83	1.736	.354

TABLE 4.15: Independent Samples t-test: differences in types of school: problems encountered

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
Drawing up long-term budgets	Equal variances assumed	1.844	.185	.069	28	.946	.042	.607	-1.201	1.284
Directing school finance towards specific goals	Equal variances assumed	.537	.470	-.780	28	.442	-.458	.588	-1.663	.746
Investigating variances that reflect on the current year	Equal variances assumed	1.794	.191	-.585	28	.564	-.292	.499	-1.314	.730
Raising funds to improve education of learners	Equal variances assumed	4.073	.053	-.519	28	.607	-.333	.642	-1.648	.981

Engaging in professional financial management training	Equal variances assumed	.463	.502	.650	28	.521	.417	.641	-.896	1.729
Developing financial management skills of staff members	Equal variances assumed	.024	.877	1.409	28	.170	.792	.562	-.360	1.943
Monitoring expenditure to align with plan	Equal variances assumed	.521	.477	-.820	28	.419	-.458	.559	-1.603	.686
Controlling the income to align with the plan	Equal variances assumed	1.363	.253	-.643	28	.526	-.333	.519	-1.396	.729
Carrying out external auditing on annual basis	Equal variances assumed	0.022	.883	.152	28	.880	.125	.821	-1.557	1.807
Submitting the audited statements of accounts to the Ministry of Education and Training Principal Secretary	Equal variances assumed	2.289	.141	-.645	28	.524	-.500	.775	-2.087	1.087

TABLE 4.16: ANOVA: Years of teaching experience

		Sum of Squares	df	Mean Square	F	Sig.
Drawing up long-term budgets	Between Groups	5.809	2	2.904	1.796	.185
	Within Groups	43.658	27	1.617		
	Total	49.467	29			
Directing school finance towards specific goals	Between Groups	1.630	2	.815	.480	.624
	Within Groups	45.836	27	1.698		
	Total	47.467	29			
Investigating variances that reflect on the current year	Between Groups	1.855	2	.927	.782	.467
	Within Groups	32.012	27	1.186		
	Total	33.867	29			
Raising funds to improve education of learners	Between Groups	.030	2	.015	.007	.993
	Within Groups	55.836	27	2.068		
	Total	55.867	29			
Engaging in professional financial management training	Between Groups	4.997	2	2.499	1.323	.283
	Within Groups	51.003	27	1.889		
	Total	56.000	29			
Developing financial management skills of staff members	Between Groups	1.630	2	.815	.502	.611
	Within Groups	43.836	27	1.624		
	Total	45.467	29			

Monitoring expenditure to align with plan	Between Groups	4.861	2	2.431	1.722	.198
	Within Groups	38.105	27	1.411		
	Total	42.967	29			
Controlling the income to align with the plan	Between Groups	2.539	2	1.270	1.003	.380
	Within Groups	34.161	27	1.265		
	Total	36.700	29			
Carrying out external auditing on annual basis	Between Groups	1.253	2	.626	.189	.829
	Within Groups	89.447	27	3.313		
	Total	90.700	29			
Submitting the audited statements of accounts to the Ministry of Education and Training Principal Secretary	Between Groups	1.340	2	.670	.225	.800
	Within Groups	80.526	27	2.982		
	Total	81.867	29			

TABLE 4.17: Multiple Comparisons

Tukey HSD							
Dependent Variable	(I) Years of experience as a post-primary school principal	(J) Years of experience as a post-primary school principal	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
Drawing up long-term budgets	1	2	-.123	.515	.969	-1.40	1.15
		3	1.711	.945	.186	-.63	4.05
	2	1	.123	.515	.969	-1.15	1.40

