

**THE DYNAMICS OF FINANCIAL MANAGEMENT IN SWAZILAND: A  
CASE OF SELECTED PRIMARY SCHOOLS.**

**BY:**

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## DECLARATION

I, **Goodness Tshabalala** declare that:

- (i) The research report entitled, “Dynamics of Financial Management; a Case of Selected Primary Schools in Swaziland” except where indicated is my original work.
  
- (ii) This dissertation has not been submitted for any degree or examination at any other university.
  
- (iii) This dissertation does not contain other person’s writing, unless specifically acknowledged as being sourced from other researchers. Where other written sources have been quoted, then;
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## STATEMENT BY SUPERVISOR

This dissertation is submitted with/ without my approval.

.....  
DR. PHUMLANI ERASMUS MYENDE

## **DEDICATION**

This work is dedicated to my family; my dear husband, my children and everyone who has touched my life positively.

## ACKNOWLEDGEMENTS

I would like to express my gratitude to the following:

1. To God be the Glory!! To Him for granting me life, good health and the opportunity to enrol for my studies. I am so grateful to God for his unfailing mercies and because He searches the heart He knows how appreciative I am and how I will continue to market Him through my life.
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## **ABSTRACT**

This study analyses the findings of a survey of five primary schools in Swaziland; Hhohho region. The study explores the dynamics of financial management in Swaziland Primary schools through the interpretative paradigm employing the case study approach. It sets out as its framework, the formal model of educational management to explore the understanding of financial management and financial management roles school principals have, skills and competencies needed by principals in execution of their duties and challenges they encounter. A possible capacitation strategy for the school principal is also examined in this study. Five principals were interviewed to generate data. In addition to the interviews selected financial management documents, the minute books, analysis books, procurement files, cheque books and financial statements were analysed. It emerged that in order for a school principal to effectively execute his or her duties there are certain skills that he or she must possess. However, there are a myriad of challenges that the principal encounters in the execution of his duties including lack of capacity, lack of funds and lack of co-operation from school committee members. The findings revealed that principals had a good understanding of their financial management roles but they were not empowered to do so hence they were struggling in the execution of their duties. Findings also revealed a number of skills that principals needed to effectively execute their duties such as budgeting, accounting, reporting and record keeping. It is recommended that financial management should be covered in training of teachers as a course in colleges and universities and later coupled with workshops as in-service programmes. A possible capacitation strategy for the school principal is suggested at the end of the study.

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## LIST OF ABBREVIATIONS

|        |   |  |
|--------|---|--|
| FPE    | : | Free Primary Education                                 |
| PAC    | : | Public Accounts Committee                              |
| REO    | : | Regional Education Officer                             |
| TSC    | : | Teaching Service Commission                            |
| UNICEF | : | United Nations International Children's Emergency Fund |
| MOET   | : | Ministry of Education and Training                     |
| SDP    | : | School Development Plan                                |
| SASA   | : | South African Schools Act                              |
| SGB    | : | School Governing Body                                  |

## CHAPTER 1

### INTRODUCTION AND BACKGROUND

#### 1.1 INTRODUCTION AND BACKGROUND

Management of a school entails a variety of duties for the school principal, financial management being the most critical one. Principals need to understand the importance of managing and maintaining school resources. Xaba and Ngubane (2011) note that proper management of school finances is key to the success of all activities in any school. For this reason the principal is seen as a lead person in planning and directing school activities and must be active not only in determining, mobilizing and acquiring the financial resources, but also in managing the same. Mingaine (2013) crystallises this view by saying that principals must balance educational goals and economic realities. Xaba and Ngubane (2011) view the role of a school principal in managing school finances as a complex issue that is confronted by myriad dynamics, and Mngoma (2009) refers to the dual roles as complicated and problematic. These scholars argue that on one hand, the principal is expected to account to the school committee as an accounting officer, and on the other hand is accountable to the education department as an employee.

It may be argued that principals may derail decentralized governance structures in order to maintain control for themselves considering that they hold a position of power in the school and have first access to information from education authorities (Wushe, 2014). Although there is some literature about general financial management in different organisations as an integral component of resource management, issues of finances have always been mind boggling to the school principals in primary schools in Swaziland. In spite of this there is apparently no widely known body of literature on financial management in Swaziland primary schools. It is in this context that it

became apparent to undertake a study that aims at exploring the dynamics of financial management in Swaziland primary schools. This therefore, constitutes the context and justification for this research study. This chapter presents a background to the study, rationale, problem statement and purpose of the study. It further discusses research questions which are the backbone to the study and the significance of the study.

School principals are challenged with having knowledge of governance and transparency in the administration of school finances. Tsotetsi, Van Wyk and Lemmer (2008) advocate that governance skills, especially among school managers, is one of the key challenges that has brought about poor financial management. Worth noting is that finance is a specialised area that demands handling by a properly qualified person in such matters. However, school principals become challenged in the sense that as teachers, they might not have the expected skills that would enable them to correctly interpret and effect ideal measures to execute their duties well. In Swaziland a number of school principals have been subjected to forensic audit after which they were dismissed from the profession for misappropriation and mismanagement of school funds. The TSC report (2015) document that atleast five school principals are dismissed annually for misappropriation of funds.

Miriti (2014) states that principals prepare budgets, manage facilities, procure, expend and manage stores. Similarly, Wushe, Shende and Ndlovu (2014) rightfully summarise the principal's role as managing all school financial activities, which entail disbursement of money, budgeting, accounting and auditing functions of financial management. Worth noting is that schools in other countries adopt more or less the same procedure. For example, in Uganda principals are responsible for establishing sound internal financial controls, producing regular reconciled budgets and financial reports, monitoring the receipt and banking of cash, managing payments on behalf of the school, maintaining the school cash book, managing petty cash and drafting financial procedures to be used to guide future practice (MOES, 2010).

Limited capacity is another challenge for school principals in the administration of school finances. Xaba (2010) states that due to lack of capacity, school principals are not capable of handling crucial issues related to school finances. Mestry (2006) contends that lack of the necessary knowledge and skills for financial management and, consequently, the inability to work out practical solutions to practical problems is one of the main drawbacks for school managers. Mngoma (2009) shares the same sentiments as Xaba (2011) and Mestry (2006) and remarks that school principals do not have the necessary capacity to manage school funds. This clearly implies that there are challenges encountered by school principals in their duties of managing school funds. In support of this notion, Clarke (2010) declares that the implication is that the management of school finances involves the task of planning (budgeting), organizing (coordinating), leading (communicating and motivating), as well as controlling. These complex areas of school finance demand specialised skills. Worth noting is that in Swaziland being a school principal does not require financial management knowledge as a prerequisite in relation to the duties of the school principal. This is not only true for Swaziland but even for other countries. For instance, Thenga (2012) conducted a qualitative study in South Africa where he investigated the management of school funds in selected schools in the Gauteng region and one of his findings was that school principals do not have prerequisite knowledge in financial management.

Miriti (2014) also bemoans that scarcity of financial resources, lack of stakeholder support and frequent changes in policy are major hindrance to the successful management of a school's financial resources. Parental support in prompt payment of fees and in generation of ideas play a major role in ensuring that a school has adequate resources and this facilitates the smooth implementation of financial plans. Abrupt changes to policy regulating the payment of fees and other levies tend to work against proper execution of financial plans by the principal. For instance, Shongwe (2015) observes that the recent pronouncement by the Ministry of Education and Training (MOET) in Swaziland barring head teachers from effecting top-up fees in the middle of the year as a mechanism to cope with escalation of prices for school

essentials is one example that demonstrates the extent to which changes in policy can frustrate financial management activities of a school. Stability of the policy framework allows for principals to make long term financial plans and execute them in a manner that promotes the realisation of a school's set goals.

Principals need to have an understanding of proper financial management techniques and the ability to undertake related activities with precision and take heed of all ethical standards regulating the acquisition, handling and disbursement of funds in a school. According to Rotich (2014) competences refer to knowledge, skills and attitudes. A sound value system is, therefore, a major requirement for effective school financial managers. According to MOES (2010) school principals need to conduct their financial management duties with accountability and transparency. These attitudes underpin the professional management of funds in a school. Accountability necessitates the keeping of good documentary records, ability to explain reasons for certain actions and taking responsibility over them, and ensuring that all financial transactions have necessary supporting documents (Wushe et al., 2014).

Transparency refers to being honest and open in all actions and making it clear to others what is being done and why it is done (MOES, 2010). When a school principal publicly displays the school's income and expenditure, other stakeholders develop trust in him or her and in turn give their full support. Xaba and Ngubane (2011) view accountability and transparency as being at the core of good governance practice. Failure to account for funds and display financial records for stakeholder scrutiny is unethical and plunges a school into a series of problems resulting in underperformance in the organisation.

Rotich (2014) assert that knowledge, skills and attitudes should target crucial areas such as resource management, leadership, good governance, results-based management, procurement and financial management. Knowledge in financial

management is paramount for school principals. Mutua et al. (2014) contend that effective educational finance management calls for prudence in bookkeeping, accounting, budgeting, procurement, supervision and expenditure management. In addition, Hashraj (2007) corroborates that financial management involves financial planning, budgeting, financial accounting, financial analysis, financial decision making and action. It is worth noting that competence in bookkeeping and accounting ensures that all financial transactions are recorded accurately to reflect the true financial status of a school while budgeting and expenditure management ensure that all financial procedures are complied with, and that adequate controls are in place to ensure that expenditure does not exceed income as well as making sure that only budgeted and authorised expenditure is incurred.

Leadership and good governance skills are necessary to facilitate effective planning, organizing, control and coordination of all financial management activities of a school. Kotich et al. (2014) argues that planning allows the principal to put down methods of doing things and also establish structures of authority for proper expending of finances. McAlister and Cotnolly (2009) argue that planning in financial terms involves expressing the school plan which articulates the mission and general aims of the school, determines outcomes according to the needs of the school, measures the cost of the programmes and establishes school fees and other revenue and evaluates the output of programmes. Policies serve as control mechanisms for expenditure; hence principals need a profound knowledge in policy formulation and implementation.

The foregoing discussion clearly indicates that effective financial management is an integral part of the responsibilities of school managers and that without effective financial management schools would find it difficult to achieve their goals (Mngoma, 2009). In Swaziland, it is expected of all school principals, in collaboration with school committees, to effectively and efficiently manage school funds. It is clear that the knowledge and skills required for financial management are complex and highly

technical so that proper professional training and orientation are required before appointment to the position of school principal. It has been observed that in Swaziland and beyond, a number of school funds are mismanaged (Xaba and Ngubane, 2011). However, the mismanagement of funds seems to be partly attributed to ignorance of the duties of school principals (Nhlabatsi, 2015). Worth noting is that in Swaziland, school principals are selected by having been a teacher for at least seven years with a minimum diploma qualification in Education or for having been a deputy for at least five years. In this country the Teaching Service Commission Act (1982) through the Teaching Service Commission (TSC), a body responsible for employment and conditions of service for teachers, does not require background knowledge in financial management as a prerequisite to the appointment of school principal yet once in office this becomes one of the major responsibilities. Shongwe and Zwane (2015) in the Times of Swaziland note that this results in mismanagement of school financial resources and view financial management knowledge as a requirement for school principals.

It is worth noting that the in-service department through the MOET does offer training in the form of workshops on financial management skills for principals on a minimal basis. These workshops are held once a year or every two years (Zwane, 2010) depending on the availability of funds and are normally prepared for newly appointed principals. The adequacy of this training in relation to financial management duties of school principals remains a concern.

South Africa is no exception to the situation as Thenga (2012) in his study discovered that financial management remains a challenge in many schools because most managers lack proper training on financial management. In South Africa governance of schools is entrusted to school governing bodies together with the school principal. Hashraj (2009) observes that school governing bodies have been given more control over a number of school matters and greater control over financial matters including school buildings and general school policy and improvement. Thenga (2012) remarks

that training received by school principals and school governing bodies is not satisfactory in relation to financial management issues. Of major concern is that there are a variety of management duties to be performed by a school principal including the financial management duties and this study explored the dynamics of financial management in Swaziland primary schools with the intention of establishing factors that hinder principals from executing financial management duties well. The study also exposed the skills needed by principals to execute financial management duties and ways through which principals could be capacitated to effectively execute their financial management duties.

## **1.2 RATIONALE FOR THE STUDY**

Consistent reports of poor financial management in schools remain a cause of concern for all stakeholders within the field of education in Swaziland. Teachers, parents, learners and the MOET remain concerned about the state of financial management in schools. Zwane (2016) reports that, in Swaziland, some schools have engaged in strikes with students toy-toying because they were dissatisfied with the manner in which finances had been handled in their schools. Shongwe and Zwane (2015) declare that in a space of two months about five schools had been involved in strikes, the major complaint being financial management. Dlamini (2015) remarks that Machinga high school students in Swaziland engaged in a strike and vandalized property to the value of thirty thousand Emalangeni because the school could not pay affiliation fees for sports. Students were complaining because they had paid sports fees.

In another instance parents stormed the Manzini Regional Education Offices (REO) demanding the removal of a school principal because they were dissatisfied with the manner in which the school funds were being managed (Shongwe, 2014). Worth noting is that most schools have been involved in endless uproars related to financial management issues. Of major significance is that some schools are not able to operate until the end of year due to inadequate funds and some school principals have exited

the profession unceremoniously because of funds that they could not account for. Zwane and Shongwe (2015) reported that a principal from a reputable school in Swaziland had been fired for gross dishonesty. These scholars comment that the dismissal of the principal came into effect after he had been found guilty of having misused funds belonging to the school exceeding E170 000.00 for his own benefit. In another instance, a school principal was slapped with fifteen counts of misconduct including the mismanagement of school funds. Some principals are not empowered for their role in the management of finances and have openly expressed their inadequate knowledge of this role. Some schools have had school assets attached by suppliers for failing to settle payment of debts. Most schools at the beginning of the year request suppliers to provide them with utilities that they need with the intention of paying after collecting fees, which never happens. From this it is obvious that there is poor financial management in some schools within the Swaziland context, which is a cause for concern and requires an investigation in the roles of principals in as far as financial management is concerned.

It is therefore, against these concerns that my interest was triggered to embark on this study of exploring the dynamics of financial management in schools. Moreover, there appears to be no major primary study in Swaziland that has been taken in as far as financial management in schools is concerned.

### **1.3 PROBLEM STATEMENT**

As I argue above school principals have limited or no training in financial management and yet this is one of their core responsibilities. In Swaziland the TSC, a body responsible for employment and conditions of services for teachers, does not require financial management knowledge as a prerequisite for appointment to the position of the school principal. However, in the execution of their duties principals find this task to be challenging. There is a daily outcry in Swaziland schools by all stakeholders including students, parents and the public at large complaining about

how school principals mismanage school funds (Matsebula, 2015). On several counts principals are subjected to forensic audit due to mismanagement and misappropriation of funds and some exit the profession unceremoniously. A study conducted by Thenga (2012) in South Africa proves financial management in schools is a challenging task for principals. In support of this Kaguri, Njati and Thiane (2014) report that there have been a series of allegations levelled against school principals in relation to mismanaging and embezzling funds in their custody. It is important to conduct research that will expose principals' understanding of their roles in financial management in Swaziland.

Moreover, the issues noted around mismanagement and misappropriation suggests that there are challenges in the management of funds in Swaziland schools. Thus, it is worth knowing what hinders principals from executing their financial management tasks well and what kind of skills and competencies they require to deal with the tasks and the challenges they encounter. Of major significance is that studies on school financial management in Swaziland as a developing country is at the periphery and the state university, which is the University of Swaziland, is not a research-based university.

#### **1.4 THE PURPOSE OF THE STUDY**

The purpose of this study was to explore the dynamics of financial management in Swaziland primary schools. The study focused on principals' understanding of their roles in school financial management and the factors that hinder the execution of financial management responsibilities. The study further examined skills needed by principals to execute their financial management duties and ways through which principals could be capacitated to effectively perform these responsibilities.

## **1.5 RESEARCH AIM AND QUESTIONS**

### **1.5.1 RESEARCH AIM**

The aim of this study is to explore the dynamics of financial management in Swaziland primary schools; Hhohho region.

### **1.5.2 RESEARCH QUESTIONS**

From the problem statement and the purpose, this study asked the following research questions

1. What do school principals understand as their roles in financial management in schools?
2. Which factors hinder school principals from executing their duties of financial management in schools?
3. What are the skills and competencies that principals need in order to execute their responsibilities of school financial management?
4. How can school principals be capacitated to be able to perform their financial management roles?

## **1.6 SIGNIFICANCE OF THE STUDY**

This study hoped to shed light on the reasons behind financial management issues through investigating and understanding financial management concerns. The study further anticipated revealing factors that hinder school principals from executing their duties of financial management well in schools.

Principals stands to benefit from this study as key role players in financial management activities as the study will reveal roles, skills and competencies they need as well factors that hinder them in the execution of their duties The study may help to inform the role players involved in appointing school principals to understand what is required of principals in their financial management roles. It is anticipated that more knowledge production from this study might inform policy. The study is also of major significance to the TSC in Swaziland as this is the body responsible for the

appointment of school principals. The study is of value to this body as it hopes to shed some light on the skills and competencies needed by principals to perform their duties of school financial management which might better inform the commission on the calibre of teachers to be appointed to the position of school principal. The study is equally important to the MOET as a funding body of the education system in the country and principals serve under it. The Ministry stands to benefit from this study because it is responsible for the development of policies that are used by school principals in the management of school funds.

The In-service department stands to benefit from this study as the study will be handed to this department. It is hoped that this study might reveal possible strategies on how best school principals can be capacitated in relation to their financial management roles.

## **1.7 CONCEPT CLARIFICATION**

**1.7.1 Financial management:** Rooyen (2014) defines financial management as a cognitive activity about how much money is available, what must be done and how the budget is going to be spent. Lewin (2008) views financial management as a set of rational decisions based on numbers while Kaguri et al. (2014) define it as a process that involves planning, preparation of financial reports and budget control. Botha (2008) expands on the views of these scholars and defines financial management as the process and functions associated with the management of an organisation's resources to achieve aims and goals for that organisation. Botha (2008) argues that financial management includes the acquisition of funds, assets and their management as well as cash flow analysis, expenditure control and safeguarding of assets. Stemming from this literature the term financial management will be used to refer to seeing to it that a school has the funds it requires to meet its goals and that such funds are used for the purpose they are meant for. As such the term will be used to cover areas such as procurement, allocation of funds, monitoring their use in the interest of accounting and producing financial reports for relevant stakeholders.

**1.7.2 Skill:** Scott (2010) defines a skill as an ability and capacity acquired through deliberate, organised and sustained effort to efficiently and adaptively carry out complex undertakings or job functions involving ideas (cognitive skills) and things (technical skills). In this study the term skill will be used to refer to the principal's ability and knowledge in handling financial management duties.

**1.7.3 Competence:** Bush (2013) defines competence as a combination of practical and theoretical knowledge, cognitive skills, behaviour and values used to improve performance. This concept will be used in this study to refer to knowledge that a principal possesses in relation to his financial management duties.

**1.7.4 Budget:** Botha (2013) defines a budget as a plan expressed in monetary terms usually covering a specific period of time, normally one year, indicating the allocation and expenditure of resources to achieve objectives of a school. Mestry (2008) defines a budget as a financial management planning instrument which summarizes the estimated income and expenditure for a specific period of time while Rooyen (2014) views a budget as a management tool or mechanism by which the finance committee of a school can estimate and plan, apply, co-ordinate, control and evaluate human, material and other resources of the school in financial terms. The term budget in this study will be used to mean estimates of income and expenditure in school operations.

