



FINANCIAL RESOURCE MANAGEMENT IN BUSINESS EDUCATION

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Abstract

This study discusses Financial Resource Management in Business Education. Descriptive survey research design was adopted for this study. Two research questions guided the study and two hypotheses were formulated. The population of the study comprises 34 Business Education lecturers in two Colleges of Education in Oyo State. Instrument for the study was validated by two experts and the reliability yielded 0.89. Mean and standard deviation was used to answer the research questions while t-test statistic was used to test the null hypotheses at 0.05 level of significance. Findings revealed that Business Educators agreed on the need for efficient financial management in Business Education and they also agreed to the identified constraints to proper financial management in Business Education. The testing of the two hypotheses shows that there was no significant difference between the two groups in term of their mean ratings on financial resource management in Business Education. The study concluded that efficient financial resource management is vital for the achievement of goals of Business Education. It was recommended among others that Business Education Departments should develop strategic plan that shows the process for identifying priorities and setting goals, inform operational strategies and budget decisions for the benefit of all stakeholders.

Introduction

The quality of every society is largely predicated on the quality of its educational system. In the light of the apparent constraints on educational resources and their efficient utilization for maximum result, the need for effective financial resource management cannot be over emphasized. Adebayo (2001) posit, that there must be sound administration in any organization as long as an organization consists of people brought together in hierarchical set-up making use of tools, equipment, human and material resources, all in the quest of attaining the goals for which the organization is established. The administration of a school/ institution has the



responsibility for bringing together various resources and allocating them effectively to accomplish the general goals of the institution. Nigeria, like other nations of the world has an obligation to prepare her citizens for life in a world that is characterized by rapid social, economic, political and technological changes. The relevant levels of government have been investing a substantial resource in setting up educational institutions for this purpose (NOUN, 2010).

In school administration, education resources are not only limited but can be effectively and efficiently managed when management activities are properly harmonized, organized, coordinated and controlled by the school management team. This is in agreement with Blunt (1990) who opines that: it is not the availability of these resources alone that guarantees effective performance of school, but their adequacy and effective utilization. However, no matter how well packaged a school administration or a school system is at any level of education, without adequate and efficient utilization of the available resources, the system may fail to achieve its desired results.

Financial resources are the funds required for the smooth operations of a school and are regarded as the life-wire of any system. It is indeed a more critical facet with which other factors of administrations are created, maintained and sustained. In school administration, funds are necessary for the procurement of facilities, equipment, electronics and communication gadget needed for effective performance. Apart from this, funds are needed to pay the salaries of administrative, academic and non-academic staff. A robust financial allocation for school administration would not only enhance goals attainment but its sustainability. Plan and policy implementation are responsive to funds availability. Funds are needed for the acquisition of fixed and current assets and to settle current liabilities and expenditures incurred in the course of administration (Usman 2016). Financial resources of a school consist of; internally generated revenues (IGR), loans, gifts, investments, subventions from government among others.

Financial management covers such areas as the procurement of funds, their allocation, monitoring their use in the interest of accountability and producing financial reports for the relevant stakeholders. Effective financial management ensures that:

1. All financial regulations and procedures are complied with,
2. All financial transactions are recorded accurately,



3. Adequate controls are in place to ensure that expenditures do not exceed income, and
4. Only authorized expenditures are incurred.

Financial management is, therefore, an integral part of the responsibility of an education manager because, without good financial management practices, schools would find it difficult to achieve their goals (Usman 2016).

Financial resources in Nigerian business education sector is not what it ought to be. Many aspects of the programmes like Student Industrial Training Work Experience Scheme, ICT equipment, provision of personnel, infrastructural facilities among others are grossly underfunded. According to Amesi and Nnadi (2015), inadequate funding is one of the constraint on business education as it has made the programmes to suffer some serious setbacks that has limited its effective contribution to the general economic development of the Nation.

Ibeneme (2005) and Amesi (2010) enumerated the following as major constraints to proper funding of business education: lack of specific budgetary allocation; lack of understanding of the difference between business education and general education by both government and individual, mismanagement of available financial and material resources meant for business education programmes; diversion of international donor assistance funds, equipment and materials; unfavourable government policies which negates effective financing of business education programmes; headship of business education programmes in institutions by non-business education programmes experts who do not understand the needs and demands of business education programmes. Financial Resources in Business Education can be effectively procured and utilized through appropriate financial planning and efficient budgetary systems.