		3	1.833	.994	.175	-.63	4.30
	3	1	-1.711	.945	.186	-4.05	.63
		2	-1.833	.994	.175	-4.30	.63
Directing school finance towards specific goals	1	2	.058	.527	.993	-1.25	1.37
		3	.947	.969	.597	-1.45	3.35
	2	1	-.058	.527	.993	-1.37	1.25
		3	.889	1.019	.662	-1.64	3.41
	3	1	-.947	.969	.597	-3.35	1.45
		2	-.889	1.019	.662	-3.41	1.64
Investigating variances that reflect on the current year	1	2	.339	.441	.724	-.75	1.43
		3	.895	.809	.519	-1.11	2.90
	2	1	-.339	.441	.724	-1.43	.75
		3	.556	.851	.792	-1.55	2.67
	3	1	-.895	.809	.519	-2.90	1.11
		2	-.556	.851	.792	-2.67	1.55
Raising funds to improve education of learners	1	2	.058	.582	.994	-1.38	1.50
		3	-.053	1.069	.999	-2.70	2.60
	2	1	-.058	.582	.994	-1.50	1.38
		3	-.111	1.124	.995	-2.90	2.68
	3	1	.053	1.069	.999	-2.60	2.70
		2	.111	1.124	.995	-2.68	2.90
Engaging in professional financial management training	1	2	-.170	.556	.950	-1.55	1.21
		3	1.553	1.022	.298	-.98	4.09
	2	1	.170	.556	.950	-1.21	1.55
		3	1.722	1.074	.262	-.94	4.39
	3	1	-1.553	1.022	.298	-4.09	.98
		2	-1.722	1.074	.262	-4.39	.94

Developing financial management skills of staff members	1	2	.058	.516	.993	-1.22	1.34
		3	.947	.947	.583	-1.40	3.30
	2	1	-.058	.516	.993	-1.34	1.22
		3	.889	.996	.650	-1.58	3.36
	3	1	-.947	.947	.583	-3.30	1.40
		2	-.889	.996	.650	-3.36	1.58
Monitoring expenditure to align with plan	1	2	.649	.481	.381	-.54	1.84
		3	1.316	.883	.311	-.87	3.51
	2	1	-.649	.481	.381	-1.84	.54
		3	.667	.929	.755	-1.64	2.97
	3	1	-1.316	.883	.311	-3.51	.87
		2	-.667	.929	.755	-2.97	1.64
Controlling the income to align with the plan	1	2	.538	.455	.474	-.59	1.67
		3	.816	.836	.598	-1.26	2.89
	2	1	-.538	.455	.474	-1.67	.59
		3	.278	.879	.947	-1.90	2.46
	3	1	-.816	.836	.598	-2.89	1.26
		2	-.278	.879	.947	-2.46	1.90
Carrying out external auditing on annual basis	1	2	.386	.737	.860	-1.44	2.21
		3	.553	1.353	.912	-2.80	3.91
	2	1	-.386	.737	.860	-2.21	1.44
		3	.167	1.423	.992	-3.36	3.69
	3	1	-.553	1.353	.912	-3.91	2.80
		2	-.167	1.423	.992	-3.69	3.36
Submitting the audited statements of accounts to the Ministry of Education and	1	2	.175	.699	.966	-1.56	1.91
		3	.842	1.284	.791	-2.34	4.03
	2	1	-.175	.699	.966	-1.91	1.56

Training Principal Secretary		3	.667	1.350	.875	-2.68	4.01
	3	1	-.842	1.284	.791	-4.03	2.34
		2	-.667	1.350	.875	-4.01	2.68

* The mean difference is significant at the 0.05 level.

Scale: Cronbach Alpha Reliability Analysis: All the variables

Reliability Statistics	
Cronbach's Alpha	N of Items
.949	93

Scale: Cronbach Alpha Reliability Analysis: Section B

Reliability Statistics	
Cronbach's Alpha	N of Items
.828	15

Scale: Cronbach Alpha Reliability Analysis: Section C

Reliability Statistics	
Cronbach's Alpha	N of Items
.939	44

Scale: Cronbach Alpha Reliability Analysis: Section D

Reliability Statistics	
Cronbach's Alpha	N of Items
.977	34

TABLE 4.18: Descriptive statistics: training needs

	N	Mean	Std. Deviation	Std. Error Mean	Ranking
29. Encouraging provision of quality education when using financial resources	30	4.17	1.117	1.247	1
15. Providing in-service training to staff members to enable them to comply with the financial plan	30	4.13	.900	.809	2
2. Creating a shared financial vision which communicates to the stakeholders the end purpose of the school	30	4.10	.995	.990	3
19. Doing strategic financial planning	30	4.07	.980	.961	4