**1.7.5 Competence:** Accounting is defined by Perry and McWilliam (2009) as the art of recording, categorizing, summarizing in a significant manner in terms of transactions of funds and events which are of a financial character and interpreting the results thereof to interested users. It is a task that involves checking to ensure that the order to pay is legal, that payment is effected and documented in the general financial accounts covering all funds spent in accordance with a budget. Rooyen (2013) refers to accounting as a tool by which school budgets are controlled. The term accounting

is used in this study to refer to knowledge the principal possess in relation to financial management duties.

**1.7.6 Poor financial management** is defined by Kaguri, Njati and Thiane (2014) as patchy financial planning, chaotic bookkeeping, overinvestment (and lacking any reserves resulting in a struggle to pay bills, getting into debt, and eventually being unable to run a business. This term in the study will be used to refer to financial management that involves careless bookkeeping, improper planning for school funds and failure to accounts for funds that have been utilized in the school.

**1.7.7 Effective financial management** Clarke (2010) defines effective financial management as proper management of school finances that involves the task of planning (budgeting), organizing (coordinating), leading (communicating and motivating), as well as controlling funds according to set guidelines.

**1.7.8 Dynamics in financial management** is defined by Williams (2013) as the process of continuously strengthening resources and enhancing organisational performance. It is a process that entails planning, goal execution, hands-on leadership with relevant knowledge as well as resource control. The term as used in the study will signify the various angles involved and encountered in financial management by role players.

## **1.8 ORGANISATION OF THE STUDY**

This dissertation is divided into five chapters. **Chapter one** introduces the study by focusing on the problem statement, rationale for the study research questions and the qualitative methods that were used in the study as well as ethical issues.

**Chapter two** provides the theoretical framework that was used in the study and it will serve as a lens for investigating the dynamics of financial management in schools. This chapter covers amongst other topics, skills and competencies needed by

principals to execute their financial management duties, the role of the principal in financial management and the challenges principals encounter as they execute their financial management duties. **Chapter three** focuses on the research design and methodology where qualitative data collection methods and analysis is explained. **Chapter four** will focus on the results of the investigation that is, the research findings of the study.

Recommendations which will form part of **Chapter five** and this chapter will bring the dissertation to a conclusive end; highlighting suggestions for efficient, effective management of school finances.

## **1.9 CHAPTER SUMMARY**

This chapter has presented the introduction and background of the study, financial management in schools and the issues surrounding this phenomenon. The objectives which are the backbone of the study have been presented together with the rationale and the problem statement. In addition to that key concepts have been clarified in detail. The next chapter, chapter two presents a review of literature and the theoretical framework.

## **CHAPTER TWO**

### **LITERATURE REVIEW AND THEORETICAL FRAMEWORK**

#### **2.1 INTRODUCTION**

The previous chapter introduced the study and its purpose. This chapter presents a review of literature on financial management in schools. Literature presented in this study is drawn from empirical studies and secondary sources on financial management in schools. Research questions have been used as a guide in presenting the literature. The role of principals in regard to financial management in schools as well as factors that hinder school principals in executing their financial management duties have been reviewed. In addition to this, skills and competencies that principals need in order to execute their financial management duties are discussed.

#### **2.2 FINANCIAL MANAGEMENT ROLE: SCHOOL PRINCIPAL OR COMMITTEES**

The role of financial management remains a debatable issue whether it rests with the school principal or the school committee. In most cases this role remains unclearly demarcated between the two. In Zimbabwe financial management in schools is the sole responsibility of the school development committee of which the principal is a member through statutory instrument 87 of 1992 (Nyandoro, Mapfuno, and Makoni, 2013). According to this instrument the school development committee comprises five parents, the deputy principal, a teacher and a councillor appointed by the local authority as well as the school principal. The school principal works in collaboration with the committee members to ensure effective financial management. However, it has been noted that mismanagement of funds by principals and school development committees is a problem in Zimbabwe (Nyandoro, et al., 2013).

In South Africa prior to the implementation of the South African Schools Act (1996) the principal was expected to be the key accounting officer of school resources

(Mestry, 2009). However, with the introduction of the Act the overall authority of the school including finances and management of property rests with the School Governing Body (SGB). The Act stipulates that the principal is accountable for the efficient management of the school under the supervision of the Head of Department (HOD). This policy further discusses the role of the SGB to include, amongst other things, starting a school fund and managing it in agreement with the guidelines issued by the HOD. The governing body should further keep a record of funds received and kept, draw up financial statements and audit the school's financial statements. This clearly indicates that financial management is not the role of the school principal. However, Mestry (2009) states that in most cases the SGB may delegate a number of financial responsibilities to the principal and hold him liable. Principals are therefore in South Africa answerable to the SGB for financial and asset matters.

In Swaziland the Schools Accounting Regulations (2015), a policy that governs the management of school funds, acknowledges the principal as a chief accounting officer. This policy states that it is the duty of the school principal to collect all revenue due to the school and record and receipt it in a manner laid down. In addition to that the principal is expected to maintain adequate supporting data to satisfy audit requirements. This policy further stipulates that the school principal is the accounting officer and in this capacity is responsible for all financial transactions. This is a clear indication that financial responsibility is the role of the school principal.

### **2.3 ROLES OF SCHOOL PRINCIPALS IN FINANCIAL MANAGEMENT**

The role of the school principal in the management of finances is multifaceted as discussed by different scholars (Clarke, 2010; Mestry, 2013). These scholars note that principals have a legal and moral responsibility in relation to their financial management tasks. Clarke (2010) emphasises that one of the roles of the school principal is to make sure that the governing body manages the school's finances in terms of the act and in the best interests of the learners in the school. The principal is

expected to do this because he is placed in a position of trust and according to the TSC Act (1982) of Swaziland he is considered the primary accounting officer. This role of the school principal is further enshrined in the Schools Accounting Regulations (1992).

Expanding on the role of the principal Mngoma (2009) asserts that school principals are expected to execute their responsibilities within the legal framework. For instance, the school principal is not supposed to authorise expenditure independently of procurement committees, which in many cases comprises members of the school development committee, school governing body or the management board. Legal operational parameters in relation to finances are embedded in the school finance policy and these policies may vary from country to country. Mestry (2009) alludes to the fact that in order for a school to manage its finances successfully and competently, “a school finance policy must be developed, adopted by all relevant stakeholders and implemented accordingly”. This is a task that requires joint effort for effective operation and proper direction in the management of finances. Rooyen (2014) says a sound policy recognises and articulates certain standards and the basic values to be applied to specific needs of an organization. The policy sets out what the principal is obliged to do and the comprehensive objectives that should be attained in handling a school’s finances. Mestry and Bischoff (2009) note that a sound policy is expected to have four distinct components which are: “a statement of the need for a policy, a statement of the values and principles that should be brought to bear on the need, a statement of the guide for discretionary action and a statement of expected outcomes”. These characteristics of the document clearly indicate that there are specific skills that a school leader must possess as a resource person. Rooyen (2014) contends that principals in the discharge of their functions must act in a diligent manner and conduct their duties within the law or within the scope of their authority as prescribed by policies. It is expected of school principals to act in good faith and uphold the values of the organisation.

The principal is also responsible for making sure that policies and measures put in place by the SGB are conveyed to the staff and are adhered to (Clarke, 2010). This

indicates that the principal acts as a link between the school and the SGB. Of major significance is that schools as organisations need policies for effective operation, the financial policy being one of the most crucial which may eliminate or reduce mismanagement of school funds.

Mestry (2009) discusses policy issues as one of the tasks of the principal and asserts that the mandatory role of the principal includes adopting the constitution, drafting a mission statement and drawing up policies. From this, it can be noted that financial management starts with the drafting of the financial policy with stakeholder collaboration before moving on to the budgeting process. Budgets are thus derived from the financial policy and they go through what other scholars term the budgetary control system (Mestry, 2009). The policy must conform to existing legislation such as the school act and it should set direction and provide control for all financial operations. Such policies may include procurement procedures and disposal of assets. Setting up of procurement committees and procedures for awarding tenders becomes a pivotal role for the principal in collaboration with the SGB making the duties of the principal very cumbersome. However, such instruments enable the principal to execute his financial management duties with relative ease.

### **2.3.1 BUDGETING**

The budget is a key tool in school operation making it necessary for the school principal to participate extensively in its preparation. The budget assists in the systematic planning and quantifying of a school's objectives. Mngoma (2009) acknowledges that since a budget reflects the goals and aspirations of an organization a principal should be able to ascertain needs, priorities and objectives of all students by observing disaggregated data on the student performance outcome. Emanating from this view is that a school budget cannot be prepared without the principal being involved hence this is one of his roles in financial management. Kwesu (2010) observes that the budgetary control process consists of two distinct features: planning and control. Planning comprises the setting of different budgets for appropriate future

periods and this may entail a variety of stages whereas controlling relates to monitoring performance and taking action to ensure desired results. Heystek (2013) interprets a budget as the heart of all operations within a school as an organization, indicating its importance. Rooyen (2014) notes that a school budget can be done in cyclical stages starting with a review or audit of preliminary analysis, execution, drafting, approving, monitoring and evaluation while Davies (2014) identifies four stages and views them as drafting the budget, approval by school governing body, submission to parents meeting and monitoring the budget. Mestry (2009) emphasises that the budget should reveal the school's prioritized instructive objectives and try to achieve well-organized and effective use of funds.

Budgeting seems to entail many advantages for all stakeholders in a school as an organisation and Clarke (2009) cited the following merits of budgeting to include: it serves as a control measure to monitor expenditure against projections and as an effective strategy of revealing areas of over or under-expenditure. Hence these pronouncements call for proper preparation of the document. Marishane and Botha (2014) note that budgets are produced to control financial activities of an organization and provide a yardstick against which the performance of the organisation can be compared.

In executing their financial management roles it is necessary for school principals to coordinate the budgets of the various departments within the school and ensure that they are all complementary and are in line with the overall school objectives and policies. For instance, Miriti (2014) asserts that the budget should indicate all major and minor events occurring in the school such as sports, acquisition of stationery and maintenance. In essence all school activities should be indicated in the budget no matter how minute they may appear or be regarded.

### **2.3.2 ACCOUNTING**

Accountability role is a task facing a school principal in relation to management of finances. Kogan (2012) defines accountability as being “accountable to one’s clients (moral accountability), answerable to oneself, one’s colleagues (professional accountability), and answerable to one’s employer (contractual accountability)”. Hence, accountability is the state of being held responsible, accountable and in charge for certain actions and decisions (Watt et al., 2012). Schools are a significant factor in any country’s economy and they take a larger share of the country’s budget making it necessary for custodians of funds to account for all funds in a transparent manner. The role of accountability requires the execution of duties with an understanding that an account of all actions will have to be presented. In ensuring accountability the school principal must ensure he/she satisfies all the relevant stakeholders as he/she executes assigned duties. For this reason, according to Parker and Leithwood (2011), the dual nature of the role played by the principal is controversial and problematic. This controversy comes as a result of the principal having to be accountable to both the school development committee as accounting officer and to the education department as an employee. In the case of Swaziland, the principal is accountable to the TSC which is the employer, the parents, as well as the school committee.

### **2.3.3 RECORD KEEPING**

Record keeping is one of the crucial functions for school principals in financial management. Wushe et al. (2014) note that all financial systems depend upon records. It is imperative to note that out of all the kinds of data found in a school organisation there is nothing more significant than the financial information. Kruger and De Venter (2010) view records as information or data on a particular subject collected and preserved. It is worth remarking that records contribute enormously to financial management and can be used in the following ways: accountability and control, accounting and auditing. Miriti (2014) reasons that all financial management systems produce records and all monetary systems depend upon records making it necessary for the school principal to keep proper records. There are a variety of records that the

school principal must keep in relation to financial management. The Swaziland Schools Accounting Regulations (2015) cites the following records in financial management as crucial and which should be preserved and regularly updated.

- Minute book
- Analysis Book
- Income receipts
- Deposit book
- Receipt book
- Bank statements' reconciliation
- Order book
- Cheque book
- Documentary evidence of payments.

Nyandoro et al. (2013) comment that financial management records assist principals to control spending priorities in order to allocate resources efficiently and equitably. This is evident that if there are records that principals constantly refer to they tend to be in a better position of ensuring that funds are utilized properly. Wushe et al., (2014) share the same sentiments and see financial records as assisting in making improved use of budgeted funds to accomplish results and yield outputs at the lowest rate possible. This is a clear indication that financial records are essential for financial accountability and must be updated and kept properly.

Motsami, Jacobs and de Wet (2011) conducted a qualitative study on policy and practice: Financial Management in Schools in the Mafeng District of Lesotho, and one of the findings from their study was that the keeping of financial records remains a challenge for most school principals. These scholars noted that most principals experienced problems with handling receipts and recording things that needed to be recorded. Swartz (2012) conducted a study on financial management of schools in Pinetown schools and shares the same sentiments as Motsami et al. (2011) and her findings noted that records of financial management were always missing in schools. This reinforces the understanding that principals are challenged with the role of record keeping. In summarizing the essence of financial records in schools Ngubane and

Xaba (2011) conclude that record-keeping ensures a source of evidence that is not only dependable, but authentic and permissible. There is no doubt that the success of the financial management process requires proper keeping of records which is paramount to the principal being able to handle this role with all expertise.

#### **2.3.4 MONITORING**

After the budget is in place the control of the budget becomes a crucial role of the school principal and this is a process that takes place throughout the year. Mestry (2009) acknowledges that control as a principle of financial management finds expression as soon as budgets have been fixed and established for the anticipated period of time. Budget control entails comparing the budget plan with the outcomes attained within a given time. Worth noting is that since a school is a living organism it might be necessary at times to divert from the budget. Mngoma (2009) and Bischof and Mestry (2009) warn that major differences between what has been initially budgeted for and outcome should be reported to the management so that an action plan can be put in place. The budgetary control system works hand in hand with the project management cycle thus reference should be made to project management, strategic and operational management.

#### **2.4 CHALLENGES FACED BY PRINCIPALS IN THE MANAGEMENT OF SCHOOL FINANCES**

There are multiple challenges faced by principals in executing financial duties. These challenges include amongst others lack of capacity, lack of knowledge, challenges in planning, and lack of and late disbursement of funds being the most prominent. These challenges are discussed in detail below.

#### **2.4.1 LACK OF CAPACITY**

Lack of capacity has been noted to be one of the challenges facing principals in their duties of financial management and hinders them from effectively executing their duties. Rooyen (2014) notes that low literacy levels amongst school principals and limited experience of financial management are just some of the serious challenges that inhibit the effective financial management in schools. Mokoena (2013) acknowledges that principals in the majority of schools are not well qualified in financial management and most of the members of the parent component of the SGB are illiterate. Most studies have indicated that principals lack financial management skills (Thinguru, Muthee and Wagithunu, 2014; Xaba and Ngubane, 2011; Nwafuka and Aja-Okorie, 2015). Mngoma (2009) observes that principals are promoted to leadership positions without financial management skills and yet this becomes one of their key responsibilities. This is also true in Swaziland where financial management is not prerequisite knowledge for appointment to the position of school principal (TSC Act, 1982). Rooyen (2014) holds the same view and acknowledges that in South Africa principals are not generally trained in financial management and while provincial departments do try to provide training to principals including governing bodies the quality of the training remains questionable. Thinguru, et al. (2014) remark that in Hong Kong it is required of potential principals to pass certain qualifying tests which include financial management before being promoted.

However, these scholars observe that in Kenya the basic university degree of education does not offer financial management courses for education students even at Masters level. This is also true of Swaziland Universities and colleges where financial management is not offered as a course. Mngoma (2009) notes that lack of financial management courses in colleges leave a competence gap in financial management amongst the people appointed to management positions in schools. Financial management leaders must possess a variety of skills in order to execute their duties effectively. Thinguri et al. (2014) suggest that principals should be capacitated during training. These scholars assert that effective teacher training calls for prudence in

book keeping, accounting, budgeting, procurement, supervision and expenditure management.

Wushe et al. (2014) conducted a qualitative study in selected schools in Harare, Zimbabwe, in which the aim was to determine the financial literacy of both school principals and school committees with the intention of identifying challenges they encountered in the implementation of finance policies in the management of school funds. Their study revealed that school principals were not well capacitated in the execution of their duties and this led to financial malpractices such as signing cheques in advance, paying with hard cash, making loans from school funds, and accepting cash without handing out receipts. Chikoko (2008) shares the same sentiments with these scholars and remarks that the management of funds in many primary and secondary schools is poor and this ultimately affects the quality of education. Chikoko (2008) in his study noted with concern that lack of competency to carry out financial management was a stumbling block to both development committees and principals. This situation is even worse for the principal as he is considered a resource person. Hence there is a need for the principal to be grounded in financial management issues. Investigating financial management knowledge amongst school principals, Ndiga, Mumuikha, Florah, Ngugi and Wwala (2014) remark that principals with satisfactory financial management knowledge are in a better position to prepare comprehensive budgets and make proper decisions in relation to cash management and exercise appropriate control over finances.

#### **2.4.2 LACK OF KNOWLEDGE**

Financial management as a role or a task requires possession of particular knowledge and expertise. Lack of knowledge has been found to be one of the critical challenges facing the school principal. Nwafuka and Aja- Okorie (2010) conducted a quantitative gender-based perspective study in Nigeria investigating administrative challenges confronting school principals. The study revealed a wide range of problems including failure to compile reports or balance statements, budgets that were not in line with

organizational objectives and goals and unavailability of source documents for procurements. The concern and the need for financial management knowledge become crucial. Barasa (2009) recognized that efficient management of financial resources is an important task for principals and without adequate financial resources institutions cannot carry out their defined tasks effectively. Financial management in education is concerned with the cost of education, sources of income to meet the educational costs and proper expenditure of money in order to achieve educational objectives (Okumbe, 2010).

Wushe, et al. (2014) assert that knowledge, skills and attitudes should target crucial areas such as resource management, leadership, good governance, results based management, procurement and financial management. This clearly indicates that knowledge of financial management is of paramount importance for school principals. Mutua et al. (2014) hold the same view and contend that effective educational finance management calls for prudence in bookkeeping, accounting, budgeting, procurement, supervision and expenditure management. In addition, Hashraj (2007) corroborates that financial management involves monetary planning, financial accounting, financial inquiry, financial decision-making and action. It is worth noting that competence in bookkeeping and accounting ensures that all financial transactions are recorded accurately to reflect the true financial status of a school while budgeting and expenditure management ensure that all financial procedures are complied with. It becomes imperative for the principal to ensure that adequate controls are in place to guarantee that expenditure does not exceed income as well as making sure that only budgeted and authorized expenditure is incurred.

In some countries like Zimbabwe, there is a decentralised system of educational management where the principal reports to District Education officers, then Regional Educational Directors and National Educational Directors, who later report to the permanent secretary in the Ministry of Education. This public education system is hierarchical (Barasa, 2009). Normally in this kind of public education system, the principal manages finances and is accountable to various school stakeholders

including the District Education Office. This places a demand of financial eloquence on the part of the principal which is often not there.

In a way, a principal's lack of financial management knowledge and reliability on the services of an authoritative accountant who hardly ever or randomly visits sampled schools tends to result in ineffective execution of his duties. It is an irrefutable fact that constant supervision assists the principal to execute his duties competently. Kwesu (2010) notes that lack of supervision leads to poor financial management in terms of all operations including planning for use of funds through budgets and controlling the budgets through the budget controlling system.

Lack of this financial knowledge amongst principals may be due to the non-inclusion of financial management courses in diploma and degree programmes in colleges and universities. Even though in some cases financial management is included in the educational programmes, the implementation remains problematic during the operational phase when the principal is faced with too many responsibilities coupled with an inability to translate theory into practice.