Statement of the Problem

Generally, inadequate provision of financial resources has been identified as greatest challenge facing education in Nigeria (Nwadiani & Omoike, 2006; Asiyai, 2015), especially vocational and technical education sector because of its capital-intensive nature (Adeyanju, Adekunle, Osifila, 2007), of which business education programme is a major component. As a result of this, every item within the business education instructional environment requires adequate optimization of financial resources. However, in view of the contending demands for financial resources by



various sectors of the Nigerian economy, business education has been finding it difficult to employ manpower in terms of quality and quantity, develop or renew curriculum, and offer a wide-range of modern infrastructure and facilities, such as the state-of-the-art lecture halls, workshops, studios, libraries, entrepreneurial research centres, and Information Technology (IT) services. Any attempt to ignore these problems may deter business education from achieving its goals and objectives. To address the identified problems, this study focused on the perception of business educators on the need for and constraints to efficient financial management.

Research Questions

The following research questions were raised to guide the study:

1. What is the perception of business educators on the need for efficient financial resource management in business education?
2. What are the constraints to proper financial resource management in business education?

H₀₁: Hypotheses

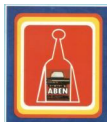
The following null hypotheses were tested at 0.05 level of significance:

H₀₁: There is no significant difference between the mean ratings of female and male business educators on the need for efficient financial resource management in business education.

H₀₂: There is no significant difference between the mean ratings of female and male business educators on the constraints to proper financial resource management in business education.

Method

Descriptive survey research design was adopted for this study. According to Nworgu (2015), a survey research design is one which a group of people or items is studied by collecting and analyzing data from only a few people considered to be representative of the entire group. The population for this study comprised 34 Business Educators from two colleges of education in Oyo State. (18 from Federal College of Education (Sp), Oyo and 16 from Emmanuel Alayande College of Education, Oyo, Oyo State). No sample since the population is manageable. Data were collected through a structured questionnaire on a four-point scale of; Strongly Agree SA (4), Agree A (3), Disagree D (2), and Strongly Disagree SD (1). The instrument achieved a reliability



coefficient of 0.89 based on Cronbach Alpha procedure. Data collected were analyzed using mean and standard deviation for the research questions, while t-test was used to test the hypotheses at 0.05 level of significance. Decision on research questions were made based on the real limit of scale values 1 to 4 on a 4-point scale as follows: a mean value of 2.50 and above indicated respondents' agreement while a mean values of 2.49 and below indicated respondents' disagreement. The null hypothesis was accepted where the calculated t-value was less than the t-table value at the appropriate degree of freedom, otherwise, the null hypothesis was rejected.

Results

Research Question 1

What is the perception of business educators on the need for efficient financial resource management in business education?

Table 1: Mean score of respondents on the perception of business educators on the need for efficient financial resource management in business education.

S/N	Need for Efficient Financial Resource Management in Business Education	X N=34	SD	Decision
1	Identifying various sources of needs	3.52	0.63	Agree
2	Making wise investment decisions	2.64	0.72	Agree
3	Optimizing revenue	3.61	1.08	Agree
4	Efficient allocation of financial resources	2.62	0.62	Agree
5	Prioritizing areas of need	3.55	0.59	Agree
6	Ensuring smooth running of institutional activities	2.51	0.71	Agree
7	Allowing proper budgeting	2.63	0.65	Agree
8	Gives room for proper monitoring and evaluation	3.54	0.53	Agree
9	Allows transparency and accountability	3.67	0.66	Agree
10	Prevents fraud and mismanagement of fund	3.62	0.69	Agree

Key: X= Mean, SD = Standard Deviation

Table 1 reveals that the respondents agreed to items 1-10 having mean score above 2.50. The response shows that there is a need for efficient financial resource management in business education.

Research Question 2

What are the constraints to proper financial resource management in business education?

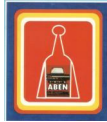


Table 2: Mean score of respondents on the constraints to proper financial resource management in business education.

