



BUDGETING PRACTICES AND MANAGEMENT OF TERTIARY INSTITUTIONS IN ONDO STATE, NIGERIA

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Abstract

Management of tertiary institutions in the current limited financial resources to achieve set goals has called for serious concern to all education stakeholders. This study examined the relationship between budgeting practices and management effectiveness of tertiary institutions in Ondo State, Nigeria.

Descriptive research design of the survey type design was adopted in this study. The population of the study comprised staff of state-owned tertiary institutions in Ondo State. The sample comprised 204 staff drawn from Deans/Directors, Heads of Departments, Senior Staff of Bursary and Audit units in the three selected institutions. Purposive and proportionate sampling techniques were used. Purposive sampling was used for the selection of the institutions, and proportionate sampling was used to collect data. One self-developed questionnaire was used: "Budgeting Practices and Management of Tertiary Institutions Questionnaire" (BPMTIQ) and found reliable at $r = 0.74$. Three research questions were raised and answered using percentage, mean and standard deviation, and two hypotheses were formulated and tested with the use of Multiple Regression analysis, Pearson Product Moment Correlation, at 0.05 level of significance. Result showed a moderate level of budgeting practices with 70.6%, and moderate level of budget implementation with 75.4%. Hypotheses tested showed a significant and positive relationship between joint dimension of budgeting practices (planning, implementation, control) and management effectiveness in the tertiary institutions ($R = 0.269$; $R\text{ Square} = 0.072$; $\text{Adjusted } R\text{ Square} = 0.058$, $F_{(3,200)} = 5.196$, $p = 0.002 < 0.05$).

It was concluded that budgeting practices influence management effectiveness in tertiary institutions in Ondo State. Based on the findings, the study recommended that tertiary institutions should improve in budgeting practices to bring about high level of management effectiveness in the institutions through regular seminars and workshops for key staff who are involved in budget execution.

Keywords: Budgeting practices, budget planning, budget implementation, budget control, management effectiveness.

Introduction

Budget performs great roles in the management of tertiary institutions. It is a tool that managers use to organize all planning activities. It is also equally a tool for integration of activities by managers in the organisations. In the management of financial resources, some Nigerians seem to be unable to prioritize their needs for goal attainment. Nguavese, Bawa, Omaku, Enesi and Fagbemi (2017) posited that the process of raising, allocating, controlling and prudently managing funds to attain tertiary educational goals has been a problem in Nigeria. Some educational institutions are distressed due to inability of allocating funds appropriately to their basic needs. Thus, Ajayi and Adeniji (2009) found that virtually all the problems of tertiary education in Nigeria are attributed to inadequate funding and poor budgeting practices. Also, Omole (2012) noted that inadequate funding of public universities has been identified as the prime cause of the problems of the universities and there is need for service delivery, efficiency, and strong policy and programme implementation by educational

institutions. Since poor funding of tertiary institutions is seen as a universal problem, it behooves the heads of tertiary institutions to resort to budgeting to nip the financial problems in the bud.

Proper budgeting is perceived to engender goal attainment in tertiary institutions. Omole (2012) assessed strategic budgeting system and management of public resources in Nigeria. He reported that there is a significant relationship between budgeting practices and management effectiveness of public resources in Nigeria. He stated that Nigeria economy is not developing due to financial indiscipline and wastages in the system because of poor budgeting in the public sector, hence, the need for all stakeholders in the system to pay attention to budgeting with a view to improving on its practices.

Tertiary institutions comprise universities, polytechnics, and colleges of education. Tertiary institution is a community of scholars, free to pursue knowledge without undue interference from anywhere (Amadi, Adeyemi, Ogundiran, and Awe, 2016). The aims of tertiary or higher educational institutions are the acquisition, development and inculcation of the proper value-orientation for the survival of individual and societies; the development of the intellectual capacities of individuals to understand and appreciate environment; the acquisition of both physical and intellectual skills which will enable individuals to develop into useful members of the community; the acquisition of an overview of the local and external environments (Federal Republic of Nigeria [FRN] 2013). The National Policy on Education stated that higher educational institutions should pursue these goals through: Teaching, Research, dissemination of existing and new information, pursuit of service to the community, and by being store-house knowledge (FRN, 2013). Budgeting in organisations, firms and institutions is a sensitive issue over the years. The government and the public are interested in how funds are planned, controlled, and applied for specific assignment to achieve specific objectives. In educational institutions, the realization of desired educational goals and objectives depends largely on the efficient planning and management of institution funds by the management of tertiary institutions.