### **2.4.3 CHALLENGES IN PLANNING**

The roles and responsibilities facing the school principal in financial management require planning skills. It is an irrefutable fact that most school principals are challenged with this task. Clarke (2010) acknowledges that this is partly because financial management knowledge is not taken into consideration by appointing authorities for appointment to the position of school principal which tends to affect the performance of financial management duties. With regards to planning the budget, organization and coordination are key elements. Coordinating is done with stakeholders of the school and the committee agrees on the plans of action and how they intend to utilise their funds. Considering that the school principals may be lacking financial forecast and prerequisites for financial management, it may be difficult for school principals in collaboration with school development committees or

school governing bodies to conduct the planning of school budgets successfully and competently.

#### **2.4.4 LACK OF AND LATE DISBURSEMENT OF FUNDS**

A school is an organisation that requires funds to operate from time to time. Studies (Ibrahim, 2011, Clarke, 2010) have found that lack of and late disbursement of funds by educational authorities is one of the challenges facing school principals. Lack of funds in a school can ground all operations resulting in poor and delayed teaching and learning. In a descriptive study conducted by Rotich (2012) in Kenya Keiyo district, lack of funds was found to be one of the challenges facing the school principal. This was not only a challenge for the school principal but for all stakeholders involved in the education sector as it negatively impaired the instructional process. It is imperative to acknowledge that lack of funds in schools results in lack of instructional material and demotivates staff and students. One key factor in relation to late disbursement of funds is that it becomes very difficult to regain lost time.

#### **2.5 SKILLS AND COMPETENCIES SCHOOL PRINCIPALS NEED IN MANAGING FINANCES.**

Financial management is one of those complex tasks facing the school principal which requires possession of certain skills and competencies. Principals need to have an understanding of proper financial management techniques and an ability to undertake related activities with precision. Principals must be mindful of all ethical standards regulating the acquisition, handling and disbursement of funds in a school (Mngoma, 2009). A sound value system is therefore a major requirement for effective socialisation of effective school financial managers. According to MOES (2010) school principals need to conduct their financial management duties with accountability and transparency. These are significant tactics which reinforce the professional management of funds in a school. Accountability necessitates the sound keeping of documentary records, ability to explain reasons for actions taken and

taking responsibility over them hence ensuring that all financial transactions have necessary supporting documents (Wushe et al., 2014).

Nwafukwa and Aja-Okorie (2015) conducted a qualitative study on financial management skills required of principals for the implementation of the universal basic education programme in junior secondary schools in Ebonyi state of Nigeria. Findings of their study revealed quite a number of skills required by school principals in relation to financial management. Budgetary skills that were identified included analyzing income on a monthly basis, analyzing expenditure on a monthly basis, spending revenue lawfully as well as preparing and presenting proper reports. Auditing skills identified by these scholars that were essential for principals included knowledge at a glance of the actual financial position of the school, skills that would enable them to detect fraud, financial error and determining losses and gains in the school. Expanding on this view Wagithunu et al. (2015) observe that the task requires a person of high integrity in the profession with the right training and skill in handling money, wide knowledge in specific areas like practices and concepts of financial management, risk analyses, debt management and ability to keep current with school developments.

### **2.5.1 Reporting**

In Nwafukwa and Aja-Okorie's (2015) study reporting skills were found necessary for the principal to possess and this included knowledge to report income and expenditure, organizing reports in accordance with areas of concern, expertise of balancing the cheque book with the cash balance report. This further translates into accurately indicating that receipts and expenditures are summarized to show the purpose for which money was spent. All these put together clearly indicate that the tasks faced by principals are not easy ones. As a chief accounting officer a principal should not have to rely on others for financial information; knowing about school finances is part of being a principal. A principal should be able to account for all money coming into the school and how it is spent and be prepared to give reports timeously.

Botha (2008) asserts that monthly and annual reporting is the a key part of keeping financial systems secure and successful. Consistent reporting seems to help the custodian of funds and the stakeholders to identify areas of concern immediately. Expanding on the view substantiated by Botha (2008), Davies (2014) explains that, before each governing body meeting a principal should prepare a report which forms part of transparency. Amongst other things the financial report should include income statement, balance sheet and notes associated with the areas of expenditure. Hence, a minimum requirement of the report should include updated information with budgeted amount, percentage spent as well as a variance of all categories.

### **2.5.2 Transparency**

Transparency is a skill needed by the principal to execute his duties effectively. Transparency refers to being honest and open in one's actions and making it clear to others what is being done and why it is done, (MOES, 2010). When a school principal publicly displays the school's income and expenditure, other stakeholders develop trust in him or her and in turn give their full support to his/her leadership. Xaba and Ngubane (2011) view accountability and transparency as being at the core of good governance practice. Failure to account for funds and display financial records for stakeholder scrutiny is unethical and plunges the school into a series of problems resulting in under performance in the organisation.

### **2.5.3 Leadership and good governance**

Leadership and good governance skills are necessary for school principals to facilitate effective planning, organizing, control and coordination of all financial management activities in the school. Miriti (2014) argues that planning as a leadership and governance trait allows the principal to put down methods of doing things and also establish structures of authority for proper expending of finances. Leadership and good governance skills enable the principal to better understand policies and give proper direction in management of finances.

#### **2.5.4 Planning and budgeting**

Planning, according to Botha (2013) is one financial management skill that involves identifying priorities. This scholar declares that the planning process is predominantly a cognitive activity which entails the vision, mission and goals of the school. Advocating for planning as a necessary skill for principals, Hysterk (2015) remarks that it entails determining what must be done, when it must be done, why it must be done, how it must be done and who must do it. Planning in finances is used interchangeably with budgeting. This means in a school there are things that are more urgent than others, and even though all of them are important, the urgent ones should be given priority. Marishane and Botha (2014) add that planning involves indicating how various strategies will be measured against targets. It also determines how the entire process will be evaluated to determine success or failure. Mngoma (2009) observes that most school principals are struggling with planning as a financial management component.

#### **2.5.5 Organising**

Organizing is another skill needed by principals in order to be competent in their duties. Marishane and Botha (2014) view organizing as a management skill that involves establishing systems, processes, procedures and functional organizational structures such as budget committees and finance committees. In other words, it involves gathering various elements of an organization together and integrating them into a cohesive structure in the collective pursuit of organizational objectives. For instance in school, the budget is done involving the teachers, the school governing body and the parents who should all approve it. A finance committee can be formed to look at other means of collecting revenue, like fundraising or asking for donations. All these committees must be organized by the principal as the leader of the school. According to Powell (2009) organizing involves mobilizing resources needed to support the plan. These resources include man power (labour), funds, time, machinery, equipment, premises and other things. One can say that organizing means that everybody in the school takes or is appointed his rightful position to work for the progress and achievement of the school goals and objectives. So, the principal as the

overseer should see to it that all stakeholders are well informed and fit into various activities; this may include teachers, learners, parents, school governing body and the community at large.

### **2.5.6 Coordination skills**

Amongst other skills that principals should possess in financial management is the skill of coordination. Barasa (2009) remarks that coordination involves integrating various structures and their activities in an organization to ensure effective operation towards a common goal. This entails linking various financial structures, systems, processes and procedures in the school strategic plan. Marishane and Botha (2014) view coordination as pulling together the different elements of a complex activity or organization into a link that will make sure productivity or harmony is achieved and it is a role that requires a competent leader. Coordination is a harmonized integration of tasks geared to the attainment of an aim relating to a larger task within set targets and integrating components of an organization into a feasible whole. It can therefore be concluded that in a school situation, the principal is the one who coordinates the school activities, specifically financial activities, and sees to it that the activities move towards the rightful or in the intended direction and that resources are used as planned. If adjustments need to be made it is the principal's responsibility.

### **2.5.7 Monitoring**

Another skill that a principal should possess is the skill of monitoring in order to execute his financial management duties effectively. Monitoring is viewed by many scholars as one of the primary functions of financial management (Mestry, 2009; De Bruin, 2013). Monitoring is also a management function. Kruger and Deventer (2010) interpret monitoring as a skill that involves supervision of activities carried out in the course of the implementation of the school plans. It involves engaging in a sustained focus on work in progress to ensure that the plans stay on course and deadlines are met. In a study conducted by Ndiga et al. (2014) monitoring was found to be one of the challenging tasks for the principal as it involves producing and analyzing financial reports on a constant basis. These reports comprise cash flow, accounts payable

accounts receivable and revenue statements. Closely monitoring and double checking all details is essential in the management process.

### **2.5.8 Controlling**

Control of finances is another key area in financial management. Financial control is “established by enlisting policies and measures that prevent maladministration of finances” (Mestry, 2009). The policies comprise how to record income and expenditure, which methods of financial reporting will be embraced and the overall management strategies that will be used. According to Hansraj (2009) controlling, which is another skill, involves establishing benchmarks or performance standards and taking remedial action where performance deviates from set standards. It involves directing activities carried out in spending the budgeted funds to keep a healthy balance between expenditure and income, and ensures the alignment of the overall budget implementation with the prioritized objects. Van der Merwe (2012) attests that control ensures that involved members and available resources in any project in the school are used efficiently and effectively. He further likens that statement to the wheels that make things happen when they are turning smoothly. One may draw out that controlling means measuring progress and correcting deviations on the projects done in the school. Controlling involves establishing standards of performance (Powell, 2009). This means that the people who are working are given targets against time. The people’s actual performance is then measured against the standards. If the work is not done accordingly or as targeted, corrective measures are taken where appropriate; that is controlling. People should not do as they please, they should be controlled so that the funds are not misappropriated or misused.

### **2.5.9 Project management**

Project management is a vital skill on the principals’ side. This is knowledge of effectively managing school projects once funding is secured. As a school engages in a variety of projects it is expected of the principal to be able to ensure that projects come to completion hence they must managed properly. Mngoma (2009) avers that

project management is a task that demands a varied and vast set of skills. The principal as a project manager must be able to inspire a shared vision and be a good communicator. Bwoi, Sambo and Ogundele (2015) contends that project management calls for clear message about goals, responsibilities, performance, prospects and feedback. Expanding on this view Botha (2013) concedes that principals as project directors should have a can-do-attitude. This attitude is a transmittable attitude that creates a positive atmosphere and motivates subordinates to be engaged and leads to achievement of organizational goals. It is also required for the principal in his project management duties to be able to delegate and supervise tasks effectively as well as allocating funds appropriately for each stage of a project.

#### **2.5.10 Management of physical Resources**

Every school possesses physical resources. It is the duty of the principal to safe guard all assets in the school and ensure that they are used solely for authorized purposes and this should include physical resources both movable and immovable. Management of physical resources directly relates to financial management in schools. Of major significance is that assets represent cash as money was used to procure them. Clarke (2009) argues that ensuring that a school's fixed and movable assets are properly secured and well maintained falls under the principal's care in collaboration with the governing body. Gumbi (2009) conducted a study in South Africa in the Eastern Cape where she examined whether physical resources were adequate and managed properly. The findings of her study revealed that management of physical resources is a task for school principals in collaboration with the school governing body and a task that is not well handled by either of them.

According to Clarke (2009) asset management is defined as involving procurement, usage, safekeeping and appropriate discarding of asserts. The Public Finance Management Act in South Africa views the responsibility of asset management as resting with the accounting officer, which, according to the TSC Act (1983), is the principal in schools. Mokoena (2013) explains that school physical resource management plays a pivotal role in the learning environment and determines

educational outcomes making it a priority in relation to financial management duties of the principal. This makes it necessary that school principals must handle physical resources with care.

## **2.6 FORMAL MODELS AND MANAGERIAL LEADERSHIP**

The study will be guided by formal models of managerial leadership as a theoretical framework. Bush (2008) acknowledges that these models assume that the structure of organisations is hierarchical and predefined objectives are followed based on rational method. Williams (2012) shares the same sentiments and views organisational structures classified or categorised. This is a clear indication that organisations within the formal model are grouped into certain categories. Bush (2008) recognises that all formal approaches typify schools as goal seeking organizations. The school as an institution is thought to have official purposes which are recognised and pursued by members of the organisation.

The managerial leadership is closely associated with formal models and undertakes that the focus of leaders must be on functions, responsibilities and behaviours. Figure 2.1 which is the researcher's construction adapted from Bush (2008) clearly illustrates the five management functions. These functions can be cyclical as they can be performed back and forth in the course of the year by those in managerial positions.

### Diagrammatic representation of management functions

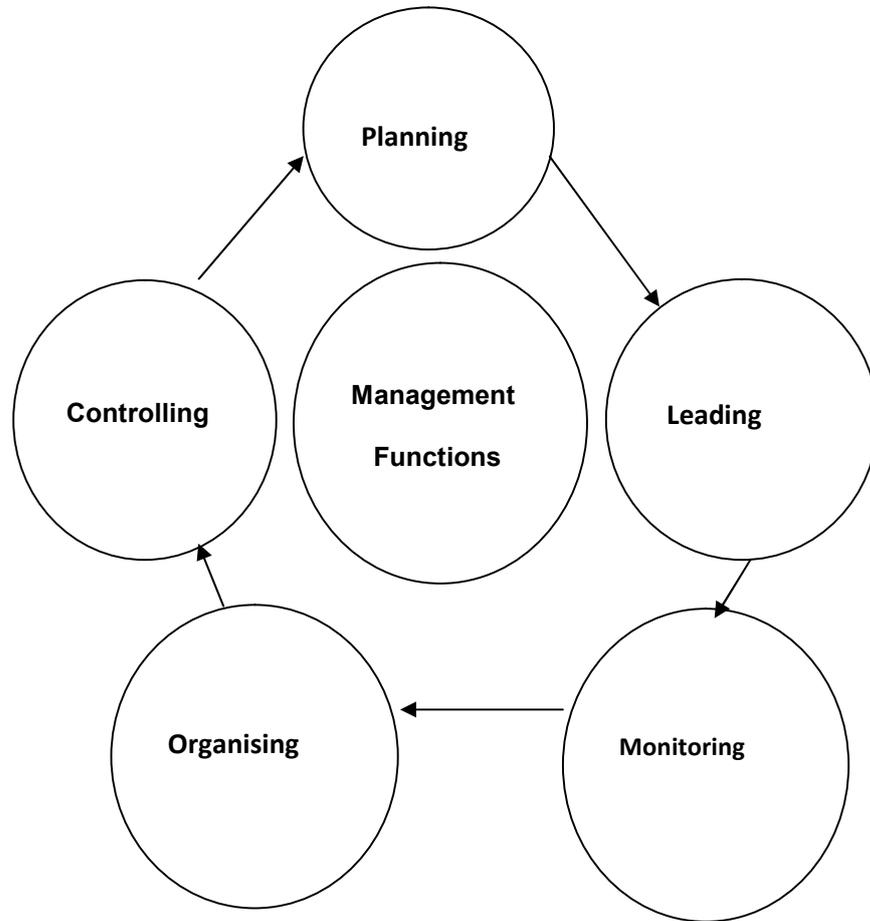


Figure 2.1 Management functions

Scholars like Kaguri et al. (2014) and Clarke (2010) remark that there is a correlation between management tasks and management of school funds. The implication is that the organisation of school finances comprises the five management functions which according to Hoy and Miskel (2013) are planning, organising, controlling, leading and monitoring. Botha (2008) notes that when these responsibilities are carried out competently, the work of all stakeholders in the organisation tends to be carried out efficiently. For the school principal this is more relevant as he/she works with other stakeholders, teachers, learners and school governing bodies in the execution of financial management duties.

The formal models tend to treat organisation as systems hence Bush (2007) views a system as comprising elements that have clear organisational links with each other. For instance, within the education system there would be an organogram which clearly indicates the linkages that exists between schools. Formal models give prominence to the official structure of an organisation. Within a school, as a system, subject teachers report to Heads of department and heads of departments report to the deputy and the deputy reports to the principal who in turn reports to the employer. Within these reporting structures the principal reports about all the operations of the school, financial management being the most crucial. In this systematic relationship the principal also reports to parents; students within their classrooms report to monitors and monitors report to class teachers. Bush (2011) further views the authority and power of school principals as products of their formal positions and worth noting is that the school principal is the highest administrator in a school. He/she is in charge of the general operation of the school. In the 20<sup>th</sup> century schools endured extensive growth, which led to the necessity of having principals (Miriti, 2014). Principals initially worked as school managers, but with time their duties have multiplied. Today, among their major roles, principals are primary in school reforms and defining educational objectives and goals including managing school finances. In their roles of management they are faced with the five management functions, planning, organising, controlling, leading and monitoring. Consequently, goals are set within a broader vision of an ideal future for the school. The formal model and the managerial allows for better understanding of financial management roles, skills and challenges that might be encountered by the principal.

### **2.6.1 Planning as a management function**

Bush (2013) in defining planning notes that this is an organized assessment of future conditions by collecting all information about the current conditions of the organisation. This is a basic management function, an undertaking that is goal oriented, a prerequisite at all levels of management and of course an exercise that requires logic (De Bruin, 2013). It is a phase that involves drawing out how to

accomplish a specific goal through forecasting or looking ahead and requires active participation of the entire organisation or of all stakeholders.

The process of planning calls for cognitive functions and advance decisions in terms of what will be done, who will do it and how it will be done. MacAllister and Cotnolly (2009) observes that planning as a process may involve the following steps: establishing objectives, establishing a plan of premises, choice of alternative course of action, formulation of derivative plans, securing co-operation and follow up or appraisal plans.

In the context of schools and in financial management in particular, planning encompasses the budgetary process viewed by Bush (2008) as an important planning tool. In order for the principal to come up with an effective budget he/she must involve learners, teachers, the school governing body and parents. It is the principal's responsibility to prepare the school budget, giving a clear record of projected revenue and expenditure. The budget is essential, because it helps to safeguard achievement of goals by the school and to establish a control system that will motivate employees to work harder. The budget should outline targets within which goals should be met making it properly fit in the planning process.

### **2.6.2 Organising for finances**

Once a budget is put in place organising becomes an essential component. Kaguri, et al. (2014) affirm that organising of school funds must embrace a number of features such as sketching up a school financial policy, establishing a structure within the school to deal with administrative and financial matters, delegating different functions to different role players. Organising is viewed by Gumbi (2009) as a process of bringing together physical, financial and human resources and developing productive relationships amongst them for achievement of organisational goals. Contending for the importance of organising as a management function, Williams (2012) notes that, in schools, organising assists in defining authority and responsibility and ensuring that there are no overlapping responsibilities. Proper organisation creates harmony at

work, effective communication and provision of training facilities where necessary. In organising for school finances the principal will have to consider available resources versus available personnel, and activities to be undertaken.

### **2.6.3 Monitoring for finances**

Monitoring is a management function that involves supervision of activities carried out in the course of the implementation of organisational plans. Effective monitoring is an important element in educational management. In financial management monitoring the budget is crucial and an on-going process that continues throughout the year. It entails monitoring the variance between the planned financial standing of the school at a given time and the real financial position. Mestry (2013) acknowledges that monitoring for finances allows school principals to control expenditure and ensure funds are properly spent on school priorities. It is one critical component that creates a healthy financial environment within the school and in turn ensures an effective instructional process. Botha (2008) accurately summarises monitoring as involving keeping a vigilant eye on the functionality of structures and how these structures follow systems and procedures in budget implementation.

### **2.6.4 Controlling for finances**

Controlling is an important component in management because it helps in achieving goals and objectives of an organisation; it assists in establishing whether resources are used effectively and ensures high morals of employees. McAllister and Cotnolly (2009) remark that the major goal of control as a management function is to measure performance against aims, objectives and standards with the intention of ensuring corrective actions where necessary. It is a process that indicates the quantification of success against standards and modification of deviation if any to guarantee accomplishment of organisational goals. Controlling in management of finances relates to verifying if everything is going according to plan. De Bruin (2013) explains that control can be categorised into four steps; creation of performance criterion based

on the objectives of the organisation, quantifying and reporting on real performance, linking results with established standards and remedial and counteractive measures. Kruger and De venter (2010) note that controlling as a management function requires the principal to ensure that each person in the school who executes financial functions does the right thing at the stipulated time. The principal will have to consistently revisit his plan and the budgets to ensure proper control of finances takes place. Therefore, Royeen (2014) acknowledges that it is important to check the budget regularly.