32. Encouraging staff members to be effective innovators	30	4.07	1.048	1.099	4
3. Formulating a mission which describes how to attain a vision	30	4.03	1.129	1.275	5
6. Developing skills to audit statement of accounts	30	3.97	1.351	1.826	6
27. Promoting economical use of resources	30	3.93	1.081	1.168	7
30. Enhancing harmonious collaboration among all stakeholders	30	3.93	1.230	1.513	7
31. Setting financial training processes in motion	30	3.93	1.112	1.237	7

TABLE 4.19: Group Statistics: Gender Training needs

	Gender	N	Mean	Std. Deviation	Std. Error Mean
Creating a shared financial vision which communicates to the stakeholders the end purpose of the school	Female	12	4.42	.793	.229
	Male	17	3.94	1.088	.264
Formulating a mission which describes how to attain a vision	Female	12	4.58	.793	.229
	Male	17	3.71	1.213	.294
Developing skills to audit statement of accounts	Female	12	4.50	1.168	.337
	Male	17	3.59	1.417	.344
Providing in-service training to staff members to enable them to comply with the financial plan	Female	12	4.25	.965	.279
	Male	17	4.12	.857	.208
Doing strategic financial planning	Female	12	4.50	.798	.230
	Male	17	3.76	1.033	.250
Promoting economical use	Female	12	4.58	.793	.229

of resources	Male	17	3.47	1.068	.259
Encouraging provision of quality education when using financial resources	Female	12	4.75	.622	.179
	Male	17	3.82	1.237	.300
Enhancing harmonious collaboration among all stakeholders	Female	12	4.50	.798	.230
	Male	17	3.65	1.320	.320
Setting financial training processes in motion	Female	12	4.00	1.279	.369
	Male	17	3.94	1.029	.250
Encouraging staff members to be effective innovators	Female	12	4.58	.793	.229
	Male	17	3.71	1.105	.268

TABLE 4.20: Independent Samples t-test: Gender – training needs

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
Creating a shared financial vision which communicates to the stakeholders the end purpose of the school	Equal variances assumed	.230	.636	1.289	27	.208	.475	.369	-.282	1.233

Formulating a mission which describes how to attain a vision	Equal variances assumed	3.580	.069	2.192	27	.037	.877	.400	.056	1.699
Developing skills to audit statement of accounts	Equal variances assumed	2.262	.144	1.831	27	.078	.912	.498	-.110	1.934
Providing in-service training to staff members to enable them to comply with the financial plan	Equal variances assumed	.354	.557	.389	27	.701	.132	.340	-.566	.831
Doing strategic financial planning	Equal variances assumed	1.245	.274	2.066	27	.049	.735	.356	.005	1.466
Promoting economical use of resources	Equal variances assumed	2.319	.139	3.058	27	.005	1.113	.364	.366	1.859
Encouraging provision of quality education when using financial resources	Equal variances assumed	8.376	.007	2.383	27	.024	.926	.389	.129	1.724
Enhancing harmonious collaboration among all stakeholders	Equal variances assumed	6.638	.016	1.990	27	.057	.853	.429	-.026	1.732
Setting financial training processes in motion	Equal variances assumed	.685	.415	.137	27	.892	.059	.429	-.821	.939

Encouraging staff members to be effective innovators	Equal variances assumed	2.625	.117	2.351	27	.026	.877	.373	.112	1.643
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TABLE 4.21: Group Statistics: Location of the School: Training Needs

	Location of the school	N	Mean	Std. Deviation	Std. Error Mean
Creating a shared financial vision which communicates to the stakeholders the end purpose of the school	Rural	15	3.87	1.187	.307
	Urban	15	4.33	.724	.187
Formulating a mission which describes how to attain a vision	Rural	15	3.73	1.280	.330
	Urban	15	4.33	.900	.232
Developing skills to audit statement of accounts	Rural	15	3.87	1.187	.307
	Urban	15	4.07	1.534	.396
Providing in-service training to staff members to enable them to comply with the financial plan	Rural	15	3.87	1.060	.274
	Urban	15	4.40	.632	.163
Doing strategic financial planning	Rural	15	4.20	.775	.200
	Urban	15	3.93	1.163	.300
Promoting economical use of resources	Rural	15	3.87	1.187	.307
	Urban	15	4.00	1.000	.258
Encouraging provision of quality education when using financial resources	Rural	15	3.87	1.246	.322
	Urban	15	4.47	.915	.236