After implementing the budget, there is the need to see if the implementation conforms to the plans of the institutions which is called budget control. According to Akinnuli (2010), budget control is the art of comparing the actual with the expected with a view to determining if the plans are carried out accordingly, and to ascertain the reason for deviation from set objectives. Budget control means implementing in line with the plan of budget. It involves monitoring, accountability, controlling of cost and auditing. Some organisations use budget control as the means of internal controls, it provides a comprehensive management platform for efficient and effective allocation of resources. Budget control enables the management to make plans through implementing those plans and monitoring activities to see whether they conform to the plan. Mohamed, Evans and Tirimba (2015) asserted that budgetary control is the process of developing a spending plan and comparing actual expenditures against the plan to determine if the spending patterns need adjustment or not. This process is necessary to control spending and meet both institutional and financial goals. The major reason for low productivity in organisation has been linked to poor internal control within the key players in the organisation (Abdullahi, Kuwata, Abubakar and Muhammad, 2015). Tertiary institutions rely on budget control in the management of resources and this technique is also used by private individuals, such as household and firm who want to make sure they live within their means.

Management of tertiary institutions will be considered efficient if it could use least resources to produce maximum output in terms boasting general welfare of staff. Efficiency can be internal and external, that is, internal efficiency and external efficiency. Internal efficiency is the extent to which resources that are available in institution are prudently utilized to achieve the immediate objectives of the institution while external efficiency relates to the output of the institution to the world of work. For instance, an institution may graduate students, but the graduates may not be able to perform to expectation of the society. They may not be able to contribute towards achieving the national goals due to low quality. The production of this low quality of graduates may result from poor budgeting to procure basic needs for quality teaching and learning in the institutions.

The major aim of the reform of education administration is the creation of a style of institution that is more economic, efficient and effective (Tooley and Guttrie, 2007). This means that increased attention to effectiveness and efficiency in production of educational services can lead to better educational benefits, which is management effectiveness. Junge, Bosire and Kamau (2014) posited that educational effectiveness can be enhanced through budgeting. It has been stressed that the policy of education effectiveness evaluation has changed gradually, and this has been coupled by increased demands on accountability from

the stakeholders. Hence, budgeting can assist in increasing accountability in the use of funds and invariably lead to effectiveness in tertiary institutions.

Principal-Agent Theory of Budgeting

This study hinges on the Principal-Agent Theory of budgeting. The theory explains the relationship that exists between the principal and the agent. The theory was developed in the 1970s by Jensen and Meckling as stated by Gachithi (2010) that Principal-Agent theory is a relationship that exists where a party acts on behalf of another party. The principal is the one who allocates resources and the agent who provides services to the public. The theory is concerned with the interaction between an agent and the principal so that the agent will act to benefit the principal rather than his own benefit to bring about effectiveness. The theory hinges on the idea that public sector performance can be improved if incentive-based contracts between different actors are implemented. Principals will be more likely to achieve their desired outcomes while agents will have clarity around work programs and goals.

Principal-Agency theory has its foundations in two ideas which were developed through the study of the economics of organisational and institutional behaviour. First was the notion proposed by public choice theorists that self-interest is the primary motivation behind the activities and behaviour of individuals and the organisations that they work for. People in public employment and public organisations are viewed as rational utility maximisers, meaning that each seek to advance their own interests as would a private business or private sector employee in pursuit of profit or an increased salary. In this way, government officials and organisations are presumed to be in pursuit of only budgetary expansion. In budget, a slack relation exists where managers intentionally use participation to create slack, while the other argued that managers through anticipation reduce slack in their budgets. In these perspectives, slack is the intentional underestimation of revenues and productive capabilities or over-estimation of costs and resources in the budget. This action of agent is what, usually makes government to reduce budget to tertiary institution instead of approving it.

Advocates of agency theory and related organisational arrangements believe that contract will support the interests of principals, those wanting something done such as funding agencies, or chief executives and their agents (for example, government officials and organisations or non-government and providers of public services). The result is that the achievement of objectives of principal will be maximized, resulting in a more efficient and effective policy and service delivery outcomes. Alongside of this, the self-interested behaviour of agents will be stemmed and focused on goal of principal through various incentives and sanctions.

Factors that complicate agency theory are a series of behavioral factors encapsulated by the terms adverse selection and moral hazard as well as the very nature of the public sector and government. Adverse selection results from the existence in any relationship of what are called "information asymmetries." Information asymmetries refer to the simple fact that one party (for instance, an experienced and skilled public servant) may be likely to have more knowledge, and therefore be at an advantage than another party. Adverse selection can occur when a principal is not able to gain enough knowledge about the agent background, motivations, or capabilities prior to entering a contractual relationship.

The researcher considers this theory of Principal-Agent appropriate because it is concerned with how the interest of workers and that of the funding bodies can be brought into harmony to manage available resources to achieve effectiveness and efficiency in the tertiary institutions.