### **2.6.5 Leading for finances**

Leading as a management function entails inspiring subordinates towards the common goal and the common vision of the school. It is an “art that includes communicating the vision, building enthusiasm, activating commitment and hard work amongst team members” (Bush, 2007). Leading in finances requires the principal to have adequate information on all available resources, previous expenditures and be able to guide stakeholders in engaging in future activities.

Managerial leadership assumes that the focus of leaders must be on functions, tasks and behaviours. Of major significance is that if these tasks are carried out competently organisational operations become easy.

All the dynamics of financial management in relation to this theory will be looked at. This model is appropriate for the study because it emphasises accountability of an organisation to its sponsoring body and schools as public organisations remain responsible to school committees, to parents, to the ministry of education and training and to the state at large. This is because government is the main sponsor of the education system (Thenga, 2012). Moreover, this theory is of the view that the principal is expected to be responsible for the management of school funds, its collection and expenditure and the managerial leadership looks at the principal as the one at the apex of the organisation.

### **2.6.6 Issues emerging from literature**

Financial management is key to the management of the school as a whole; however there is a paucity of literature of this phenomenon in Swaziland. Literature shows that school principals are not capacitated in their financial management roles. It emerges that in order for the school principal to effectively execute his or her duties there are certain skills that he or she must possess. These include accounting, budgeting, planning, reporting, transparency, coordinating, controlling, and monitoring and project management.

Literature further shows that there are factors that hinder school principals in the execution of their duties. These factors include lack of funds, incapacity of school committees, challenges in planning and lack of capacity on the part of the school principal. Although in some instances there are workshops to capacitate the school principal the adequacy of these workshops remains questionable.

The argument emanates from the importance of capacitating the school principal as this will directly influence effective management of finances. This study hopes to close the gap by exposing challenges in the management of school funds and that which hinders the school principal from executing his duties well.

## **2.7 SUMMARY**

This chapter focused on the literature that has been reviewed in support of the study. The literature covered the following broad areas; skills and competencies principals need for financial management, challenges encountered by principals in financial management and factors that hinder principals from effectively executing their duties. The next chapter, chapter 3, presents the research methodology that was used in undertaking the study; dynamics of financial management in Swaziland Primary School.

## **CHAPTER THREE**

### **RESEARCH DESIGN AND METHODOLOGY**

#### **3.1 INTRODUCTION**

The previous chapter presented the literature that was reviewed in support of the study; dynamics of financial management in selected schools. This chapter presents a research design and methodology employed in the study. The chapter begins with the research paradigm and the research design. The approach that is used in the study is then discussed in details. In addition to that, sampling procedures and data generation methods are discussed and the justification for their choices is also presented.

#### **3.2 RESEARCH PARADIGM**

This study adopted the interpretive paradigm because it relies heavily on naturalistic methods. Rowlands (2013) notes that the assumption of interpretative researchers is that knowledge is gained or filtered through social constructions such as language, consciousness and shared meanings. Cohen, Manion and Morrison (2011) states that interpretive researchers are concerned with the individual and central to their endeavour is to understand the subjective world of human experience. This paradigm acknowledges intimate relationship between the researcher and what is being explored and aims to produce an understanding of the social context of the phenomenon and the processes whereby the phenomenon is being influenced. In undertaking the study I had to establish a rapport with the participants since the intention was to gain a deeper understand of financial management from the participants perceptions; how they interpret and understand their roles of financial management.

The interpretative paradigm is associated with methodological approaches that provide an opportunity for the voice, concerns and practices of research participants to be heard. It creates an ideal environment for in-depth expression about the

phenomenon by the participant (Mushoriwa, 2010). In this study I physically interacted with participants to gain a deeper understanding of their opinions, their observations and their apprehensions in the execution of their financial management roles.

This interpretative paradigm was relevant for my study because I was working with five principals and their roles are characterized by subjective activities and they provided subjective meanings. Their duties are subjective and the meanings they gave were socially constructed. Their roles are subjective in the sense that they may have personal meanings and personal understandings of their roles based on their context of operations.

### **3.3 RESEARCH APPROACH**

This study is qualitative in nature. Qualitative research is an evolving plan in its discussed results (Cohen, Manion and Morrison, 2011). It is concerned with understanding the process, the social and cultural contexts which underlie various behavioral patterns and mostly concerned with exploring the why questions (Rubbin and Babbie, 2012). In this study I was mainly concerned with a comprehensive understanding of the dynamics of financial management in schools therefore the contexts in which participants operate was crucial to my study. Consequently, I visited participants in their schools to generate data. Cresswell (2014) asserts that the intent of a qualitative research is to understand a particular social situation, event, role, group or interaction and largely an investigative process where the researcher gradually makes sense of a social phenomenon by contrasting, comparing, replicating, cataloguing and classifying the object of study.

Cohen, Manion and Morrison (2011), hold the view that meanings and interpretations are negotiated with human data sources because it is the subjects' realities that the researcher is trying to reconstruct. Hence, in this study I engaged school principals using in-depth interviews. Additionally, Cohen and Crabtree (2008) argues that

qualitative researchers are anxious about discovering information and facts on people's feelings and thoughts in situations and settings that they are in as opposed to creating conclusions about whether those thoughts and feelings are genuine. Thus I critically engaged my participants to get an understanding of their roles and the challenges they encounter as they execute their duties. Qualitative research follows flexibility and creates an opportunity to obtain personal view points and answers to the research problem under investigation. It is also particularly oriented towards exploration of inductive logic claims (Anderson, 2011).

### **3.3.1 Case Study**

This study adopted a case study approach. This approach is a form of social inquiry that focuses on the way people interpret and make sense of their experiences and the world in which they exist in (Cohen, Manion & Morrison 2011). The case study shares its philosophical foundation with the interpretive paradigm which supports the view that there are many truths and multiple realities. Therefore in this study I constructed data by interacting with selected persons in their natural settings and by obtaining relevant documents (Rubbin & Babbie, 2012). Contending for the use of case studies Cohen, Manion & Morrison (2011) acknowledge that they allow for lots of details to be collected that cannot be easily generated from other forms of research. Hence in this study, it would not have been possible to generated adequate data through the use of questionnaires and observation. Therefore, the case study was suitable for this research because it enabled me to gain deeper understanding of the phenomenon that was studied; financial management in schools. The participants were relevant for the study because of the number of years they have spent as principals and in the management of finances in schools.

### **3.4 GEOGRAPHICAL LOCATION OF THE STUDY**

The geographical location of this study was Hhohho region where five schools within this region were selected to participate in the study. Of the five schools, three are in

peri-urban and two are in the rural. Those in peri-urban are approximately 4 kilometers apart, and about 15 Kilometers south of the city of Mbabane. The two in rural setting are much further some 20kilometre South East of Mbabane the capital of Swaziland.

### **3.5 SELECTION OF PARTICIPANTS**

The participants and the research sites were selected purposefully and conveniently so as to gain deeper understanding of the phenomenon under investigation. Cresswell (2009) views sampling as the process used to select a portion of a population for the study and comprises elements of a population considered for relevant for a study. Purposive sampling is when the researcher purposefully looks for participants with certain criteria that are critical to the study and the process is informed by information richness (Cresswell, 2014). Therefore, the participants were assumed to be in a better position to provide relevant information for the study. Rubbin & Babbie (2012) share the same sentiments and refer to purposive sampling as judgmental sampling where the researcher exercises his/her judgment in selecting the samples on the basis of his/her knowledge of the population. Purposive sampling was used in the study because its emphasis is on quality rather than quantity and the objective of this study was not to maximize numbers but to become “saturated” with information on the topic under investigation. In addition, purposive sampling involves the researcher making a conscious decision about which individuals to include in the study (Burns & Grove, 2009). This type of sampling was chosen for this study because it enabled me to select participants who were able to provide useful data upon which to determine the dynamics of financial management in Swaziland schools.

Convenient sampling involves drawing participants that are both easily accessible and willing to participate in a study Mcmillan and Schumacher (2010). Convenient sampling was used in the study to allow for meaningful engagement of participants through a prolonged period hence I needed participants who were within reach. This type of sampling was also used because the data collection methods were quite a

sensitive issue to the participants; analysis of the financial documents thus it needed participants who were willing to participate in the study.

### **3.6 DATA GENERATION**

In this study two data generation methods were used to construct data. Data generation is the act of acquiring and compiling information from different sources (Cresswell, 2009). It is an integral part of the research process. Interviews and document analysis were used to generate data and below I explain how each of these methods was used in the study.

#### **3.6.1 Semi-structured interviews**

Interviews are one direct way to find out a phenomenon from people who are involved in a study, and consequently, their answers reflect each person's perceptions and interests on a particular phenomenon under study (Creswell 2009). Rubbin & Babbie (2012) describe in-depth face to face interviews as questions which are open-ended and fairly specific in their intent. They are flexible and allow the interviewer to probe so that he or she may go into more depth to clear misunderstandings (Ludwig 2013). The use of interviews allowed me to get an understanding of the principal's behaviour through their eyes and voices which questionnaires could not provide. Interviews were appropriate for this study because they allowed me to probe and gain in-depth understanding of the topic under investigation. The responses from the interviews were recorded and later transcribed for analysis.

#### **3.6.2 Document analysis**

Document analysis is defined by Cresswell (2009) as a research method used as a tool for obtaining relevant documentary evidence to support and validate facts stated in a research. It is a task that involves analytical reading and review of lots of written material. McMillan & Schumacher (2010) share the same sentiments and declare that

document analysis is a form of qualitative research in which documents are interpreted by the researcher to give voice and meaning around a topic. Expanding on the definition of documents Burns & Grove (2009) say these are official records that give information about something or that can be used as evidence or proof of something within an organization.

In conducting this study I identified relevant documents within the school for data generation purposes. These documents were the minutes of meetings for school committees, the analysis book, petty cash book, cheque book, quotation files and bank statements. Okumbe (2010) views financial records in schools as banks statements, quotations, invoices, receipts, analysis book petty cash vouchers and cheque stabs. These records were examined because they are the ones that contain all information within a school that relate to financial management. Information in relation to financial management was recorded using research questions as a guide.

### **3.7 DATA ANALYSIS**

This study is qualitative in nature and therefore in analysing data I used qualitative data analysis. Merriam (1998) notes that data analysis is the process of making sense out of data by evaluating, consolidating, reducing and interpreting what the participant said. Powell (2009) notes that good analyses depends on understanding the data, that is the researcher has to read and re-read the text and listen to available tapes several times. In analysing data for this study I used content analysis specifically conventional content analysis approach. This process entails recognizing themes and classes that surface from the data. It includes determining themes in the interview transcripts and trying to validate and qualify them by examining the data and going over the process again to detect further themes (Mcmillan & Schumacher, 2010). As a way of understanding the data, I read, and read the data several times. I developed codes themes and categories that were relevant in answering the research questions. This approach enabled me to gain direct information from participants without imposing preconceived categories (Shenton, 2004). The interview guides were used

to create a tree of themes and new themes were assigned to the data that did not fit in the existing categories. Cohen, Manion & Morrison (2011) argues that coding involves systematic labelling of concepts, themes, events so that the researcher can readily retrieve and examine all data units that refer to the same subject across in subject across interviews. Coded data was then sorted into appropriate groups comparing them and looking for patterns and connections such that by the end of data analysis I had worked out major themes, clarified concepts and put together descriptions of the research findings.

Data from documents was analysed thematically. Thematic analysis is viewed by Williams (2012) as a strategy for analysing qualitative data. Within this strategy researchers review their data, make notes and begin to sort data into categories. Thematic analysis helps researchers move their analysis from a broad reading of the data towards discovering patterns and developing themes. In analysis the data from the documents I checked generated data from documents against a datasheet to determine if they were telling a convincing story. Finally, I brought together the analytic narratives of data extracts and contextualized the analysis to reviewed literature.

### **3.8 ETHICAL CONSIDERATIONS**

Ethics in research refers to moral issues in dealing with participants. Ethical measures are important in research because they enable the researcher to take into consideration what is morally proper hence as a researcher I observed them in my study. First and foremost I sought permission from the ethics committee of the University of Kwazulu natal which is the university that was guiding the study. In addition to that, permission was sought from the Ministry of Education and Training in Swaziland where all schools are governed. Permission was further sought from all participants; that is the principals of the five selected primary schools.

In addition to that, I held meetings with participants prior to their participation in the study informing them about the nature of the research and the purpose of the study (Oosthuizen, 2015). I was open in my discussions with my participants and gave them an opportunity to ask questions and clarifications where necessary. Participants were made aware that their participation in the study was strictly voluntary, there were no benefits attached to their participation in the study and I was going to hold at least two or three sessions of interviews with them. It was further drawn to their attention that should they wish to withdraw anytime in the course of the study they were free to do so. A letter of consent was given to participants where they signed and acknowledged their voluntary participation.

To ensure anonymity in this study pseudo names for participants and their respective schools have been used and I have avoided by all means revealing information that may be linked with names of participants.

### **3.9 TRUSTWORTHINESS**

In qualitative research validity and reliability refers to research that is credible and trustworthy (Nieuwenhuis, 2012). In this study to ensure validity and reliability the five constructs by Lincoln & Guba (1985) which are credibility, transferability, dependability and confirmability were used. Miles (2009) also advocates for credibility, transferability, dependability and confirmability as forms of validity and reliability in qualitative studies and these are discussed in detail below.

#### **3.9.1 Credibility**

According to Lincoln & Guba (1985) credibility deals with the question of how congruent or accurate the research findings are in reflecting the participants' reality through data. Expanding on this view Mushoriwa (2010) argues that credibility is when the realities that exist in the minds of informants are compatible with those attributed to them by the researcher; hence the researcher must make sure research

findings are as convincing as possible. To ensure credibility of the study a triangulation approach was used. Triangulation is whereby the researcher uses more than one method to generate data on the same topic, Cohen, Manion & Morrison (2011). Through combining multiple methods of data generation and empirical materials, the researcher tends to be able to overcome the weakness or intrinsic bias and the problems that come from single-method, single-observer, and single-theory studies (Niewenhuis, 2012). Therefore, in this study both document analysis and interviews were used to generate data. Moreover, in order to achieve credibility there was a prolonged period of engagement with participants in the field which was three months. The prolonged period was combined with adequate recording of data which entailed transcripts recorded during interviews as well as audio-recording. Participants were asked similar questions in different ways. Transcripts were read and re-read to ensure that they were correctly captured and the audio recordings were listened to several times.

### **3.9.2 Transferability**

Transferability means the degree to which findings can be applied to other contexts and settings (Mushoriwa, 2010). However, Lincoln and Guba (1985) stress that qualitative research is not transferable. Shenton (2004) concurs with these authors and remarks that the use of a small number of participants makes qualitative research findings not transferable. However, some measures can be taken to enable readers to look for similarities of certain situations and applicability of findings to similar situations. Thus this assertion served as a guide in this study and a thick description of the phenomenon being studied and the context were provided. The thick description provided in this study might help interested individuals in understanding the dynamics of financial management in similar contexts.

### **3.9.3 Dependability**

Dependability refers to whether the findings of the research would be consistent if the study was repeated with similar participants in a similar context (Bisschoff & Koebe,

2010), allowing for acceptance of research findings with confidence in the research community. Dependability requires the researcher to have a thick description of the research process and proper following of research practices. Guided by Lincoln & Guba (1985) in this study the researcher extensively engaged the participants in the data generation process and kept clear and accurate records according to the research objectives and verified data to check if it agreed with emerging themes from the participants' information. Furthermore, the research process was described in detail in the methodological chapter in order to produce a convincing account of the phenomenon being studied.

#### **3.9.4 Confirmability**

Confirmability, according to Shenton (2004), relates to the steps taken by the researcher to ensure that research findings reflect the understanding and views of participants and not of the researcher through reducing researcher bias. Confirmability ensures freedom from bias from the procedures and results (Mushoriwa, 2010). To achieve this in this study a self-reflection was undertaken by identifying the researcher's own bias and finding ways to reduce them in the study. The researcher guarded herself from bias by entering the field with an open mind and constantly engaging the participants to find out if the interpretations that had been attached to their pronouncements were accurate and truly reflected what they had said.

#### **3.11 SUMMARY**

In this chapter the research design, methods for data collection and data analysis have been presented. Trustworthiness of the study has been discussed taking into consideration the Lincoln and Guba constructs; credibility, transferability, dependability and confirmability. The next chapter, chapter four presents the analysed data.

## **CHAPTER FOUR**

### **RESEARCH FINDINGS AND DISCUSSIONS**

#### **4.1 INTRODUCTION**

The purpose of this study was to explore the dynamics of financial management in selected primary schools in Swaziland. Five principals were selected purposefully and conveniently from Hhohho region to participate in the study. To accomplish this purpose data was generated through interviews and document analysis using the objectives of the study as a guide. The previous chapter presented in details the research design and methodology adopted in this study. In this chapter findings are presented and discussed. The findings are presented and discussed in themes. The chapter begins with profiles of sites and participants to give a picture of the population of learners in the schools and the amount of money handled in these schools.

#### **4.2 PROFILING OF RESEARCH SITES AND PARTICIPANTS**

##### **4.2.1 Research sites profiles**

The study consisted of five primary schools. All the five primary schools are public schools located in the Hhohho region. These are no fee schools as the country has implemented the Free Primary Education (FPE) programme. This programme was introduced in 2010 after the association of ex-miners forced government into introducing it. Under this programme every learner receives E560.00 per year towards his/her tuition from government. This means that a school with an enrolment of 550 students receives E308000.00.

**Table 4.1: Research sites and participants**

| Name of school | Physical location | No of students | No of teachers |
|----------------|-------------------|----------------|----------------|
| Mbalenhle      | Peri-urban        | 610            | 21             |
| Masibekela     | Peri-urban        | 520            | 14             |
| Sitintile      | Rural             | 589            | 16             |
| Sibuyile       | Urban             | 588            | 16             |
| Zabeni         | Urban             | 502            | 17             |

**Table 4.2 Participants' profiles**

| Participant | Age | Gender | Qualifications           | Teaching experience | Years in principal position |
|-------------|-----|--------|--------------------------|---------------------|-----------------------------|
| Mbuso       | 48  | M      | Honours degree           | 22                  | 5                           |
| Lindiwe     | 51  | F      | Master's degree          | 21                  | 6                           |
| Amos        | 48  | M      | Honours degree           | 16                  | 5                           |
| Mathunjwa   | 36  | M      | Honours degree           | 14                  | 5                           |
| Thwala      | 45  | M      | Primary Teachers diploma | 16                  | 7                           |

### 4.3 FINDINGS AND DISCUSSIONS

To discuss findings in this study I firstly used my research questions to guide me towards the formulation of main themes. Due to this, four main themes were formulated from the key research questions. The themes are principals' financial roles, skills and competencies needed by principals, challenges encountered by principals and capacitation of principals. Together with these themes, the analysis of data led to the emergence of subthemes and these subthemes are further discussed under each main theme.

### **4.3.1 PRINCIPALS' FINANCIAL MANAGEMENT ROLE**

The purpose here was to examine what primary school principals regarded as their roles in financial management in schools. It was initially imperative to establish the understandings that principals had of the concept financial management.