Enhancing harmonious collaboration among all stakeholders	Rural	15	3.80	1.320	.341
	Urban	15	4.07	1.163	.300
Setting financial training processes in motion	Rural	15	4.00	1.000	.258
	Urban	15	3.87	1.246	.322
Encouraging staff members to be effective innovators	Rural	15	3.87	1.187	.307
	Urban	15	4.27	.884	.228

TABLE 4.22: Independent Samples t-test: Location of the school: Training needs

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
Creating a shared financial vision which communicates to the stakeholders the end purpose of the school	Equal variances assumed	3.222	.083	-1.300	28	.204	-.467	.359	-1.202	.269
Formulating a mission which describes how to attain a vision	Equal variances assumed	2.418	.131	-1.485	28	.149	-.600	.404	-1.427	.227
Developing skills to audit statement of accounts	Equal variances assumed	1.678	.206	-.399	28	.693	-.200	.501	-1.226	.826

Providing in-service training to staff members to enable them to comply with the financial plan	Equal variances assumed	2.864	.102	-1.673	28	.105	-.533	.319	-1.186	.120
Doing strategic financial planning	Equal variances assumed	5.058	.033	.739	28	.466	.267	.361	-.472	1.006
Promoting economical use of resources	Equal variances assumed	.066	.800	-.333	28	.742	-.133	.401	-.954	.688
Encouraging provision of quality education when using financial resources	Equal variances assumed	3.270	.081	-1.503	28	.144	-.600	.399	-1.418	.218
Enhancing harmonious collaboration among all stakeholders	Equal variances assumed	.548	.465	-.587	28	.562	-.267	.454	-1.197	.664
Setting financial training processes in motion	Equal variances assumed	.563	.459	.323	28	.749	.133	.413	-.712	.978
Encouraging staff members to be effective innovators	Equal variances assumed	1.124	.298	-1.047	28	.304	-.400	.382	-1.183	.383

TABLE 4.23: Group Statistics: Type of School – Training needs

	Type of school	N	Mean	Std. Deviation	Std. Error Mean
Creating a shared	Secondary (Form A-C)	6	4.50	.837	.342

financial vision which communicates to the stakeholders the end purpose of the school	High (Form A-E)	24	4.00	1.022	.209
Formulating a mission which describes how to attain a vision	Secondary (Form A-C)	6	4.50	.837	.342
	High (Form A-E)	24	3.92	1.176	.240
	High (Form A-E)	24	3.75	1.152	.235
Developing skills to audit statement of accounts	Secondary (Form A-C)	6	4.17	1.329	.543
	High (Form A-E)	24	3.92	1.381	.282
Providing in-service training to staff members to enable them to comply with the financial plan	Secondary (Form A-C)	6	4.17	.983	.401
	High (Form A-E)	24	4.12	.900	.184
Doing strategic financial planning	Secondary (Form A-C)	6	4.50	.837	.342
	High (Form A-E)	24	3.96	.999	.204
Promoting economical use of resources	Secondary (Form A-C)	6	4.17	1.169	.477
	High (Form A-E)	24	3.88	1.076	.220
Encouraging provision of quality education when using financial resources	Secondary (Form A-C)	6	4.50	.837	.342
	High (Form A-E)	24	4.08	1.176	.240
Enhancing harmonious collaboration among all stakeholders	Secondary (Form A-C)	6	4.50	.837	.342
	High (Form A-E)	24	3.79	1.285	.262
Setting financial training processes in motion	Secondary (Form A-C)	6	4.17	1.169	.477
	High (Form A-E)	24	3.88	1.116	.228
Encouraging staff members to be effective innovators	Secondary (Form A-C)	6	4.50	1.225	.500
	High (Form A-E)	24	3.96	.999	.204