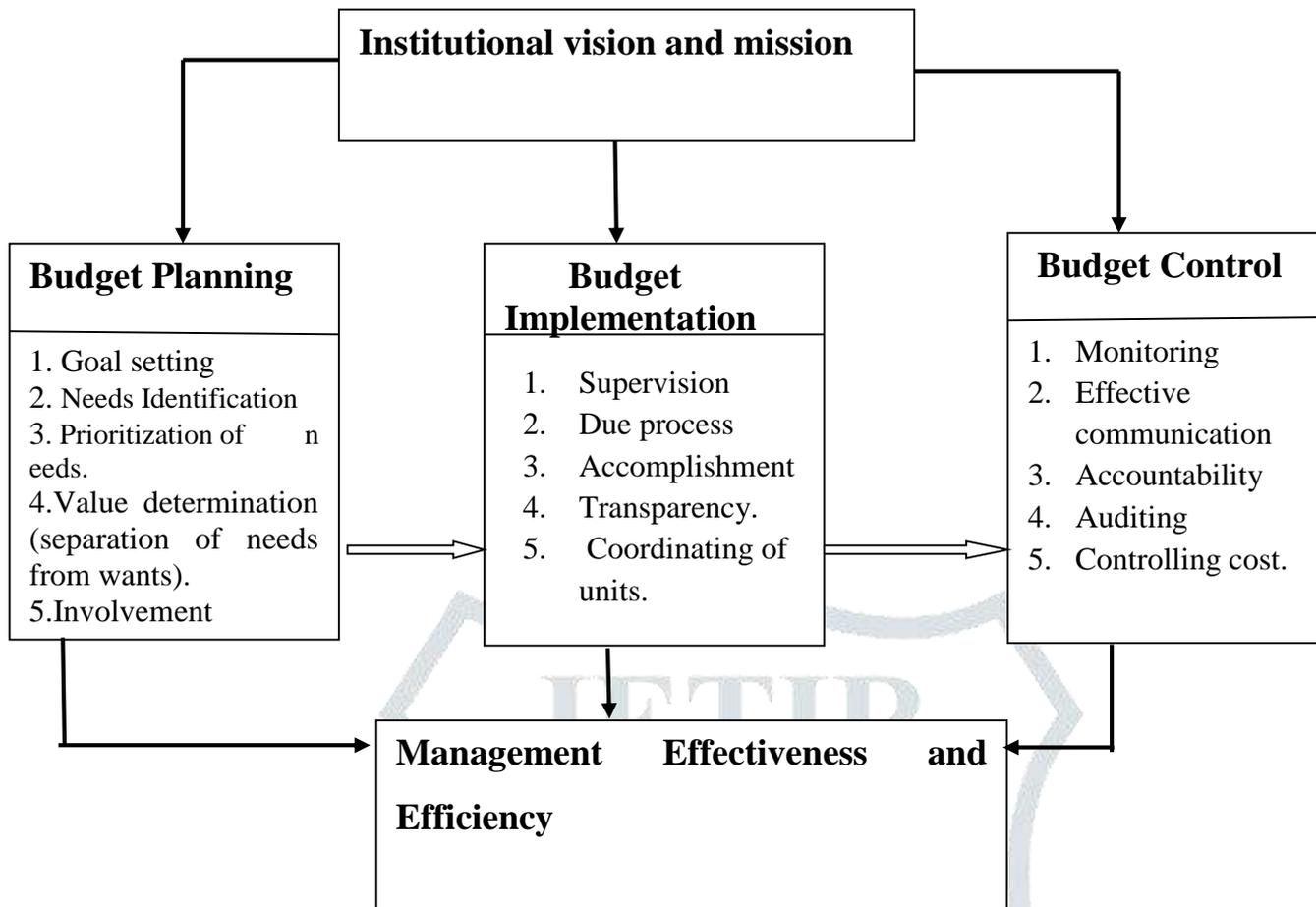


Figure 1: Conceptual Model on Budgeting Practices and Management of Tertiary Institution. Source: Researcher (2021)

The conceptual framework for this study shows the process of budgeting from planning to implementation and Control. Budget planning encapsulates goal setting, needs identification, prioritization of needs, value determination, and involvement of stakeholders. Budget implementation involves supervision, due process accomplishment, transparency, and coordinating of units. Budget control is concerned with monitoring, effective communication, accountability, auditing and controlling cost. The proper engagement of these variables will engender management effectiveness and efficiency, which are provision of adequate materials and staff welfare for service delivery. The effective and efficient management of resources of the tertiary institutions through the instrument of budgeting enhances the achievement of educational goals of the country. The National Policy on Education (FRN, 2013) provides a guide at attempting to fulfill the nation's objectives. This study therefore focuses on budgeting practices and management of tertiary institutions in Ondo State.