#### **4.3.1.1 Understanding of financial management concept**

The conversations with participants revealed that they had a clear understanding of what financial management was all about. From these conversations it was revealed that financial management constitutes all the activities around the use of funds in schools and the management of physical resources. It was apparently clear that the management of physical resources was viewed as part of financial management role because money was used in the procurement of resources. When participants were questioned about their understanding of the concept of financial management they gave the following responses:

*It is looking into how fees are collected, kept and used. It includes also management of resources, Amos, while Lindiwe commented that, "It is about receiving revenue and how these monies are spent guided by regulations in using it; it is about how money should be spent consulting relevant authorities".*

*In the same vein Mbuso added that*

*This is about money that a school receives from government and parents and knowing how to use it in running the school.*

Participants' responses indicated that they had a clear understanding of the concept of financial management. Their perception of the concept was in line with Botha's (2008) view who had defined financial management as the process and functions associated with the management of the organisation's resources to achieve aims and goals for that organisation.

#### **4.3.1.2 The role of the principal in financial management**

The interviews with principals revealed that principals had multiple understanding of their roles as far as financial management in schools was concerned. There were several commonalities between the different principals in this issue and it emerged that they all had a clear understanding of what financial management was all about. From the conversations it was revealed that financial management constitutes all the activities around the procedure of expending funds and management of resources. The discussions of the participants' views are presented under the subtopics: Leading financial planning, procurement and control of finances, utilising funds according to laid down procedures, keeping of records, preparing of reports and reporting to parents. The understandings embedded in these roles by participants are discussed in detail below.

##### **4.3.1.2.1. Leading financial planning**

It emerged in the interviews that principals lead financial planning in the execution of their financial management roles. In the conversations it appeared that as they lead the financial planning process they ensured that the school development plan was prepared. They further ensured that this plan included budgeting and that funds were used according to the budget. Participants understood budgeting and prioritisation of financial activities as part of their role and viewed these as key to their operations. In presenting their views they spoke about a budget in terms of their personal value and as a tool for effective operations in the school. It was in the participants views that while they take the lead in the financial planning they work collaboratively with other stakeholders. Even though some did not directly talk about budgeting they implied it in their responses as one of their roles. The responses below provide evidence of the participants' responses

Mbuso commented that;

*My role as a school principal when it comes to control and management of finances is a great one...In schools we prepare the School Development Plan ...we budget and the budget must be done according to the seven pillars;*

*health, good teaching, food and security and many others. I take the lead in the preparation of this plan. I must prepare how the school has performed in terms of finances the previous year so that the plan or the budget will be drafted based on available information.*

While Amos acknowledged that

*I prepare the budget with my teachers and submit it to the committee for approval and further present it to parents.*

*My role also entails prioritising financial activities; I must plan which needs to be done first before the other and also make quotations for all the activities that must be accomplished. **Lindiwe***

The findings confirm that budgeting was a task for school principals and the comments by participants suggested that school principal's view budgeting as their roles. Sentiments by Amos suggested that even though financial management was the role of the school principal it was also a shared responsibility amongst other stakeholders; parents and teachers. The opinions echoed by participant Thwala "I must use funds according to the budget" were supported by Lindiwe who also observed budgeting as one of the essential roles for the principal. Even though Thwala did not mention preparing the budget he indicated that his role related to using money according to the budget implying the availability of the budget in the school or his participation in preparing the document. Surprisingly, Mathunjwa did not mention budgeting as his financial management role; however, when probed about it he strongly confirmed budgeting as one of the crucial roles and made the following comment:

*Yes ... we prepare a budget; we cannot receive the funds from the ministry if the budget is not available. **Mathunjwa***

From these views it was clear that budgeting was one of the roles for the school principal in financial management. The aspect of budgeting was contained in the Schools Accounting Regulations (2015) where the policy stipulated that the principal

must prepare a budget to cover the forthcoming school year and present it for approval to the school committee in the third term. The participants' comments reconciled with the reviewed literature where Nwafukwa and Aja-Okorie (2015) identified budgeting as the responsibility of the principal. This corroborates other research findings (Bwoi, Ogundele & Sambo 2015; Mestry, 2006; Thinguru et al., 2013) that reported preparations of the budget jointly with the management and staff as a role for the school principal.

This suggests that in the execution of their financial management role principals had to plan school activities not only in terms of the calendar but also in financial terms in order to improve academic performance of learners and ensure that schools were managed effectively. The school budget was considered an integral aspect of the school financial management function, a task that sets the stage for effective school operations and as such it was a management task. These findings were not surprising because in order for the principal to execute his duties efficiently and effectively he must be knowledgeable with regard to financial activities. As guided in the theoretical framework in chapter two budgeting as a role for the school principal, entailed the management function of planning.

#### **4.3.1.2.2 Procurement and control of finances**

Procurement and control of finances is a process that involved identification of needs according to an approved budget, placing an order according to financial policy, delivery of an order and record keeping. Participants presented differing views on procurement and control of finances even though they viewed these two as their roles. It was revealed in the discussions that within the procurement process they must be able to organize what must be procure first and where and how. It further emerged that the process was not a sole responsibility but it included other stakeholder in particular the committee for endorsement purposes. In their presentations they identified all issues around purchasing as being part of their roles coupled with being a financial controller. In the conversations participants made the following comment Lindiwe and Mathunjwa:

*I also need to go around making quotations so that the school spends less but on quality.*

*My role is that of being a financial controller, I control every single financial transaction together with the school committee. I am also an overseer with the help of the teachers. I must plan which needs to be done first before the other and also make quotations for all the activities that must be accomplished.*

**Mathunjwa**

From these pronouncements it was obvious that all participants considered purchasing related issues to be part of their roles. Participants Amos and Mbuso had the following comments to make:

*My role is to get money from the Ministry, use it and account for it in other words my role relates to that of being a financial organiser.*

*I am also an overseer in the utilization of funds with the help of the school committee and teachers. The committee approves all procurements above two thousand Emalangenzi. **Amos***

Emanating from their views it was noted that principals were in a position of trust and had to act in the best interest of the school and learners; hence in the procurement process they had to acquire equipment that was of good quality at competitive prices. Findings from the study revealed that principals viewed sourcing of quotations, controlling and overseeing financial transactions as well as organising finances as part of their roles in the procurement process.

These findings were in line with what had been argued in chapter two where Rooyen (2013) explained that principals should be able to control funds in schools as failure to do so could result in a considerable amount of unhappiness. Van de Merwe (2012) commented that controlling involved directing activities carried out in spending the budgeted funds to keep a healthy balance between expenditure and income, and

ensuring the alignment of the overall budget implementation with the prioritised projects. Moreover, in chapter two it was argued that controlling involved determining whether targets embodied in plans, policies and rules were being carried out appropriately and successfully (Mestry, 2009) hence it became a critical role in management of finances. This role required the principal to consistently correct deviations from plans and standards thus his duties encompassed that of an overseer and called for integration of the financial activities with set standards and the plan that had been initially put in place.

In addition to that, all stakeholders including donors were interested in seeing finances being well managed in schools so that they could pledge their support. Therefore the principal had to be able, in collaboration with the school governing body, to spend and monitor funds appropriately and be prepared for contingencies. The SASA (1996) stipulated that the principal had to guide the SGB in the management of funds. Of significance is that the theoretical framework in chapter two indicated control as a management function that all leaders performed at all levels (Bush, 2009). In discussing the theoretical framework researchers like Bush (2009) acknowledged that control was a management function that leaders consistently engaged in in the execution of their duties.

#### **4.3.1.2.3 Keeping of records**

Record keeping was one of the crucial roles for principals in financial management as expenditure in schools, as organisations, was only justified through the availability of records. Receipts were important records as they clearly indicated the financial activities in an organization (Bush, 2008). A critical engagement with the participants revealed that they were in agreement that keeping of records was part of their financial management roles. It was in the participant's views that this was a task that came with challenges as at times they delegated certain activities to some of the stakeholders. It further emerged in the conversations that principals were struggling with record keeping. Emerging from the participants' views it can be noted that stakeholders did not want to see their money being mismanaged hence it called for

custodians of funds in schools to account for money properly and control all transactions.

When asked about his role in financial management participant **Amos** commented that

*My role when it comes to financial management relates to keeping of records and it is one of the critical roles because records are used in preparing reports and may also be required by auditors since they serve as back up and a convincing document for the report.*

While **Mathunjwa** further offered the following comment regarding his role

*My role entails keeping of records and procurement of everything that will be used by teachers and learners.*

Thwala and Nkambule when asked about their roles they had the following comments as an understanding of their roles in relation to record keeping.

*when we utilize funds we also have to record all the transactions properly but this is a hectic activity especially when it comes to the analysis book because you analyse every expenditure and income against each student and each category.*

*Record keeping is one of the hectic roles we experience, and a task that must be done properly because at the end you have to account for every cent. If not the case it is considered embezzlement in its highest order.*

Findings from analysed documents in the schools indicated that filing of receipts and other related documents was a tall order for school principals, thus it was not properly done. In some instances receipts for some purchases were nonexistent and where receipts were available supporting documents for procurements were not filed. Some purchased equipment did not appear in the inventory file even though it was a

requirement covered in the Schools Accounting Regulations (2015). This policy stipulated that purchased equipment should be entered in the inventory file as money was used for procurement. The observed improper filing was an indication that school principals were unable to manage school finances well.

The pronouncements by participants reconciled with the literature discussed in chapter two where Rooyen (2013) commented that each financial event or transaction had to be entered in school books. The challenge that participants alluded to in the interviews were seen in the analysis of documents. Analysed documents in the research sites were not up to date and information in the files was not properly recorded. The theoretical framework in chapter two commented on accountability by an organisation to its sponsoring body as a requirement which depends mainly on record keeping. Utilising funds according to laid down procedures is the next point of discussion.

#### **4.3.1.2.4. Utilising funds according to laid down procedures**

School funds were considered public funds and were to be used according to set guidelines usually enshrined in policies. It was in the participants view that one of their roles entailed ensuring that funds were utilised according to the policy and that the process of expending school funds was not the principal's sole responsibility. This role emerged as a shared responsibility which was quite heavy to execute. It appeared strongly that the financial policy was a tool to direct financial management. From the participants' assertions it was obvious that they understood that there were procedures to be followed in the utilisation of funds hence the comments below:

*I must make sure monies are spent according to the policy and all laid down procedures are followed. Mbuso*

Lindiwe shared the same view and commented on her role:

*It is to control the finances. It is to see to it that funds are disbursed accordingly and accounted for following the Schools Accounting Regulations.*

*As a principal you need to follow all procedures when using school funds, cumbersome as they are but you must follow them. If need be engage the school committee depending on the amount to be spent.*

Of interest was that the pronouncements made by participants were inconsistent with the analysed documents. In utilising funds procedurally for instance, schools used cheques for financial transactions. All schools according to the Schools Accounting Regulations (2015) are supposed to have at least two signatories for all transactions; that of the principal and that of the chairperson of the school committee. In effecting their transactions principals and their committees were not supposed to have blank cheques signed, all signed cheques had to reflect the bearer. From the analysed documents it was noted that principals were unable to utilise funds procedurally. In most schools that participated in the study blank cheques were signed by the school chairperson. In Mbalenhle School there were three blank cheques signed, in Sibuyile School and Zabeni there were two signed blank cheques each. In Masibekela School the amount written on the cheque stub did not tally with the returned cheque. In other instances used funds did not appear in the minute book yet these were big amounts which procedurally could have been discussed in the school committee meeting. This clearly indicated that participants in the study had insufficient understanding in terms of policies governing their operations and skill in undertaking the financial management role.

Moreover, findings from documents revealed that funds were not disbursed appropriately as the signing of blank cheques seemed to be a normal practice in most schools and this was done for purposes of convenience on the part of the principal. This procedure did not protect school funds and constituted a transgression on the part of both the principal and the school committee chairperson and exposed the principal to undesirable acts. These findings were in line with the discourse presented in chapter two where Wushe et al. (2014) acknowledged that school principals were not

well capacitated in the execution of their duties which led to financial malpractices such as authorization of cheques usage in advance, paying with hard cash, making credits from school funds, and accepting money without issuing receipts. Such a practice went against the Schools Accounting Regulations (2015). This irregularity remained challenged by many scholars as it created loop holes in the utilisation of funds (Ngubane and Xaba 2013; Swartz, 2013).

#### **4.3.1.2.5 Preparation of reports and reporting to parents**

Handling of public funds required custodians of such funds to report at a given point in time. Preparation of reports and reporting to stakeholders was therefore found to be another responsibility facing the school principal through the perceptions given by participants. They described reporting as an essential responsibility that had to be carried out with caution and the general consensus amongst participants was that it was imperative for the principal to prepare a convincing report. Participant **Lindiwe** commented that;

*...It includes preparing a report at the end of the year and presenting it to the school committee for approval and further present it to parents.*

While Nkambule and Thwala in a similar tone made the following comments

*...you know being a principal encompasses a variety of roles including that of reporting to parents and the committee. This is a crucial role which if not carried out properly may create a lot of conflict. You know parents have a right to reject a report if not satisfied.*

*We need to prepare a financial statement of transactions covered in the course of the year and report to parents. **Thwala***

The pronouncements made by these participants reconciled with the reviewed literature. Mestry (2009) noted that principals had to report all financial activities to

stakeholders in collaboration with the SGB. Davies (2013) shared the same sentiments and commented that principals should prepare annual reports to present to parents. This role was also enshrined in the Schools Accounting Regulations (2015) that principals as chief accounting officers were to prepare a financial statement at the end of the year and present it to parents as well the Regional Education Office. Bush (2009) commented that principals needed to provide financial statements to stakeholders including school governing bodies. Drawing from the theoretical framework it can be noted that in formal models the official structures tended to be hierarchical with every individual being answerable and principals were answerable for the activities of their departments hence they had to report.

#### **4.3.1.2.6 Management of physical resources**

Management of physical resources contributes to school effectiveness. Participants understood management of physical resources as a key role. This understanding was partly attributed to the fact that money is used in the procurement of resources hence it is essential that resources are managed properly. This role called for inventory management as assets represented cash and the mismanagement of such meant the mismanagement of funds.

Thwala and Lindiwe touched on the idea of management of physical resources as part of the principal's roles and they made the following comments;

*As school principals we also need to manage the assets we purchase in the school as they form part of school funds.*

*Moreover, we must be able to manage the different assets that a school purchases and we need to record them in the inventory file. Lindiwe*

These findings were in line with Mngoma (2009) who viewed the success of teaching and learning to largely depend on the extent to which physical resources were effectively and properly acquired, managed and retained. Proper inventory management prevented theft and corruption hence it was imperative for the principal to update the assets inventory regularly.

Drawing from the formal model and managerial leadership in the theoretical framework it can be pointed out that the task of planning, monitoring and controlling are entailed in the five management functions of management. Of major significance is that all managers at all levels including the school perform these functions. Planning is a step that involves mapping out how to achieve a particular goal hence in financial management this is covered in the budgetary process. This entails goal setting, needs analysis and priority setting. The implication is that management of school finances therefore involves the task of planning (budgeting), organising (coordinating), as well as controlling (auditing), (Clark 2008). The next point of discussion is the skills and competencies needed by principals for the financial management role. Managerial leadership assumes that the focus of leaders ought to be on functions and tasks and that if these tasks were carried out competently the work of others tended to be easy in the organisation.

#### **4.4 SKILLS AND COMPETENCIES NEEDED BY PRINCIPALS FOR FINANCIAL MANAGEMENT ROLE**

In order for principals to execute their duties effectively and efficiently they must possess certain skills. Therefore the intention here was to identify skills and competencies needed by principals in the management of school finances. The following subthemes emerged in the study and they are discussed in details; Skills that principals possess, this job requires accounting skills, money must be used according to budget, analysing the cash book, understanding of procurement issues

##### **4.4.1 Skills that principals possess**

Firstly it was imperative to identify the skills participants possessed. Most of the participants were not sure of the skills they possessed hence their responses were given with great uncertainty. In discussion with them they could not explicitly point out to a specific skill. It also transpired that to curb for the skills they were not sure whether they possessed or not they used their subordinates to assist them. A critical involvement with them gave rise to the following pronouncements:

Participant **Lindiwe** commented thus,

*Eish, I am not sure whether to call it a skill but I always try to make sure that I keep all receipts after purchasing in the file and I have trained my secretary to make sure she always keeps all receipts in files whenever I am not there.*

Thwala and Amos were of the same view and they commented that

*For now I cannot say which one exactly except that I try to make sure everything is done appropriately. I am trying and able to keep things going for now. I try to work on the budget properly.*

*Ya I think I need to be empowered with financial management in general.*

The comments by Amos, “*I need to be empowered with financial management in general*” clearly indicated he could not specifically point to the skills he possessed. However, it was noted with interest that some of the participants, Mbuso and Nkambule acknowledged that they had budgeting as a financial management skill.

*I think I am most comfortable with budgeting skills so far.*

*Budgeting. I think I am able to compile the budget appropriately.* **Nkambule**

Of significance was that budgeting was an essential skill that enabled school leaders to execute their duties well. This essential skill has been discussed in the work of De Bruin (2014) who had discussed budgeting as an necessary aspect of school financial management and in all financial planning.

#### **4.4.2 Skills that Principals Need**

Participants were almost in agreement in relation to the skills and competencies they needed in the execution of their duties. These skills are discussed below and include:

accounting, record keeping, budgeting, analysing cash and analysis book, reconciliation of monies, good understanding of procurement issues and reporting skills.

#### **4.4.2.1 This job requires accounting skills**

All participants acknowledged accounting as a key financial management skill they needed for effective financial management. From the conversations it emerged that accounting as a skill was complex and it involved certain procedures. Participants further emphasized that they needed this skill because they were trained as teachers' not financial managers. The findings as presented by the participants are in twofold; firstly principals needed accounting skills and secondly they were lacking this skill. It transpired during the discussions with participants that there are many activities that require the accounting skill from the principal hence at times they find themselves to have mishandled funds inadvertent. The comments below are evidence of these findings.

*Being a school principal is a very tedious job. My profession is teaching, I trained and studied as a teacher and this job requires accounting skills ... which I never studied and the way the monies are handled here is totally different, different even from the way you handle your own funds.... you find yourself having mismanaged money because of ignorance or not being well versed with accounting skills. **Mbuso***

When asked about accounting skills **Amos** echoed the same sentiments and commented:

*Yes they are necessary because financial management deals with money and as a principal you are dealing with numbers and not just numbers but one needs a good understanding of management of funds; one must be conversant with the accounting procedures and jargon.*

*Everything that is done in relation to finances is based on accounting. For example, immediately after receiving the money you must be able to record and analyse it appropriately; that is record it into relevant categories and then throughout the year as you do everything you will be working with account related information and in order for you to be able to do this you need accounting skills.* **Mathunjwa**

*Accounting skills are necessary because everything that is done here is money related.* **Lindiwe**

It was also found that participant felt strongly that they needed an accounting skill and to indicate this Nkambule made the following comment;

*I think the major thing that I need is knowledge on accounting. I think I need strong understanding of financial management in relation to accounting.*

This aspect was covered in the Schools Accounting Regulations (2015) which acknowledged that the school principal had to record expenditure incurred by the school and ensure that there was supporting documentation/vouchers for each item of expense referring in part to accounting skills. This policy further stated that at the end of each school year the principal was responsible for preparing an annual financial statement for the school fund making accounting issues critical in the management of finances. This was in line with Ogundele et al. (2015) who reported that financial management skills needed by principals were: budgeting, monitoring, keeping accurate financial information and accounting. However, a lack in this skill was noted in the manner in which records were kept in schools. In the analysed documents information was either not available or not up to date. This was a norm in all five schools and worth acknowledging is that this corresponded with the utterances made by participants earlier; that they were lacking in the skill. The theoretical framework in chapter two has advised on accounting as a key role for the leader of the organization.