TABLE 4.24: Independent Samples t-test: Type of school: Training needs

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	T	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
Creating a shared financial vision which communicates to the stakeholders the end purpose of the school	Equal variances assumed	.082	.776	1.105	28	.278	.500	.452	-.427	1.427
Formulating a mission which describes how to attain a vision	Equal variances assumed	2.027	.166	1.138	28	.265	.583	.513	-.467	1.634
Developing skills to audit statement of accounts	Equal variances assumed	.034	.856	.399	28	.693	.250	.626	-1.032	1.532
Providing in-service training to staff members to enable them to comply with the financial plan	Equal variances assumed	.471	.498	.100	28	.921	.042	.418	-.814	.897
Doing strategic financial planning	Equal variances assumed	.315	.579	1.221	28	.232	.542	.444	-.367	1.451
Promoting economical use of resources	Equal variances assumed	.364	.551	.585	28	.564	.292	.499	-.730	1.314

Encouraging provision of quality education when using financial resources	Equal variances assumed	1.591	.218	.813	28	.423	.417	.513	-.634	1.467
Enhancing harmonious collaboration among all stakeholders	Equal variances assumed	4.070	.053	1.275	28	.213	.708	.555	-.429	1.846
Setting financial training processes in motion	Equal variances assumed	.062	.806	.568	28	.575	.292	.514	-.760	1.344
Encouraging staff members to be effective innovators	Equal variances assumed	.010	.922	1.138	28	.265	.542	.476	-.433	1.517

TABLE 4.25: Independent Samples Test: Years of Experience as post-primary principal – Training needs

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	Df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper

Creating a shared financial vision which communicates to the stakeholders the end purpose of the school	Equal variances assumed	.082	.776	1.105	28	.278	.500	.452	-.427	1.427
Formulating a mission which describes how to attain a vision	Equal variances assumed	2.027	.166	1.138	28	.265	.583	.513	-.467	1.634
Developing skills to audit statement of accounts	Equal variances assumed	.034	.856	.399	28	.693	.250	.626	-1.032	1.532
Providing in-service training to staff members to enable them to comply with the financial plan	Equal variances assumed	.471	.498	.100	28	.921	.042	.418	-.814	.897
	Equal variances not assumed			.094	7.244	.927	.042	.441	-.995	1.078
Doing strategic financial planning	Equal variances assumed	.315	.579	1.221	28	.232	.542	.444	-.367	1.451
Promoting economical use of resources	Equal variances assumed	.364	.551	.585	28	.564	.292	.499	-.730	1.314

Encouraging provision of quality education when using financial resources	Equal variances assumed	1.591	.218	.813	28	.423	.417	.513	-.634	1.467
Enhancing harmonious collaboration among all stakeholders	Equal variances assumed	4.070	.053	1.275	28	.213	.708	.555	-.429	1.846
Setting financial training processes in motion	Equal variances assumed	.062	.806	.568	28	.575	.292	.514	-.760	1.344
Encouraging staff members to be effective innovators	Equal variances assumed	.010	.922	1.138	28	.265	.542	.476	-.433	1.517

APPENDIX C

INTERVIEW SCHEDULE FOR PRINCIPALS

1. What should be the role of the school principal in managing school finances?
2. In which areas of financial management do you think Lesotho post-primary school principals need training?
3. How does your school approach fundraising and do you think it differs from what other schools are doing?
4. What is the current practice in your school with regard to auditing the statements of accounts?
5. Do you think there is a difference between the way female principals and male principals manage school finances? Support your viewpoint.
6. In what way do you think female principals and male principals differ in their need for training in school financial management?

APPENDIX D

INTERVIEW SCHEDULE FOR MOET OFFICIALS

1. What should be the role of a principal in managing school finances?
2. In which areas of financial management do you think Lesotho post-primary school principals need training?
3. What is your view regarding fundraising in post-primary schools?
4. What is your view concerning the auditing of statements of accounts in Leribe and Butha-Buthe post-primary schools?
5. Do you think there is a difference between the ways female and male principals manage school finances?