Statement of the Problem

The quest to meet the needs of tertiary institutions for effective service delivery in the face of limited financial resources has called for serious concern to all members of academia. Management of tertiary institutions is concerned with provisions of necessary materials and ensuring welfare of staff for effective service delivery to achieve the intended goals. However, the challenge of tertiary institutions nowadays has been a mismatch between the income and the proposed expenditure.

Delays in the payment of salaries, inadequate materials for effective teaching and learning, and lack of good welfare package are some of problems bedeviling the system. Knowing that there is a shortfall in financial resources in tertiary institutions, it behooves the heads of affairs to resort to budgeting mechanism to address the problem to achieve effectiveness in the system. It, however, appears that management instrument of budgeting is not being properly explored to bring optimal result. It seems that management of tertiary institutions in Ondo State do not recourse to budget guidelines while planning and implementing the plans of the institutions, which may often result in management ineffectiveness and inefficiency. This invariably affects service delivery of members of academia.

Subsequently, budgeting practices of tertiary institutions in Ondo state face a lot of criticism from well-meaning individuals and authorities. It is against this backdrop that the researcher sought to examine the budgeting practices and management of tertiary institutions in Ondo State.

Purpose of the Study

The main purpose of this study was to examine the budgeting practices and management effectiveness in tertiary institutions in Ondo State. Specifically, the study sought to:

1. examine the level of budget practices in tertiary institutions in Ondo State;
2. examine the level of budget implementation in tertiary institutions in Ondo State

Research Questions

This study was guided by the following research questions.

1. What is the level of budget practices in tertiary institutions in Ondo State?
2. What is the level of budget implementation in tertiary institutions in Ondo State?

Research Hypotheses

The following hypotheses were formulated to guide the study.

H₀₁: There is no significant relationship between joint dimensions of budgeting practices (planning, implementation and control) and management effectiveness in tertiary institutions in Ondo State.

H₀₂: There is no significant relationship between budget implementation and management effectiveness in tertiary institutions in Ondo State.

METHOD

Research Design

The descriptive design of the survey type was used in this study. The researcher decided to use this design because it afforded him to garner opinions and information from the respondents on budgeting practices of their institutions, and how the practices influenced management effectiveness.

Population of the Study

The population for this study comprised all the tertiary institutions, universities and polytechnic in Ondo State. The study targeted 347 senior members of Staff of the Bursary Unit, Audit Unit, Heads of Departments and Deans/ Directors of the state-owned tertiary institutions in Ondo State because of their direct involvement in the finances of the programmes and the management of institutions. Polytechnic and universities formed the population since they have autonomy and they are directly involved in the budget preparation and implementation.

Sample and Sampling Techniques

The sample of this study comprised 204 senior members of staff of three state-owned tertiary institutions in Ondo State. Purposive and proportionate samplings were used in the selection of the sample for the study. The procedure for the samplings were adopted as clarified below.

One polytechnic and two universities were purposively selected. The institutions are: Adekunle Ajasin University, Akungba-Akoko (AAUA); Olusegun Agagu University of Science and Technology, Okitipupa (OAUSTECH), and Rufus Giwa Polytechnic, Owo (RUGIPO). The researcher decided to purposively select the institutions because the institutions are autonomous and have an established budget practice because of long period of existence which spanned at least a decade.

Proportionate sampling was used in the selection of sixty percent of Heads of Departments from each of the three institutions making fifty-eight (58). Also, proportionate sampling was used to select sixty percent senior staff from the bursary and the audit units of the three tertiary institutions making a total of ninety-four (94) and fifteen (15), respectively. Sixty percent of Deans/Directors in each of the institutions were selected making a total of thirty-seven (37) Deans/Directors.

Research Instruments

Two instruments were used for the study. The first instrument was a questionnaire titled “Budgeting Practices and Management of Tertiary Institutions Questionnaire (BPMTIQ)” and one proforma titled “Budget Inventory”. The questionnaire which was developed by the researcher comprised sections A, B, C, D, and E. Section A contained general information about the respondents and the background of the institutions. Sections B, C, and D contained items on budgeting practices, budget planning, budget implementation, and budget control, respectively. Section E contained items of questions on management effectiveness of the institutions.

A 4-point likert scale was used, where each statement was followed by four options. That is, Strongly Agreed, Agreed, Disagreed and Strongly Disagreed rated as 4, 3, 2 and 1, respectively. Second instrument was a proforma designed to collect the proposed budget and the actual budget covering 2017 to 2019 in the selected tertiary institutions.

Reliability of the Instrument

The instruments were validated and found reliable with Pearson Product Moment Correlation used to test the reliability, and the coefficient of correlation was found to be 0.74, which was considered to be high for the study. Also, Cronbach alpha reliability test was carried out to ascertain the internal consistency of the instrument. The coefficient of the reliability was found to be 0.844, which was considered to be high for the study.

RESULTS

Research Question 1

What is the level of budgeting practices in the tertiary institutions in Ondo State?