#### **4.4.2.2 Spending money according to a budget**

Budgetary skills were also noted to be a necessary skill for the school principal. It was in the participants views that received income should be spent according to a budget. There were two key issues that emerged from the findings in relation to spending money according to the budget. Firstly it was about budgetary skill being needed by participants in the execution of their duties. The second issue related to principals lacking the skill of budgeting, this being clearly uttered in Mathunjwa's comments below.

*I do not know whether to call it a skill or what budgeting; the money must be used according to the budget; even the development of the school development plan you need a skill in doing it because it is accounting and business related.*

This was further evident in the remarks made by Lindiwe who commented that;

*I think I need budgeting skills; so that as a principal I do not go for things that are not a priority or to avoid buying unnecessary things.*

These findings were consistent with what had been argued in the literature. Drawing from Clark (2010) it may be debated that principals were lacking in this skill because when they were appointed it was not taken into consideration whether they had the relevant knowledge or not but appointment was based of their teaching experience which became a problem in operations.

In addition to that, analysed documents indicated that principals needed budgeting skills. The operational records, receipts and all other procurement issues did not speak to the budget. It was noted in the analysis that budgets were prepared and never implemented in the actual operations. Of major significance was that the budget was prepared as a requirement stipulated in the SDP and a procedure for accessing funds from MOET rather than an actual plan to follow (Heystek, 2013).

#### 4.4.2.3 Analysing the cash book

The analysis book is a book for recording revenue and expenditure. It was an important document that had to be updated regularly as it assisted in reflecting the financial situation of the organisation. Whereas there were those who felt they needed the skill of analyzing the cash book; entering available funds into categories there were those who felt they needed the skill of reconciling the finances. The conversations below by **Thwala** and **Mbuso** present their views:

*Yah, you also need a skill of analysing the cash analysis book, because the money that we receive from the Ministry comes as a lump sum and you must be able to analyse it into the different categories according to each learner.*

*Reconciliation of monies is a skill on its own that one needs to be equipped with and lack of this requires that once in a while as a principal you employ people who are well equipped with accounting to help with the accounting books and make sure that everything balances up and we pay dearly for that. You will remember that in schools there are no bursars so at the end you definitely need help from account relevant people.*

The lack of knowledge and deficiency in this skill was also observed in the examination of documents including the analysis book. In most schools this essential document was found to have not been updated for a long time. The Schools Accounting Regulations (1992) stipulates that the analysis book must be updated at the end of each calendar month. These findings tallied well with what the participants cited in the interviews; lack of capacitation. It was noted with concern from the pronouncements that principals paid from their personal coffers when they employed people who were equipped with financial management duties to assist them in their roles of reconciling monies as they lacked this skill. **Nkambule** made the following comment when he was asked on how they paid such personnel to assist them:

*You pay from your own pocket. All monies used here are requested and authorized by the school committee and you cannot request money for the*

*assistance of an accountant because you do not want the committee to look down upon you as an incompetent somebody. At the same time you want to save your skin by having records that can balance up and are up to date.*

The view offered by Nkambule suggested that participants needed the skill of reconciling funds. Nwafukwa & Aja-Okorie (2015) referred to quite a number of skills required by school principals including presenting reports. It is paramount to acknowledge that it is not possible to produce reports without reconciling accounts.

#### **4.4.2.4. Understanding of procurement issues**

Procurement is a procedure that enables schools to acquire resources and it is done in cyclical stages. In presenting their views participants commented that they needed an understanding of procurement issues whereas some were not sure whether they possessed this skill or not. In the procurement process school principals, as guided by the Schools Accounting Regulations (2015), are supposed to acquire three quotations for every purchase and attach these quotations for record and transparency purposes together with invoices and receipts. This was evident in remarks like;

*I think I also need a good understanding of procurement issues. You will be surprised that the accounting regulations says for procurement we must use registered companies with licenses and not free traders and how do we know those. Even if we know them their prices are normally high. At the end you find that we spend a lot of money unnecessarily. You find that something that you would buy for E100.00 you end up spending E500.00 because things are much cheaper from the vendors than from companies. Take for instance firewood is far cheaper from vendors than registered suppliers. **Thwala***

*We need to be able to follow all procedures in the procurement process. However the issue of getting quotations tends to be expensive in terms of time and money hence we end up purchasing without getting some. **Mathunjwa***

Of note is that according to the comments by participants they did have knowledge of procurement procedures but it was challenging for them to abide by the requirements. In addition, it was revealed in all analysed documents in most schools that participated in the study that in the procurement files there were either one or two or no quotations at all. This was in line with Swartz's (2012) findings which revealed that procurement procedures in schools were highly questionable. This finding was against some of the statements made earlier in the interviews where participants cited the sourcing of quotations as one of their critical roles and as a means of ensuring that schools got quality equipment at a competitive price.

#### **4.4.2.5 Record keeping and reporting skills**

Reporting is a key role for the principal. It emerged in the interviews that this is a crucial area in the management of finances and records are important because they served as a reliable source of information. Most participants felt that they needed reporting skills in the execution of their financial management roles. The loss of a receipt in a school has serious consequences such as being charged with fraud or embezzlement and being discharged from work dishonourably. Participants were in agreement that indeed records told a financial management story using terms like evidence and explanation and justification. It further emerged from the findings that the consequences of poor recordkeeping are (1) inability to balance the books (2) inability to formulate reports and (3) an impression that finances have been mismanaged even though it might not be the case. In discussing record keeping and reporting as essential financial management skills **Mbuso** advanced the following comment:

*If record keeping has not been done properly nothing will balance in the end when one is preparing the report. They [records] serve as evidence and a record of all that is happening in relation to the funds and should they go missing the understanding is that embezzlement has taken place.*

While Mathunjwa observed that,

*....The records are crucial...if they are not straight the assumption is there is malpractise or embezzlement of funds taking place.*

And in similar tone **Nkambule** added that,

*Yes. Another problem is that of working with other people in the management of funds; when you give them money for some purchases they do not bring back receipts and this becomes a serious challenge.*

These sentiments were further echoed by **Thwala** who stated:

*I think I also need reporting skills. You know in the carrying out of our duties at the end we need to report. We report to the committee on how monies are being spent and further report to parents.*

They findings reveal that principals are lacking in reporting skills yet this was a requirement enshrined in the Schools Accounting Regulations (2015). Wagithunu et al. (2014) noted earlier in the discussed discourse that in order for a principal to be able to compile a convincing comprehensive report he had to ensure that a proper filing system was clear and updated often. Suggestions on how to solve these problems revolved around developing technological skills and back-up systems for daily operations of the school such as (1) getting invoices and receipts sent to the school e-mail address where they can be accessed at any time (2) scanning documents onto the computer drive, (3) uploading documents into the cloud-based storage system and (4) approaching suppliers for duplicate invoices or receipts within a reasonable timeframe. These are back-up strategies to guard against loss of information (Bisschoff & Mestry, 2003) giving credence to the Ngubane & Xaba (2011) argument that records are a legally verifiable source and proof of management of finances.

Drawing from the theoretical framework, the managerial approach to management and the formal model it is acknowledged that this model emphasised accountability of

an organisation to its sponsoring body. Of significance is that schools as public organisations and principals in particular remained responsible and accountable to school committees, to parents, to MOET and the state at large hence principals should possess reporting skills. Moreover, this theoretical framework was of the view that it is the principal's responsibility to accounting for all organisational operations thus it became essential for him/her to possess relevant skills and competencies.

#### **4.4.2.6 Communication Skills**

Communication was noted as a key skill required of the school principal. Even though participants did not mention that they needed this skill it emerged from the conversations that they were lacking in this skill. It sounds like an oxymoron but by virtue of their complementary nature and impact on finances certain non-financial skills are needed by the school principal as a chief accounting officer. The participants unwittingly admitted to that fact, inability to capture minutes at meetings was a challenge. It was revealed from the participants' pronouncements that the SDP is a communication tool hence Mbuso made the following remarks;

*as you do the plan you must know where you want to take the school to and adequately present the idea in the school development plan.*

The SDP is a tool relating to the school's vision to the REO and any other interested parties. Failure to communicate to the REO's satisfaction means that the SDP will be rejected and no funds will be channeled to the school by the government. These potential consequences are what categorise communication skills as a need as there is no point in having a business plan that cannot be understood by the financier.

Of significance is that principals need reporting as a skill and reporting is more than figures since numbers must be put into context relating how far the vision portrayed in the SDP has been achieved.

The communication skill is necessary even in the recording of minutes as the principal is the secretary of the school committee. With this understanding it then becomes imperative that the resolutions be recorded meticulously. When asked about other skills that participants needed Mathunjwa commented that;

*...I think being able to capture resolutions in meetings. I am not so good in doing that. **Mathunjwa***

Mathunjwa's sentiments were confirmed at Mbalenhle School wherein resolutions of meetings were not well captured. For example in one of the minutes where the committee discussed the purchase of a photocopier the minutes read, "We should consider purchasing a copier since the current one is no longer usable." The receipt file reflected that a copier was later purchased to the value of R38,000.00. It remained unclear what exactly the committee had agreed upon as words like 'consider' were used. This was also true of other schools where words and phrases like "let us consider buying ...", "maybe we need to make quotations" and "see if we can afford..." were used. However, in Masibekela School and Sitintile minutes were well documented with proper verbs indicating clearly what the committee had resolved. Phrases such as "it was agreed that the principal should source quotations and ...." However in the analysed discourse communication has not been discussed as a necessary skill for the school principal in as far as the management of finances is concerned.

#### **4.4.2.7 Prioritisation skills**

This is a skill needed in all disciplines particularly in financial management and was mentioned by the participants often. Prioritisation as a skill goes beyond budgeting in that it is a factor of effectiveness, which is doing the right thing first time in line with the set goals in the school development plan. For example, the payment of sports affiliation fees must be given priority where pupils would have sports fees in order to avoid a riotous situation. It appeared from the discussions that in order to execute the skill effectively the individual must have good knowledge of the organisation's needs. The findings revealed that prioritisation makes the difference between success and

failure of a school. However, it is crucial that priorities be set not according to personal preferences but rather based on returns in terms of pupil and school development.

*...You need to know how to use the money for effective operation of the school...You must be able to prioritise all the financial activities so you need to know which things are more important than the others. **Mbuso***

*My role entails prioritising financial activities; I must plan which needs to be done first before the other...That is why I talked about prioritising financial activities. Budgeting enables us to prioritise. **Lindiwe***

There is an assumption that school principals know what to do first yet it is quite possible that the same may not be able to prioritise. The theoretical framework in chapter has emphasized on planning as a crucial financial management role and prioritisation as a skill directly relates to planning as a management function.

#### **4.4.2.8 Relationship-Management Skills**

Even though participants did not directly mentioned relationship management skills it emerged from the discussions that sound relationship management is a skill that a leader need for proper management of funds. In the assertions made by participants this skill emerged as a critical one that positively contributes to continuous operations of the school amidst financial challenges. Participants who had sound relationships with creditors could get purchases and teaching aids before receiving money from the ministry in order to make the school operational hence Thwala made the following comments;

*You know what we end up going around buying on credit and owing suppliers. When buying from that angle you cannot make quotations because you just go straight to the one who will be willing to give you what you need on credit*

*deviating further from the Accounting regulations and at the end we end up being blamed for that. Thwala*

Generally, suppliers also knew what was expected of the government procurement system yet they risked deviating and supplying products without following the process and this only happened when there was a relationship of trust between the principal and supplier.

Furthermore, good relationship management skills does not only relate to dealing with suppliers but even internally in working with school committees and teachers. This calls for rapport between the stakeholders especially in view of the fact that the school principal is the leader and disseminator of information. Sound relationships made working with them easier. In addition, there was a basis for the establishment of that rapport, with regard to, education and understanding on both parties. Nkambule and two other principals benefited from good relationships with colleagues who were then prepared to assist them with financial management.

*I rely much on my colleagues who were ahead of me and people who had done accounting...Yah even today I still depend on the skills and knowledge of those people.*

The nature of the accounting and financial disciplines are such that a person has to work under supervision for a while in order to perform excellently at their finance tasks. This was not happening with most principals, however, making use of colleagues' information and experience gave Nkambule and others time to acclimatise. This would not have been possible without sound relationships.

Drawing from the theoretical framework and the managerial approach to leadership it is acknowledged that all the skills and competencies that principals need in the execution of their duties relate to the management functions. Co-ordination is one of the management functions that constantly features as the principal execute his/her duties coupled with control and monitoring. It is obvious that as the principal executes his roles he has to constantly co-ordinate a variety of structures which is purely a

management function within the management roles and the formal model of educational management.

#### **4.5 FACTORS HINDERING SCHOOL PRINCIPALS IN EXECUTING FINANCIAL MANAGEMENT DUTIES.**

The purpose here was to identify factors that hindered school principals in executing financial management duties well. Participants identified a number of issues that hindered them in the execution of their duties including the late disbursement of funds by the ministry, lack of knowledge in the execution of their duties, lack of knowledge and commitment on part of school committees. These challenges are discussed in detail below.

##### **4.5.1 Late disbursement of funds by the ministry**

In the participants' views it emerged that for the success of teaching and learning there was a need for timely availability of funds as this allowed for procurement of necessary equipment and in return influenced the instructional process. However, participants indicated that in the execution of their duties they experienced challenges in receiving funds from MOET timeously. Participants were in consensus that government did not release funds to schools on time. The late disbursement of funds by the ministry was cited by participants as a thorny issue because at the end they were blamed by the same ministry for poor results. Without cash on hand no organisation can function. It is tantamount to trying to run a machine without oil or driving a vehicle without fuel. The implications are numerous, for example (1) inability to properly plan for any activity or purchase. Most actions become haphazard (2) consequently no teaching aids which in turn (3) demoralizes both teachers and pupils. This was noted as a key challenge facing schools with the inception of the FPE programme. The pronouncements below are evidence of the findings.

*Yes lack of funds is one of the major challenges especially beginning of the year. Sometimes it is very difficult to kick start the year because government does not distribute the money on time. I am sure you are aware that the Free Primary Education) programme has been rolled out up to grade 7 and all the money that we now use in schools comes from government. At times he delays to pay funds and it becomes difficult for operations to take place. **Mbuso***

*Lack of funds, you know there are so many problems associated with receiving money from government. One of them includes the late payment by government to schools especially at the beginning of the year. We do not receive funds in time from government and this is a big challenge for us. Sometimes it takes two to three weeks after schools opening before we get the money and that is a long time because a school must be able to operate from day one. **Amos***

*You know what we end up going around buying on credit and owing suppliers. When buying from that angle you cannot make quotations because you just go straight to the one who will be willing to give you what you need on credit deviating further from the Accounting regulations and at the end we end up being blamed for that. **Thwala***

These findings were in line with the Mngoma (2009) study which revealed that the late disbursement of funds hindered school principals in executing their duties well. Such an act on government's part tampered with the instructional process and affected most operations as funds were needed as soon as schools started operating for the procurement of learning resources.

#### **4.5.2 Fluctuating number of learners**

It was also noted that the challenge in relation to finances was not only related to government's delay in releasing funds but also to the number of learners a school had. It was noted from the participants' views that the number of learners affected the

amount of money a school received and consequently the whole planning process because the available number of learners in a school is used to make projections in running a school. This was viewed by participants as a significant challenge. The fluctuating number of learners was attributed to transfer of learners from one school to another especially in schools that were within the same vicinity. Participants noted that the number of students fluctuated yearly;

Hence Lindiwe made the following the proclamation:

*The ever fluctuating number of learners is also a problem. You know everything that we do is based on money and with the introduction of Free Primary Education there is no money available now in schools because the Ministry gives us money based on the number of children that we have...you know this year I have been so unfortunate I received money a month after opening and I am telling you I suffered, I pulled very hard and you know teachers they do not want to understand anything they want material to work.*

Mathunjwa made the following comments;

*Yah there are many factors that make our budget to end up unachievable. You know when we make these budgets we make them based on possible numbers that we might have the following year and you find that the numbers drop because I have got three or four other schools around ours, so sometimes learners transfer to these schools.*

Nkambule also presented views that the ever fluctuating number of learners was a problem and made the following pronouncement:

*When we receive the money from government we do not receive it at once it comes in bits and pieces and that is a problem on its own. Even if you receive all the money and there are learners who have transferred you have to return that money. Worse that you cannot ask for top up fees from parents.*

Consequently the fluctuating number of learners translated into a cash flow crisis. It was one key area that crippled operations especially because it was an incidental occurrence. Thinguru et al. (2013) in their study acknowledged that the same problem of learner transfer from one school to the other was being experienced by school principals and posed serious challenges in their operations.

#### **4.5.3 Lack of knowledge and co-operation on part of school committees**

Drawing from the participants' views it was clear that lack of knowledge amongst school committee members was another factor that hindered them from executing their duties well. Of major significance is that school committees were vested with authority in financial management in schools especially when it came to decision-making and at times principals were challenged by failure of committee members to attend meetings. Participants highlighted that committee members lacked knowledge in relation to school finances especially because the School's Committee Constitution (2011) did not require elected members to hold a particular level of education. This document acknowledged that committee members had to be literate but remained silent about the literacy level hence parents elected anyone to be a committee member especially the eloquent. The literacy level of the committee members hindered progress in the execution of duties by principals and left a gap in most school operations hence Mathunjwa, Amos and Thwala made the following comments respectively:

*It is just the issue of being illiterate because when parents elect committee members there is no consideration whether they are educated or not especially because the school committee constitution does not require any level of education for one to be a member of the school committee. Their level of illiteracy sometimes presents challenges. At times they attach no value to important committee meetings such as the school development plan yet their contributions are vital in such meetings.*

*Eh, illiteracy becomes a concern here. You know there are still illiterate people in some communities and because parents elect without being informed they elect anyone. So if the committee is illiterate especially the chairperson hhawu umkhumbi ufile. (The boat will sink) I am struggling with that here some of my committee members are illiterate.*

*They lack numeric skills and analytic skills and at times they are not even open to ideas. You may present information to them and you will find that they cannot grasp anything; recently they surprised me with their lack of knowledge on the school's financial performance even though it was presented to them; they could not make sense out of what was presented to them later in a parents meeting.*

Mngoma (2009) commented on illiteracy as a hindrance that challenged the school principal in the execution of his duties. It was noted with concern from the participants that school committees were not trained in relation to financial management as they made the following comments when they were asked whether committee members had received training or not.

*No, after they are elected they are oriented on duties they will be doing as they work with the principal. **Mbuso***

*No, they are not but we once attended a workshop run by EU (European Union) where the committee was invited and issues of finances in schools were discussed. In this meeting they were told as a committee that they are also accountable. You know there are a lot of problems here because the schools committee constitution does not state the level of education that they must possess in order to be school committee members. The constitution just talks about being literate as to what level of literacy it is silent. So parents just choose anybody that they think can represent them. **Nkambule***

Mestry (2004) said that accountability was giving an account for decisions taken and justification for the same. Yet, the following is a shocking revelation by

*Amos: You may present information to them and you will find that they cannot grasp anything; recently they surprised me with their lack of knowledge on the school's financial performance even though it was presented to them; they could not make sense out of what was presented to them later in a parents meeting.*

The phrases used are “cannot grasp anything” and “could not make sense out of” which are telling of the committee’s mental capabilities.

In addition to lack of knowledge, participants also viewed lack of co-operation and commitment amongst committee members as a hindrance in the execution of their duties.