S/N	Constraints to Financial Resource Management in Business Education	X N=34	SD	Decision
1	Inadequate record keeping	3.54	0.54	Agree
2	Ineffective internal control system	3.62	0.86	Agree
3	Lack of transparency in management of financial resources	2.53	0.84	Agree
4	Lack of budgeting and proper evaluation	2.73	0.87	A
5	Inefficient auditing system	3..68	0.77	SA
6	Inadequate training and retraining on financial resource management	2.67	0.66	A
7	Lack of periodic income and expenditure statement	2.54	0.53	A
8	Overstaying of staff in sensitive positions	2.55	0.82	A
9	Lack of reward for honesty and hard work	3.71	0.63	SA
10	Inadequate checks and balances in financial operations	2.62	0.55	A

Key: X= Mean, SD = Standard Deviation

Table 2 shows that respondents agreed to all the 10 items having mean ranging from 2.53 to 3.73. This indicates that financial resource management in business education is adversely affected by the listed constraints.

Test of Hypotheses

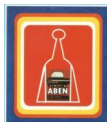
Ho₁: There is no significant difference between the mean ratings of female and male business educators on the need for efficient financial resource management in business education.

Table 3: Summary of t-test analysis of the opinion of female and male business educators on the need for efficient financial resource management in business education.

Group	N	X	SD	Df	P	t-Cal	t-Critical	Decision
Female	16	3.22	0.70	32	0.05	0.52	1.68	Not significant
Male	18	3.17	0.63					

Key: N = No. of Respondents, X = Mean, SD = Standard Deviation, Df = Degree of Freedom, P = Level of Significance, t-Cal= t-calculated, t-Critical (table).

The result in Table 3 reveals that the t-calculated value of 0.52 is less than the t-critical table value of 1.68 at 0.05 level of significance and 32 degree of freedom. The hypothesis is therefore accepted.



H₀₂: There is no significant difference between the mean ratings of female and male business educators on the constraints to proper financial resource management in business education.

Table 4: Summary of *t*-test analysis of the opinion of female and male business educators on the constraints to proper financial resource management in business education.

Group	N	X	SD	Df	P	t-Cal	t-Critical	Decision
Female	16	3.25	0.82	32	0.05	0.46	1.68	Not significant
Male	18	3.06	0.57					

Key: *N* = No. of Respondents, *X* = Mean, *SD* = Standard Deviation, *Df* = Degree of Freedom, *P* = Level of Significance, *t-Cal* = *t*-calculated, *t-Critical* (table).

The result in Table 4 reveals that the *t*-calculated value of 0.46 is less than the *t*-critical table value of 1.68 at 0.05 level of significance and 32 degree of freedom. The hypothesis is therefore accepted.

Discussion of Findings

The findings of this study revealed that respondents agreed that there is a need for efficient financial resource management in business education. This is in consonance with the submission of Usman (2016) who asserted that good financial management is an integral part of the responsibility of an education manager without which schools would find it difficult to achieve their goals

This study further showed that both female and male lecturers concurred that financial resource management in business education is adversely affected by the listed constraints. This is in agreement with the findings of Amesi (2010) who enumerated the following as major constraints to proper funding of business education: lack of specific budgetary allocation; lack of understanding of the difference between business education and general education by both government and individual, mismanagement of available financial and material resources meant for business education programmes among others.

The study also found that there was no significant difference between the responses of female and male lecturers in colleges of education covered by this study on the need for efficient financial resource management in business education consequently, the two null hypotheses were accepted.



Conclusion

Efficient resource management is indispensable in any education programme. This study concludes that smooth running of business education programme requires sound financial resource management. The identified constraints to financial resource management in business education programmes should be adequately mitigated to achieve the desired goals. A robust financial resource management is vital for a sustainable business education programme.

Recommendations

Based on the findings of this study, the following recommendations were made:

1. Business education departments should put in place effective internal control in financial operations.
2. Transparency and accountability should be the watchword in managing finances of business education programmes.
3. Business education managers should develop a strategic plan that shows how the process for identifying priorities and setting goals inform operational strategies and budget decisions, and then communicate such plan to all stakeholders.

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