In order to answer this research question, data on 204 respondents to sections B (budget planning), C (budget implementation), and D (budget control) of the questionnaire were collated and analysed using frequency counts, percentage, mean and standard deviation. The three sections have 27 items structured in a 4-point Likert scale format. The maximum and the minimum obtainable scores are 108 and 27, respectively. The maximum and minimum obtained scores are 78.3 and 60.9, respectively. To classify the responses to levels (high, moderate and low), the mean and standard deviation were calculated as (mean = 69.6; standard deviation = 8.7). Thereafter, the standard deviation was added and subtracted from the mean ($69.6 + 8.7 = 78.3$; $69.6 - 8.7 = 60.9$) to arrive at upper and lower bounds for moderate (61 – 70) level of budgeting practices. Scores above and below this range were classified as high and low levels of budgeting practices. Details are as shown in table 1.

Table 1
Level of Budgeting practices in Tertiary Institutions Ondo State

Levels	Range	N	%	Min	Max	Mean	SD
High	78.3 – 108	29	14.2				
Moderate	61 – 78.2	144	70.6	45	102	69.9	8.7
Low	27- 60.9	31	15.2				
Total		204	100				

Source: Fieldwork (2021)

From Table 1, 29 (14.2%) of the respondents agreed that budget practices is high, 144 (70.6%) agreed that it is moderate, and (15.2%) agreed that it is low. The pictorial representation of this information is further depicted in Figure 4.

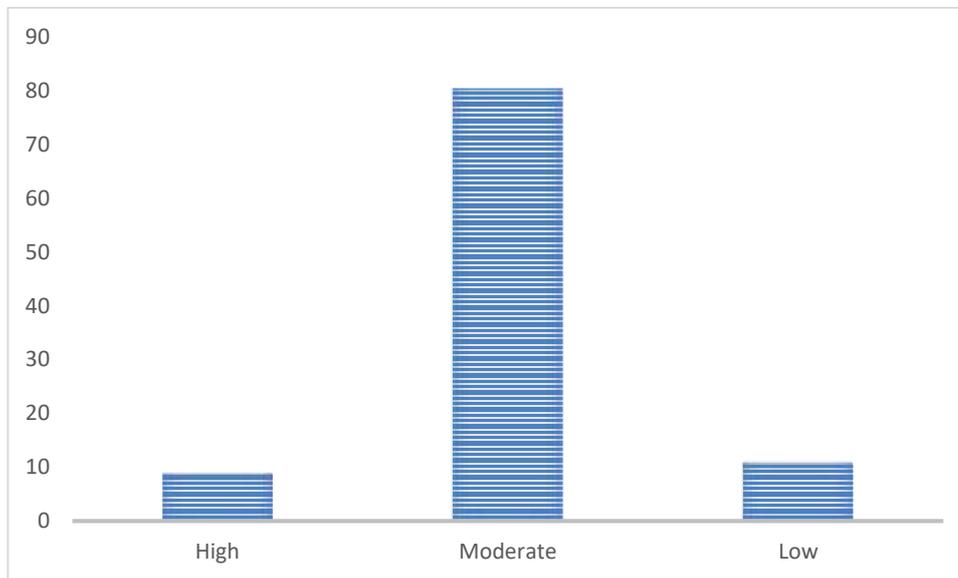


Figure 2: Level of Budgeting Practices

From Table 1 and Figure 2, it can be concluded that the level of budget practices in tertiary institutions in Ondo State is moderate.

Research Question 2

What is the level of budget implementation in tertiary institutions in Ondo State?

In order to answer this research question, data on 204 respondents to section B (Budget implementation) of the questionnaire were collated and analyzed using frequency counts, percentage, mean and standard deviation. The section has 7 items structured in a 4-point Likert scale format. The maximum and the minimum obtainable scores are 28 and 7, respectively. The maximum and minimum obtained scores are 28 and 9, respectively. To classify the responses to levels (high, moderate, and low), the mean and standard deviation were calculated as (mean = 17.95; standard deviation = 3.31). Thereafter, the standard deviation was added and subtracted from the mean ($17.95 + 3.31 = 21$; $17.95 - 3.31 = 15$) to arrive at upper and lower bounds for moderate (14.64 – 21.26) level of compliance with the budget implementation. Scores above and below this range were classified as high and low levels of compliance with budget implementation. Details are as shown in table 2.

Table 2
Level of Budget Implementation in Tertiary Institutions in Ondo State.

Levels	Range	N	%	Min	Max	Mean	SD
High	21.26 – 28	25	12.3				
Moderate	14.65 – 21.25	154	75.4	9	28	17.95	3.31
Low	7 – 14.64	25	12.3				
Total		204	100				

Source: Fieldwork (2021)

From Table 2, 25(12.3%) of the respondents agreed that the level of compliance with the budget implementation was high, 154 (75.4%) agreed it was moderate while 25 (12.3%) agreed that it was low. The pictorial representation of this information is further depicted in Figure 2.