*Worse the unavailability of school committee because these people are employed sometimes it is very difficult for them to attend meetings or for meetings to take off because they are not there. Lindiwe*

*You know some of the members are employed and this make it very difficult for them to be available for meetings. Sometimes you schedule meetings for evenings hoping they will attend since it is after hours but they do not show up. Thwala*

The utterances made by participants clearly indicated that the presence of committee members in meetings was necessary for effective decisions and their contributions. The lack of cooperation and commitment was in itself a display of ignorance and lack of understanding. However, one participant had learnt how to deal with their committee:

*You need to be firm and sometimes remind them of their roles and your role for the success of the school. Mathunjwa*

It was further revealed from participants' pronouncements that there was a need to review the appointment of school committee members. It was in the participants' assessment that the review of this process should allow inclusion of people who could contribute meaningfully and effectively in the management of finances. Governance principles were really violated when a school had an educated principal and an illiterate committee which could be lied to and manipulated by the same principal. The committee would approve issues that did not relate to the school but only made to look as such (Mestry, 2009). Therefore, in as much as misappropriation of funds can happen due to ignorance, embezzlement can happen due to loopholes in the intended financial structures. Surprisingly, the issue of lack of co-operation has not been identified by any other researcher. It was of major interest when participants raised the concern.

#### **4.5.4 Lack of knowledge on the part of the school principal**

Participants also noted lack of knowledge on their part as a challenge they faced in the execution of their duties. Participants had indicated that they were sometimes challenged by lack of knowledge as they were appointed on the basis of having been teachers for a long period and not on the merit of having been trained in financial management. The findings revealed that principals have never been trained as financial managers thus Amos pointed out this view;

*The lack of accounting background knowledge is a challenge.*

Lindiwe stressed the view and expanded that;

*You know as a principal I am not conversant with accounting knowledge and since appointment to the position I have never received any training. This presents a challenge in the execution of duties because things here are done procedurally.*

The lack of knowledge was also found in the analysis of documents where the analysis books of Masibekela and Sitintile schools were not up to date. This was in line with Thinguru et al. (2014) who observed school principals were challenged by the lack of knowledge in the execution of their financial management roles. This researcher noted that in Kenya the basic university degree of education did not offer financial management courses for education students even at Master's level. Hanshraf (2007) and Mngoma (2009) indicated that principals may be challenged by lack of knowledge in the execution of their financial management duties.

Lack of knowledge challenged participants to the extent that they had to personally employ people who were equipped with financial management duties. These people were employed to assist them in their roles of reconciling monies and preparing records; hence to indicate this Mbuso made the following pronouncements;

*No, how dare you do that. You pay from your own pocket. All monies used here are requested and authorized by the school committee and you cannot request money for the assistance of an accountant because you do not want the committee to look down upon you as an incompetent somebody and at the same time you want to save your skin by having records that can balance up and are up to date.*

Lack of knowledge was also observed in the capturing of minutes and one participant accepted that

*I think being able to capture resolutions in meetings. I am not so good in doing that. **Mathunjwa***

Lack of knowledge on the part of school principals resulted in poorly prepared school development plans. School development plans are documents that schools prepare to map out a plan for the forthcoming year in terms of operations and especially financial-related issues. It was noted from the participants' pronouncements that they

encountered challenges associated with the school development plan and the voices below represent their views:

*Ah not really because sometimes the school development plan is rejected for correction then you can tell that one is still lacking in the issues of budgeting properly. **Lindiwe***

*There are many problems associated with receiving money from government as the school must produce a convincing budget through the school development plan in order to receive money from government. **Nkambule***

Reviewed literature was silent in regard to school development plans and standards for developing the document. The theoretical framework highlighted availability of records. It is to be noted that incompetency in one area in financial management had a domino effect as seen in **Nkambule**'s utterance

*...preparing financial reports is the one I hate most because if record keeping has not been done properly nothing will balance in the end.*

From this utterance it was obvious that the participant hated reporting probably because of his poor record keeping which resulted in reporting challenges hence creating a vicious cycle wherein nothing was done right.

When Mbuso was discussing his lack of knowledge and need for an expert in financial management to the point of paying one to do the job the researcher inquired if school resources were used for that purpose.

*No, how dare you do that. You pay from your own pocket. All monies used here are requested and authorized by the school committee and you cannot request money for the assistance of an accountant because you do not want the committee to look down upon you as an incompetent somebody and at the*

*same time you want to save your skin by having records that can balance up and are up to date. Mbuso*

The above utterances spelt (1) fear at being discovered as being ignorant of financial management to a point of spending personal money to solve the dilemma (2) a need to save face before the committee and (3) a desire to preserve employment status. These findings were in line with Mestry (2004) who rightly indicated that the school principal “may sweep financial problems under the carpet for fear of being implicated”.

#### **4.5.5 Trainers are not capacitated**

For one to benefit from a mentor relationship, the mentor must be grounded in his knowledge. Participants noted with concern that their trainers were not capacitated in financial management themselves. This was revealed through the kind of workshops offered to participants and the fact that some trainers had come out to say that they were not trained in financial management and **Mathunjwa** commented that

*..... I later discovered that he had not been a principal before and you know when we are training to be teachers we are never trained on finances. So it was the blind leading the blind. In fact I was better than him because I have been working on these things in the course of the year.*

The pronouncements were in line with Mestry (2004) who argued that contents of workshops were too theoretical with some trainers not having a sound financial background.

#### **4.5.6 Policy implementation is practically difficult**

In financial management a policy is necessary for efficient operations. It emerged from the interviews that covered issues in the policy are difficult to implement and not only difficult but expensive in terms of money and time. Participants highlighted

policy implementation as a challenge they encountered in the accomplishment of their roles. Participants in their presentations lamented that policy implementation was a tall order for them; in fact what was stipulated in policy was very difficult to implement hence at times they found themselves deviating from it. In that vein they made the following declarations:

*Actual account work is a difficult one and worse than what is presented in the policies is practically difficult to do. You know I will give you a good example, the issue of quotation; the Accounting Regulations requires three quotations to be available before any purchase can be made and you find that this is time consuming and not only time but even money wise. When you move up and down you are using money and this becomes a great challenge with the current state of finances in schools. **Mathunjwa.***

*You will be surprised that the accounting regulations says for procurement we must use registered companies with licenses and not the free traders and how do we know those. At the end you find that we end up spending a lot of money unnecessarily. You find that something that you would find for E100.00 you end up spending E500.00 because things are much cheaper from the vendors than from companies. **Thwala***

This was in line with Motsame et al. (2011) who argued that policy and practice tended to be difficult for school leaders in the management of finances. Mestry (2009) noted that a policy should be a base for all financial operations.

This calls for a school to establish and implement sound internal financial control systems to ensure the reliability and accuracy of its financial transactions.” Simply put that means (1) Proper financial controls are important in the governance of schools therefore getting three quotations allows for transparency and sound judgement. It gives an opportunity to weigh cost versus quality while opening one’s mind to other possible solutions to the pending problem. (2) Good financial leadership should be challenged to solve problems in ways other than griping. The issues raised by

Mathunjwa above of “time consumption” and “moving up and down” are solved by making use of technology, for example, phones, faxes and e-mails to get more than three quotations. Then choosing the best three for which targeted visits could be made if need be. (3) Mathunjwa justified his complaint by saying “even moneywise” it is expensive and draining on the school’s resources, although it is an investment into sound procurement decision-making. However, it remains imperative for schools to comply with good bookkeeping practice as far as procurement arrangements are concerned (Bisschoff & Mestry, 2009).

Elaborating on the difficulty of policy implementation Amos echoed the sentiments:

*You know the policies are consistently changing especially the procurement when you think you know how things should be done there are changes. These inspectors also speak different languages this one will say this and the other one will be saying something different.*

These findings were in line with Mestry (2009) who stated that school principals and committees had little knowledge of financial management roles and worse the contents of the financial policies. This scholar acknowledged that principals and their committees were ignorant of the School Act or simply misinterpreted it.

The theoretical framework in chapter two has indicated that all formal approaches typify schools as goal seeking organisations hence schools as institutions have official purposes; including those of ensuring effective teaching and learning which can only be realized through proper use of funds. However, if principals encounter challenges in the execution of their roles they may achieve organizational goals and purposes.

#### **4.6 CAPACITATION OF PRINCIPALS**

Preparation of employees for the execution of their duties is an essential element. The solutions to this section arise from discussions with the participants wherein light was

shed on possible improvement to school financial management through capacitation of principals. Several sub themes emerged from the discussions with participants and these subthemes are Skills gap analysis and timely training of principals, structured contents for capacitation programme, Workshops, training in colleges, use of accountants as trainers and removal of role from principals.

#### **4.6.1 Skills gap analysis and timely training of principals**

Before establishing how participants could be capacitated it was necessary to find out if they had been exposed to any form of training and how that training contributed to the successful execution of financial management duties. It was obvious from participants' pronouncements that workshops were not provided immediately for principals and at times they were never provided. Findings indicated that skills gap analysis would reveal who was trained and in which area thereby allowing effective training of school principals. It also emerged that some principals were not trained because there was no database that the ministry could use. It also appeared that it was necessary for the employer to be observant so that relevant principals can receive training.

Participant Mathunjwa echoed the following sentiments;

*You know I think the ministry needs to be vigilant with record keeping in terms of who has been trained and who has not been trained. I think I got left behind because there are no records. You know some principals go for a long time without training and sometimes they end up not receiving any training at all. I know a colleague who has been a principal for ten years now and has not been trained.*

**Amos** shared the following;

*I have never received any training in financial management. I talked to the relevant people in the In-service department for Teachers (INSET) and they*

*promised me a workshop they said they were planning on one and up till now I have not been contacted nothing has been communicated to me.*

In discussing the hindrances participants cited delayed workshops as a challenge to them. They highlighted that in the event workshops were run they were inadequate and not practical to the extent of actually empowering them. Mbuso commented that *...[training] was after three years.* While Lindiwe remarked that, *“ I received this workshop almost six months after appointment. I was not in the training plan but I knew the facilitators of the workshop which I have heard from colleagues that there was a forth coming workshop. I then asked them why I was left out and they invited me to attend; that is how I attended.”*

It transpired from the interviews with participants that the in-service department did not have a database or it did not keep track of appointed principals so that they could receive the support they needed immediately hence they depended on the policy and on some of their colleagues. Benefits of a database are (1) that all training information will be available (2) productivity as school principals are trained at the right time and (3) the ministry can control the process.

#### **4.6.2 Structured contents for capacitation programme**

In order for a capacitation programme to be highly effective it must be well structured and target relevant skills and competencies. In seeking to understand what participants would like to be covered in capacitation programmes should an opportunity avail it emerged that there are specific areas that participants would prefer training in such as record keeping, financial planning, procurement and reconciliation of funds. Participants felt if a capacitation programme can cover these areas they would be in a better position to execute their duties.

Mbuso lamented concerning the training given him.

*... it [training] was not solely on financial management. It was a workshop that was based on other disciplines it's just that financial management was part of the issues discussed in that workshop. And if I remember very well it was covered only for three hours within that three day schedule.*

*Lindiwe and Nkambule* identified aspects of record keeping and documentation of meetings as critical areas that should be covered in capacitation programmes and made the following comments respectively, *Record keeping and reconciliation as these are the ones in which most school principals are struggling with and they are the ones that end up making us principals to be seen to have embezzled or mismanaged school funds.*

*I think minutes writing and resolution capturing are critical. It is because when auditors visit the first thing they want to see is the minute book before they move on to other records.*

While Amos commented that, *I think budgeting, procurement and filing.*

It was observed from these pronouncements that participants needed to be empowered in their financial management roles. Mestry (2009) noticed that the department of education did not have proper mechanisms in place to assist principals referring “to the cascading model of training” which was “too theoretical” suggesting a deliberate and complete curriculum was ideal with practicals for full school principal functionality.

#### **4.6.3 Financial management training in colleges**

Skills, knowledge and competencies are acquired through training. When participants were asked on how they could be capacitated to execute their duties well they held various views. For the participants training in colleges was viewed essential as it would empower principals with financial management skills. The main finding regarding capacitation of principals was that institutions of higher learning did not

offer financial management as a course of study in Swaziland. Participants viewed colleges as best form of training that could adequately equip them. It emerged in the findings that they learnt financial management on the job hence they viewed training in colleges and the use of workshops as necessary for principals' capacitation.

*I think it must start in training; in the colleges because there is no training for becoming a principal; this is an opportunity that comes along during one's career yet lacking in certain skills. I strongly believe that if good capacitation is to take place it must be part and parcel of teacher training so that whatever workshop an individual is exposed to after appointment will enrich the individual on basic skills that he/she already possess. **Mbuso***

*Do you believe that I have a master's degree in Education management but I have never studied anything on school finances? Liciniso alikho phela lapho yehisi the next thing if I am appointed an inspector I will be expected to run workshops on financial management for school principals. **Lindiwe***

*In addition ... the Ministry should liaise with institutions of higher training to consider including courses on financial management. I am telling you the situation in schools in relation to financial management is bad and unless it is included institutions of higher learning it will become worse. **Amos***

This was congruent with the discourse presented in chapter two as Ibrahim (2011) reported in his study that principals claimed that the pre-service education they received in colleges and universities did not prepare them for school leadership of which financial management was part but rather for classroom teaching. Thinguru et al. (2014) agreed noting that in Kenya the basic university degree of education did not offer financial management courses for education students even at Master's level. This was in line with Mestry (2006) who argued that training in financial management was fundamental in preparing and equipping school managers with financial management skills

Lack of capacitation was further noted in the minute book. The minute book is one official document in which school committee meeting resolutions are documented. Most schools that participated in the study had had more than four meetings for the year. In Mbalenhle School the committee had three meetings and resolutions of meetings were not well captured. For example in one of the minutes where the committee discussed the purchase of a photocopier the minutes read, “We should consider purchasing a copier since the current one is no longer usable.” The receipt file reflected that a copier was later purchased to the value of E38, 000.00. It remained unclear what exactly the committee had agreed upon as words like ‘consider’ were used. This was also true of other schools where words and phrases like “let us consider buying ...”, “maybe we need to make quotations” and “see if we can afford...” were used.

However, in Masibekela School and Sitintile minutes were well documented with proper verbs indicating clearly what the committee had resolved. Phrases such as “it was agreed that the principal should source quotations and ....” However, three committee members in both schools had not attended three consecutive meetings. Though it was not the same individuals who were consistently absent but decisions taken in the absence of such a number remained questionable. In all schools minutes for meetings were signed by both the principal who was the secretary to the committee and the chairperson. From the minute books it was observed that school committees held meetings for financial decisions as stipulated in the policy and Schools Accounting Regulations (1992). However, it was necessary for the policy to provide a guide on clearly capturing resolutions. It was of interest to note that minutes not only reflected financial issues but also academic issues.

#### **4.6.4 Workshops**

Any learnt skill must be constantly refined. It was revealed from the participants’ statements that principals were struggling with their financial management roles and there was a need for intensive training, workshops and refresher courses.

*I think after appointment the Ministry should consider workshops for appointed principals. The ministry should make sure newly appointed principals are oriented into financial management activities. In addition to that, there should be follow-up workshops. These workshops should cover all principals and not only newly appointed but even those with vast experience because these days heads of schools are always summoned in courts and some are expelled for misappropriation of funds yet they have never been trained.*

**Mbuso**

*We need support from the ministry in the form of workshops, and not just workshops, but practical workshops that will really empower us.* **Thwala**

*The ministry should plan for such training and it should make sure that people appointed to the position of principals have been trained in financial management. In addition to that the ministry can plan for refresher courses at least once a year to empower principals.* **Nkambule**

From these findings it was clear that after appointment principals had not received the necessary support they needed from the employer in terms of training and orientation to enable them to execute their duties effectively (Mestry, 2009).

#### **4.6.5 Use of accountants as trainers**

In addition to workshop responses from participants it was revealed that those who ran workshops for principals were not trained in financial management themselves hence the effectiveness of the information passed to principals remained questionable. Of significance was that the reviewed literature was silent on whether personnel who were used to capacitate school principals possessed the relevant knowledge or not. Participants were of the view that in an attempt to capacitate principals it would be proper to use accountants as these were people with relevant background knowledge on financial management. Participants felt they would benefit extensively from such personnel hence Mathunjwa made the following comments;

*...I can suggest the use of accountants to train principals. I think it is the only way principals can benefit and these should be real workshops with a lot of practicals ... be accounting related because as of now we are currently trained by people who do not have accounting background.*

While Nkambule elaborated and commented that

*Another important thing for the ministry to consider is to make sure that training is conducted by competent people – people who are conversant with accounting.*

#### **4.6.6 Removal of role from principals**

Some views indicated that workshops were not always effective and use of accountants in the execution of the financial management role was seen as a desired option by participants. Another participant was of the view that this role of financial management should be totally removed from the school principal as principals were not trained in this area. Even though participants did not all point to this suggestion, it was a suggestion made with all emphasis accompanied with facial expressions. To indicate this Amos made the following comment

*... we are not trained on financial management but bursars are trained; they study accounting for three years or more so they are more relevant for financial management responsibilities. The only thing the ministry can do is to workshop us on how to work with the bursars. The ministry can run such workshops at least two times a year just to empower us. You know it is so disheartening to have principals appearing before the Public Accounts Committee (PAC) summoned for embezzlement of funds yearly.*

The suggestion was a combination of (1) bursar and (2) workshops possibly on financial management for non-financial managers since the bursars would be doing the accounting.

This clearly indicates that principals were struggling with management of school finances and this left a gap in the execution of their duties. Ibrahim (2011) acknowledged that preparation and development of principals would lead to school effectiveness and improvement in their roles, as stakeholders had high expectations of them. Stakeholders believed that principals with their skills influenced the good performance of a school. Competency in financial management includes among other issues training and professional knowledge in finances, experience acquired to manage finances, interpretation of financial policies and financial decision-making in a school (Wagithunu et al. 2014).

Drawing from the theoretical framework it can be pointed the focus of leaders should to be on functions, responsibilities and behaviors and ensure that they carry out their work competently. This can only be realized through preparation and development of principals thus it becomes an essential role of the ministry.

#### **4.7 CHAPTER SUMMARY**

This chapter interpreted themes that emerged from the interviews with principals giving the researcher a picture of the financial management dynamics in schools and the challenges encountered by school principals. As for the hindrances experienced by school principals, responsibility has been placed on the MOET to ensure capacitation of principals is expedited. The next chapter will finalise the findings and conclude the study giving recommendations.

## **CHAPTER FIVE**

### **SUMMARY, RECOMMENDATIONS AND CONCLUSION**

#### **5.1 INTRODUCTION**

The study aimed at exploring the dynamics of financial management in schools. To achieve this aim the study asks what understanding of financial management do principals have, which factors hinder principals in the execution of their duties, which skills and competencies do principals need, and how best can principals be capacitated in the execution of their duties. Chapter four presented and discussed the findings of the study. Based on the aims of the study stated above the purpose of this chapter is to provide a summary of the findings and contributions the study makes. Conclusions and recommendations are drawn from the findings. A possible capacitation strategy for the school principal is also suggested.

#### **5.2 STUDY SUMMARY**

The aim of the study was to explore dynamics of financial management in Swaziland primary schools. The central issue is that financial management in schools proves to be a challenging task for the school principal and yet it is the lifeblood in the operations of a school as an organization. In all public primary schools in Swaziland schools manage their own funds guided by the Schools Accounting Regulations (2015).

To gain deeper understanding of the dynamics of financial management in schools I consulted literature. Scarcity of literature was encountered in Swaziland as a developing country. Literature in other countries indicated that school principals are not capacitated in their financial management roles. For this reason, principals do

encounter challenges in the execution of their roles, a variety of skills are therefore needed by principal in order to execute their duties efficiently.

Literature has been reviewed in support of the study and covered issues raised in the research questions which illuminated as themes, giving specifications of; the role of the principal in financial management, skills and competencies needed by principals to execute their financial management duties, challenges principals encounter as they execute their financial management duties and possible capacitation strategies. In addition to the literature the theoretical framework that guided the study and served as a lens for investigating the dynamics of financial management in schools has been discussed.

The research design and methodology has also been discussed where qualitative data generation methods and analysis is explained.

The data were then presented in under four main themes; understanding of financial management roles by school principals, skills and competences needed by principals and challenges they encounter in the execution of their roles. Finally findings on the dynamics of financial management in schools are summarized below;

### **5.3 RESEARCH QUESTIONS RESTATED**

This section provides a summary of findings of the study. In summarizing the findings the key research questions have been used.

#### **5.3.1 What do school principals understand as their roles in financial management in schools?**

From the reviewed literature it was found that financial management role for school principals entail that school funds are expend according to laid down policies and procedures. This includes ensuring that school's fixed and movable asset are properly secured and well managed (Clarke, 2009). The school principal is regarded as the

chief accounting officer Schools Accounting Regulations (2015) meaning the financial responsibility rests with him/her. The process of expending the school funds start from the budgetary process where the principal is expected to take a lead and work with all stakeholders in order to come up with a budget for the following year.

Important aspects of the financial management role for the school principal include accounting, record keeping and reporting. Findings indicated that principals had a consensus understanding of their financial management roles and the concept of financial management. They viewed all issues around expending funds to entail their roles. In their views they understand financial management roles such as budgeting, procurement, record keeping, reporting and management of physical resources to involve their duties and responsibilities.

### **5.3.2 What are the skills and competencies that principals need in order to execute their responsibilities of school financial management?**

The literature study presented three main areas of financial management skills needed by school principals; budgeting, accounting and monitoring. From the work of Mngoma (2009), Kotich et al. (2014) and Hanshraf (2007) these three aspects were found to be crucial in financial management. The process of budgeting include prioritisation of

The study found that financial management skills needed by school principals for effective financial management include reporting and procurement. Other skills included the management of physical resources. These findings were not surprising because the principal is considered a chief accounting officer and the success of the financial management role largely depend on him.

### **5.3.3 Which factors hinder school principals from executing their duties of financial in schools?**

As the study intended to gain deeper insight into factors hindering principals in their financial management roles the findings revealed concerns understood from the participants view.

The main finding from literature on factors that hinder principals in the execution of their duties is late disbursement of funds by government. It was argued from the literature that early disbursement of funds by government can ensure smooth running of the school and less disturbance of operations. In addition to late disbursement of funds by government, lack of capacity on the part of the school principal and illiterate committee members were other concerns that hindered principals in execution of their duties. For example in the literature; School committee constitution (2011) indicated that there is no specified literacy level for one to be a member of the school committee which create problematic conditions for effective participation in the financial management process and proper decision making.

The findings of the study were not in contrary to the literature as it also revealed challenges encountered by principals in financial management which include late disbursement of funds by government and illiteracy on the part of committee members. However, difficulty of policy implementation and lack of co-operation from stakeholders such as the school committee emerged from the data as other factors that hinder principals in the execution of their duties. The findings are that enlightened school committee members can contribute positively to the management of school finances.

### **5.3.4 How can school principals be capacitated to be able to perform their financial management roles?**

From the literature strategies of capacitating the principal were seen as critical.

Findings indicated that participants had multiple views on strategies that could be used in the capacitation of the school principal. The findings were in agreement with the literature as participants were in consensus that these strategies can positively contribute to the development of the school principal. Amongst the strategies that emerged was the inclusion of financial management as a course in institutions of higher learning for the prospective teacher. In addition to that, use of workshops in the capacitation of school principal was deemed necessary by participants and removal of the financial management role from the school principal.

#### **5.4 CONCLUSIONS**

Drawing from the findings the following conclusions are made in this study:

Principals have a good understanding of their financial management roles. They know exactly what entails roles and duties in relation to the management of funds. Financial management is more than the management of funds but it extends to the management of resources and is a co-operative activity that involves other stakeholders. However even though principals know their roles precisely they are practically challenged with the performance of the roles. Of significance is that failure of school principals to execute their duties well can negatively impair on school operations and learner performance.

A number of skills are needed by principals to effectively execute their duties. These skills include amongst other budgetary, record keeping, monitoring and control. If principals possess these skills they will be in a position to come out with sound financial management and provide proper direction to all stake holders under their direction in the utilization of school resources. There are factors that hinder school principals in the execution of their duties such as lack of funds, lack of knowledge, policies that are difficult to implement, poor communication skills, lack of co-operation and illiterate school committee members.

Principals do not possess background knowledge on financial management and are not capacitated to execute financial management roles. On appointment and after appointment principals are not capacitated nor oriented on their financial management roles.

## **5.5 RECOMMENDATIONS**

Recommendations are being made and they are directed to researchers, the ministry of education and training; the in-service department and the TSC.

### **5.5.1 Recommendations to researchers**

In Swaziland as a developing country there is scarcity of literature on financial management in schools. Based on the findings of the study I recommend that studies on financial management in schools be conducted. Studies can be conducted at all levels; primary schools, secondary schools and high schools. Conducted studies can either be qualitative, quantitative or both.

### **5.5.2 Recommendations directed to MOET**

There is a consensus presented that financial management is not covered in Swaziland institutions of higher learning nor as a course neither as a topic. The ministry should understand that there is a need for this course to be covered in the training of teachers. This will enable teachers after graduation even if not appointed to the post of principals to be able to actively and meaningfully participate in financial activities in schools. Teachers who will get an opportunity to be appointed as school principals will be able to settle in their duties with relative ease.

### **5.5.3 Recommendations directed to the in-service department**

It is necessary for this department to develop a database for all newly appointed school principals. This would assist in the capacitation of school principals by ensuring that whenever there are workshops all targeted participants are accessible to receive training and no one is left out.

### **5.5.4 Recommendations to TSC**

There is a need for the commission to consider appointment of people with relevant financial management skills and knowledge to the positions of school principals. This will reduce the current outcry by all stakeholders in the education sector in as far as financial management issues are concerned.

## **5.6 CONTRIBUTIONS OF THE STUDY**

It is imperative to acknowledge that in Swaziland as a developing country limited literature exists on financial management in schools. I must acknowledge that during the literature review I encountered challenges on availability of literature on financial management in schools in Swaziland. Therefore, this study has contributed in revealing the dynamics of financial management in Swaziland Primary Schools.

The most significant contribution of the study is in arguing for the inclusion of financial management in institutions of higher learning.

The study also makes a contribution in revealing the need of electing literate parents to the School Governing Body for ease operations between the governing body and the school principal. The study argues that members of the school committee should possess at least the secondary school leaving certificate as the lowest level of education to ensure they can effectively participate in financial management issues and decision making.

## **5.7 PROPOSED FINANCIAL MANAGEMENT CAPACITATION APPROACH**

To equip school principals on financial management the best approach would be to include financial management as a course in teacher training institutions. Prospective teachers should be equipped with financial management knowledge so that when they get an opportunity to be appointed principals they can use acquired knowledge in the schools. Even if teachers are not appointed to the position of principal ship they will be asserts in schools through acquired financial knowledge in colleges and universities. Financial management knowledge will also assist teachers within the subjects departments where they can participate in the budgeting for their departments.

In addition to the inclusion of financial management as a course the ministry should put a succession plan in place. Within this plan principals can be appointed at least three months before the date of assuming the position. Within the three months period the appointed principal should be subjected to financial management orientation and training. The training period cannot necessarily take three months but can be done within that period to ensure proper succession. The orientation and training within this period should be compulsory and no principal should be in office without having gone through this training.

In service workshops; these workshops should be planned in addition to the succession plan. The ministry should prepare workshops for serving principals annually to refine their skills.

Promotions to the post of inspectorate or teacher leader; inspectors and teacher leaders should be appointed on the basis of having been school principals for at least a period of five years and it must be candidates who have studied financial management as a course during their teacher training periods in institutions of higher learning. This

would be necessary because these personnel (teacher leaders and inspectors) are the ones who end up running in-service workshops for principals.

## **5.8 LIMITATIONS OF THE STUDY**

The study was limited to only one region in Swaziland; the Hhohho region thus data generated cannot be generalized (Mushoriwa, 2010) but, it is true of the population being investigated. In addition some potential principals who were initially approached to participate in the study did not agree to be part of the study yet they were considered to have valuable information towards this study. However, according to Cohen, Manion and Morrison (2011) ethical principles give them that liberty.

## **5.9 A FINAL WORD**

The study was conducted to explore the dynamics of financial management in Swaziland selected primary schools. The study was located within the interpretative paradigm; to ensure a deeper understanding of the concept was gained I utilized the case study approach, interviews and data analysis to generate data. It emerged that principals encounter challenges in their financial management.

It further emerged that principals are not capacitated in the execution of their roles hence there is a need for relevant authorities to ensure proper capacitation of principals. In this chapter a summary of the findings have been presented and recommendations are made based on the findings. More research on financial management in schools is needed to provide in-depth understanding of fundamental concepts in financial management and possible practical skills for school principals.

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## APPENDIX A

P.O. Box 4319  
Manzini  
06 June 2015

Dear Principal

### PERMISSION TO CONDUCT RESEARCH

I am currently studying for the degree Master of Education with the University of KwaZulu-Natal, Faculty of education.

Title of the study: dynamics of financial management; a case of selected primary schools in Swaziland. The aim of this study is to explore participants' perceptions on financial management, including their roles, challenges and factors that hinder principals in the execution of their duties. It is hoped that knowledge and perceptions gained through the study will contribute to a better understanding of the dynamics of financial management in schools.

Participants are purposively selected on the basis of having been principals for a period of at least five years. Participation in the study is voluntary and participants are free to withdraw anytime should they wish to do so. Anonymity of participants as well as confidentiality of the content of interviews will be maintained. The possibility of any harm or discomfort in participating in this study is no greater than that experienced in everyday life.

Feedback procedures will entail a copy of a thesis to the school and recommendations made on the basis of the proposed study. There are no rewards attached to participating in the study.

For more clarity you are free to contact my supervisor Dr. Myende at: [myendep@ukzn.ac.za](mailto:myendep@ukzn.ac.za) or me at: [goodness12@live.com](mailto:goodness12@live.com).

Yours sincerely

G. Tshabalala

## APPENDIX B

**05 November 2015**

Agreement to participate in a study.

I \_\_\_\_\_ principal of \_\_\_\_\_ agree to participate in a study conducted by Goodness Tshabalala on exploring the dynamics of financial management in schools. It has been drawn to my attention that I will participate in the study through interviews and also provide financial documents to be analysed by the researcher. The documents will not be removed from school and they will be analysed within the school premises. Opinions expressed during the interview will be used by the researcher for research purposes. I am aware that the interviews will be audio-recorded and grant permission for the recordings with the understanding that confidentiality will be maintained as far as possible.

I also understand that I will be free to withdraw anytime during the course of the study without any threat or penalty. In addition to that there are no monetary benefits or compensation related to participating in the study. The university of KwaZulu-Natal in collaboration with Dr. Myende, the researcher's supervisor, is guiding the study. Feedback procedures will entail a copy of thesis to the school.

Participant's title, name and surname: \_\_\_\_\_

Participant's signature: \_\_\_\_\_

Participant's designation: \_\_\_\_\_

Researcher's name: \_\_\_\_\_

Researcher's signature: \_\_\_\_\_

Date: \_\_\_\_\_

Yours faithfully

\_\_\_\_\_

Participant's name

## APPENDIX C

### INTERVIEW SCHEDULE FOR PRINCIPAL

1. What is your understanding of financial management?
2. Who is responsible for the management of school funds?
3. Have you received any training in financial management?
4. How long was the training and what content was covered?
5. Which areas of financial management are you most comfortable with and why?
6. Which areas of financial management are you struggling with and why?
7. Which skills do you possess in the area of financial management?
8. Which skills do you think you need development in, in relation to financial management?
9. What role does the school committee play in the management of finances?
10. Has the school committee been trained on financial management issues?
11. What would you suggest as possible strategies that can be employed to capacitate you?

## **APPENDIX D**

### **LIST OF ANALYSED DOCUMENTS**

1. Minutes of meetings of school committees
2. Analysis books
3. Petty cash books
4. Cheque books
5. Quotation files
6. Receipt files
7. Bank statements

## APPENDIX E

### INFORMATION SHEET

#### **The Researcher:**

Goodness Tshabalala is carrying out this research as part of the requirements for a Master's degree in **Education Leadership, Management and Policy specialisation**. The study has been approved by University of KwaZulu-Natal and is being supervised by Dr. P.E.Myende.

#### **Contact details:**

**Goodness Tshabalala** cell: 09268 76154739/0926824048202 Email: [goodness12@live.com](mailto:goodness12@live.com)

**Dr. Phumlani Myende:** cell 0739912393 office: 0312602054 Email: [myendep@ukzn.co.za](mailto:myendep@ukzn.co.za)

#### **Aim of the study**

The aim of the study is to explore the dynamics of financial management in selected schools.

#### **Requirements from participants**

- 45-60 minute face to face interview participation
- Audio recorded interviews
- Participants may withdraw anytime they feel like it.

#### **Confidentiality and anonymity**

Anonymity of participants as well as confidentiality of the content of interviews will be maintained at all costs. In cases where there will be a need to use participants' names only pseudonyms will be used.

## APPENDIX F: University of KwaZulu-Natal Ethical clearance



07 April 2016

Mrs Goodness Kolile Tshabalala (214581887)  
School of Education  
Edgewood Campus

Dear Mrs Tshabalala,

Protocol reference number: HSS/0052/016M

Project title: The dynamics of Financial Management: A case of selected primary schools in Hhohho Region, Swaziland

### Full Approval – Expedited Application

In response to your application received on 08 January 2016, the Humanities & Social Sciences Research Ethics Committee has considered the abovementioned application and the protocol have been granted **FULL APPROVAL**.

Any alteration/s to the approved research protocol i.e. Questionnaire/Interview Schedule, Informed Consent Form, Title of the Project, Location of the Study, Research Approach and Methods must be reviewed and approved through the amendment/modification prior to its implementation. In case you have further queries, please quote the above reference number.

Please note: Research data should be securely stored in the discipline/department for a period of 5 years.

The ethical clearance certificate is only valid for a period of 3 years from the date of issue. Thereafter Recertification must be applied for on an annual basis.

I take this opportunity of wishing you everything of the best with your study.

Yours faithfully



.....  
Dr Shenuka Singh (Chair)

/ms

Cc Supervisor: Dr P Myende  
Cc Academic Leader Research: Dr SB Khoza  
Cc School Administrator: Ms Tyzer Khumalo

Humanities & Social Sciences Research Ethics Committee

Dr Shenuka Singh (Chair)

Westville Campus, Govan Mbeki Building

Postal Address: Private Bag X54001, Durban 4000

Telephone: +27 (0) 31 260 3587/8350/4557 Facsimile: +27 (0) 31 260 4609 Email: [xjmbap@ukzn.ac.za](mailto:xjmbap@ukzn.ac.za) / [snymenm@ukzn.ac.za](mailto:snymenm@ukzn.ac.za) / [mohunp@ukzn.ac.za](mailto:mohunp@ukzn.ac.za)

Website: [www.ukzn.ac.za](http://www.ukzn.ac.za)



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## APPENDIX G: APPROVAL FROM THE MINISTRY OF EDUCATION

The Government of the Kingdom of Swaziland



Ministry of Education & Training

Tel: (+268) 2 4042491/5  
Fax: (+268) 2 404 3880

P. O. Box 39  
Mbabane, SWAZILAND

5 November 2015

Attention

Head teachers

Mnyokane Primary School

Mqolo Primary School

Mater dolorosa Primary school

St Mary's Primary School

Kalamgabhi Primary School

Through:

Hhohho – Regional Education Officer

Dear Colleague,

**RE: REQUEST FOR PERMISSION TO COLLECT DATA FOR UNIVERSITY OF KWAZULU NATAL  
– STUDENT MRS. GOODNESS TSHABALALA**

1. Reference is made to the above mentioned subjects. The ministry of education and Training has received a request from Mrs. Goodness X. Tshabalala, a student at University of Kwazulu Natal that in order to fulfil her academic requirements she has to collect data (conduct research) and her study or research topic is: The dynamics of financial management: A case of selected primary schools in Hhohho Region, Swaziland.
2. The population for her study comprises of head teachers from all the above mentioned schools. All details concerning the study are stated in the participants consent form which will have to be signed by all participants before Mrs. Tshabalala begins her data collection.
3. The Ministry of Education and Training requests your office to assist Mrs Tshabalala by allowing her to use above mentioned schools in the Hhohho region as her research site as well as facilitate her by giving her all the support she needs in her data collection process. Data Collection period is one month.

Regards,

  
**DR. SIBONGILE M. MTSHALI-DLAMINI**

Director of education and training

cc: Regional Education Officer – Hhohho

Chief Inspector – Primary

5 Head Teachers of the above mentioned schools

Dr. Phumlani Myende

Page 1

## APPENDIX H

*Janet Whelan*

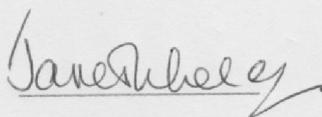
87 Somerset Country Estate  
450 Queen Elizabeth Avenue  
Glenwood, Durban 4001

Telephone 031-261 3079  
Cell No 072 422 3233  
Email: [janet.whelan31@gmail.com](mailto:janet.whelan31@gmail.com)  
skype: [janet.whelan31](#)

2<sup>nd</sup> January 2017

To whom it may concern:

This is to certify that I have completed a language edit for **GOODNESS TSHABALALA** on her dissertation for her Degree of Master of Education (**Education Management Leadership and Policy**) at the University of KwaZulu-Natal, Durban, entitled **THE DYNAMICS OF FINANCIAL MANAGEMENT IN SWAZILAND; A CASE OF SELECTED PRIMARY SCHOOLS**.



Janet Whelan

# APPENDIX I

The screenshot displays a Turnitin document viewer interface. The main content area shows the title page of a thesis titled "THE DYNAMICS OF FINANCIAL MANAGEMENT IN SWAZILAND; A CASE OF SELECTED PRIMARY SCHOOLS." by Goodness Tshabalala. The Turnitin logo and a 6% similarity score are visible in the top right corner. A sidebar on the right, titled "Match Overview", lists eight sources with their respective similarity percentages: 1. uir.unisa.ac.za (3%), 2. researchonline.nd.edu (<1%), 3. eprints.hud.ac.uk (<1%), 4. folksonomy.co (<1%), 5. tumb1.biblio.tu-muench... (<1%), 6. eprints.utas.edu.au (<1%), 7. sasjournals.com (<1%), and 8. managementstudyguid... (<1%). The browser address bar shows the URL: https://turnitin.com/dv?u=1042004587&s=3&lang=en\_us&o=755131042. The Windows taskbar at the bottom indicates the time is 9:32 AM on 2016/12/20.

**THE DYNAMICS OF  
FINANCIAL  
MANAGEMENT IN  
SWAZILAND; A CASE OF  
SELECTED PRIMARY  
SCHOOLS.**

**Goodness Tshabalala**

**Match Overview**

| Rank | Source                                      | Similarity |
|------|---|------------|
| 1    | uir.unisa.ac.za<br>Internet source          | 3%         |
| 2    | researchonline.nd.edu...<br>Internet source | <1%        |
| 3    | eprints.hud.ac.uk<br>Internet source        | <1%        |
| 4    | folksonomy.co<br>Internet source            | <1%        |
| 5    | tumb1.biblio.tu-muenc...<br>Internet source | <1%        |
| 6    | eprints.utas.edu.au<br>Internet source      | <1%        |
| 7    | sasjournals.com<br>Internet source          | <1%        |
| 8    | managementstudyguid...<br>Internet source   | <1%        |