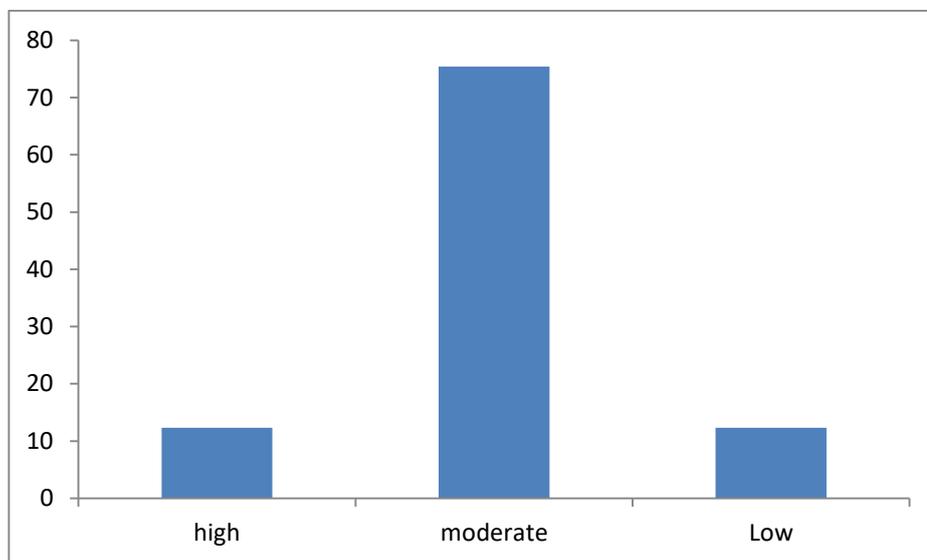


Figure 3: Level of Budget Implementation in Tertiary Institutions in Ondo State.

From Table 2 and Figure 3, it can be concluded that the level of compliance with budget guideline in budget implementation in tertiary institutions in Ondo State is moderate.

Testing of Hypotheses

Hypothesis 1: There is no significant relationship between joint dimension of budgeting practices (planning, implementation, and control) and management effectiveness in tertiary institutions in Ondo State.

In testing this hypothesis, data on budget planning, budget implementation, budget control and management effectiveness sub-sections of the questionnaire were collated and subjected to regression analysis. The result is shown in Table 3.

Table 3

Multiple Regression analysis showing the relationship between joint dimensions of budgeting practices and management effectiveness.

R = 0.269 R Square = 0.072 Adjusted R Square = 0.058					
ANOVA	Sum of Squares	Df	Mean Square	F	Sig
Regression	130.907	3			
Residual	1679.696	200	43.636	5.196	0.002
Total	1810.603	203	8.398		

a. Dependent Variable: management effectiveness

b. Predictors: (Constant), budget control, budget implementation, budget planning.

From Table 3, there is a significant and positive relationship between budgeting practices and management effectiveness in tertiary institutions in Ondo State. It can also be deduced from the table that the dimensions of budgeting practices (planning, implementation and control) make significant joint contribution to the prediction of management effectiveness in tertiary institutions in Ondo State. More specifically, all the dimensions of budgeting practices jointly accounted for 7.2% of the total variance in management effectiveness in tertiary institutions in Ondo State ($R = 0.269$; $R \text{ Square} = 0.072$; $\text{Adjusted } R \text{ Square} = 0.058$, $F_{(3,200)} = 5.196$, $p = 0.002 < 0.05$).

To further examine the relative contribution of the independent variables to the dependent variable, data on budget planning, budget implementation, budget control and management effectiveness sub-sections of the questionnaire were collected and subjected to multiple regression analysis. The result is shown in Table 4.

Table 4

Multiple Regression analysis showing the relative contribution of the dimensions of budgeting practices to the prediction of management effectiveness

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	10.230	1.698		6.024	.000
Budget planning,	-.117	.055	-.172	-2.134	.034
Budget implementation,	-.090	.071	-.100	-1.262	.209
Budget control	.279	.073	.306	3.802	.000

a. Dependent Variable: management effectiveness

From Table 4, out of three dimensions of budgeting practices (planning, implementation and control), only two (budget planning and budget control) made significant relative contribution to the prediction of management effectiveness. Budget control was the higher predictor of management effectiveness. It accounted for (30.6%) of the total variance in management effectiveness ($\beta = 0.306$, $p < 0.05$). Budget planning was the least predictor of management effectiveness. It accounted for (17.2%) of the total variance in management effectiveness ($\beta = 0.172$, $p < 0.05$). Budget Implementation did not make significant contribution to management effectiveness, since p-value (0.209) is greater than 0.05. From tables 3 and 4, it can be concluded that there is a joint contribution of the dimensions of budgeting practices (planning, implementation and control) to the prediction of management effectiveness in tertiary institutions in Ondo State, hence, hypothesis 1 is rejected at 0.05 level of significance.

Hypothesis 2: There is no significant relationship between budget implementation and management effectiveness in tertiary institutions in Ondo State.

In testing this hypothesis, data on budget implementation and management effectiveness subsections of the questionnaire were collated and subjected to Pearson Product Moment Correlation. The result is shown in Table 5.

Table 5
Relationship between Budget Implementation and Management Effectiveness

Variables	N	r-cal	Df	p-value	Decision
Budget implementation Management effectiveness	204	0.040	202	0.566	Not significant

From Table 5, the value of r calculated is 0.040. p-value is 0.566. Since the p-value is greater than 0.05, the hypothesis earlier stated that there is no significant relationship between budget implementation and management effectiveness in tertiary institutions in Ondo State is hereby upheld.

Discussions

Research question one examined the level of budget practices in tertiary institutions in Ondo State. It tried to establish whether the level of budget practices in the sampled institutions was high, moderate or low. In the survey involving 204 respondents from the three sampled institutions, the result shows a moderate level of budgeting practices. This implies that the level of budgeting practices in the tertiary institutions is generally moderate. This corroborates the findings of Junge, Bosire, and Kamau (2014) that budgetary practices in most institutions is moderate. The result also supports the finding by Ugoani (2019) who carried out a study on budget management and organisational effectiveness and submitted that there is moderate budget management. The finding is also in line with the study carried out by Chukwuemeka, Ijeoma, Ogunji, Igba, Ngozi (2019) who discovered moderate level of budgeting practices. This moderate level of budgeting practices might due to joint dimension-factors of budget planning, budget implementation, and budget control. This might be as a result of not linking the microcosm of the variables together during planning, implementation, and control of budgets of the tertiary institutions. Institution can improve on their practices to reach high level in their performance. The improvement on the level of planning, implementation, and control of budget will bring about management effectiveness.

Research question two examined the level of budget implementation in Ondo State. It tried to find out the level of supervision of project execution, due process, transparency of management in the implementation of plans. Findings revealed that budget implementation is moderate in the institutions. The moderate level of budget implementation might be a resultant effect of poor supervision, and lack of transparency by staff who involved in the assignment of execution institutional projects.

The study is also in line with the opinion of Obara (2013) who examined budget preparation and implementation in the Nigeria and found that budget implementation is moderate. Implementation is a critical stage of any process. Having moderate level of budget implementation in the tertiary institutions will not engender high performance of the system. This is linking to lukewarmness, which even Bible condemns in Revelation chapter three verse sixteen. High level of budget implementation can be attained if there is due process and thorough supervision during implementation of projects and programmes of the institutions. The finding also corroborates that of Obara (2013) who examined budget implementation strategies and organisational effectiveness and found out moderate level of budget implementation in institutions.

The result of analysis in hypothesis one shows that there is a significant relationship ($R=0.27$) between budgeting practices and management effectiveness. The implication of this is that budget planning, budget implementation, and budget control jointly contributed to the management effectiveness at the tertiary institutions, though at different proportion. This corroborates the study carried out by Chukwuemeka, Ijeoma, Ogunji, Igba, and Ngozi (2019) on impact of budget preparation and implementation on school administration. The result also conforms with the findings by Ugoani (2019) who examined the relationship between budget management and organisational effectiveness and concluded that budget management influences organisational effectiveness. This implies that effectiveness of institutions depends to a large extent on the nature of its budget practices among other factors. The finding also agrees with Omole (2012) who assessed

strategic budgeting system and management of public resources in Nigeria and reported that there is a significant relationship between budgeting practices and management effectiveness of public resources in Nigeria.

The study concluded that a system cannot achieve a desired goal if its budget practices is not well worked upon. Similarly, the finding has a corollary with Debebe and Osebe (2019) who examined the relationship between dimensions of budget planning, budget preparation, budget implementation, budget controlling, and tax revenues and level of organisational effectiveness, and revealed a positive and significant relationship between budget process and organisational effectiveness. Hence, all stakeholders in the system are to pay attention to budgeting with a view to improving on its practices.

Hypothesis three revealed that there is no significant relationship between budget implementation and management effectiveness in tertiary institutions in Ondo State. Implementation in terms of supervision, due process, transparency, coordination of activities. This means that there has not been thorough supervision of projects; no due process; no transparency, and coordination of activities which in turn have affected management effectiveness. Management can only be effective if there is a proper implementation of budget. This finding disagrees with the study carried out by Chukwuemeka, Ijeoma, Ogunji, Igba and Ngozi (2019) on impact of budget preparation and implementation on school administration in Southeast States in Nigeria that budget implementation has a significant relationship with school effectiveness. Also, the finding disagrees with the study carried out by Omosidi, Oguntunde, Oluwalola, and Ajao (2019) on budget implementation strategies and organisational effectiveness in colleges of education in Nigeria who examined the relationship between budget implementation strategies and organizational effectiveness. The study found that there is a significant relationship between budget implementation strategies and organisational effectiveness in the colleges of education in Nigeria. Managements are to be concerned with supervision, due process, transparency, proper coordination of activities so that optimum performance can be attained.

Conclusion

The study was undertaken to examine the budgeting practices and management effectiveness in tertiary institutions in Ondo State. The study has shown that budget practices determine management effectiveness. The higher the level of budget practices, the higher the level of management effectiveness. Management effectiveness depends on effective budget planning, budget implementation, and budget control. The prevailing level of moderate budget practices still needs to be improved upon because of the noticeable gap between budget planning and budget implementation.

Recommendations

Based on the findings and conclusions from the study, the following recommendations are made:

1. The institutions should endeavour to embrace best implementation that will engender management effectiveness through workshop and seminars for the staff who involve in the budgets.
2. Tertiary institutions in Ondo state should review the budget process so that better performance can be achieved. This can be done by effective goal setting, identification and prioritisation of needs, value determination (separation of needs from wants), and involvement of stakeholders
3. There should be an effective system of monitoring the implementation of budgets of the institutions to achieve management effectiveness. The audit staff should supervise all procurements of items for the institutions.
4. Management effectiveness should be improved through proper budgeting practices.

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APPENDIX I

QUESTIONNAIRE ON BUDGET PRACTICES

ADEKUNLE AJASIN UNIVERSITY

DEPARTMENT OF EDUCATIONAL MANAGEMENT

AKUNGBA-AKOKO, ONDO STATE

QUESTIONNAIRE ON “BUDGETING PRACTICES AND MANAGEMENT OF TERTIARY INSTITUTIONS IN ONDO STATE”

This questionnaire is meant to examine the budgeting practices and management of tertiary institutions in Ondo State. The study is critically examining the practices of budgeting in relation to effectiveness of management of tertiary institutions.

You are kindly requested to complete Sections A, B, C, D, and E of the questionnaire. Please note that data and information provided will be used for research purposes only and treated with utmost confidentiality.

Section A: Background information

1. Institution: 1. AAUA [] 2. OAUSTECH [] 3. RUGIPO []
2. Department
3. Designation/Status

Kindly tick the column that is appropriate to your response in each of the items in sections B to F using the following rating scale:

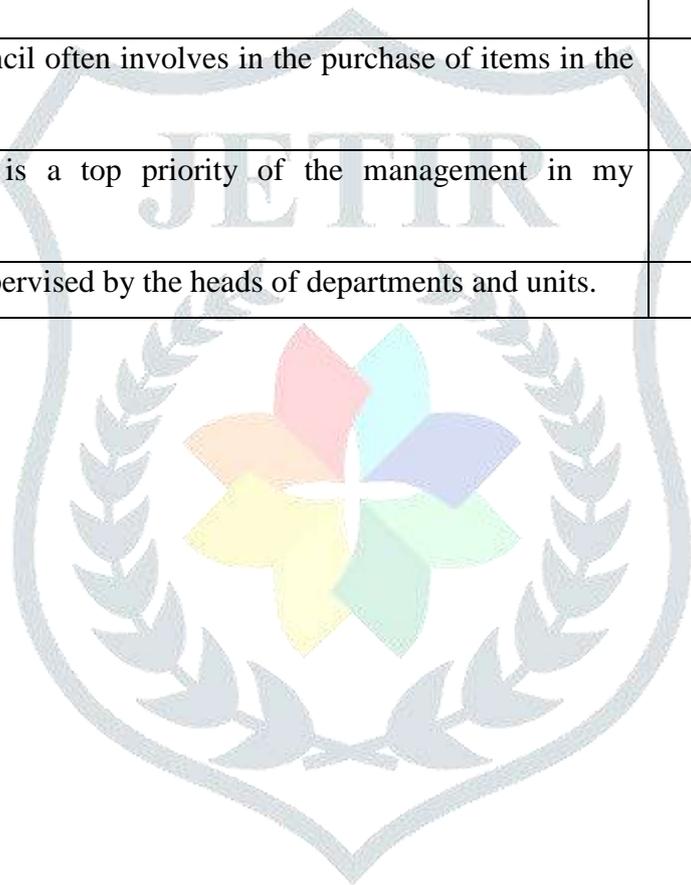
Strongly Agreed (SA), Agreed (A), Disagreed (D), Strongly Disagreed (SD)

Section B: Budget Planning

S/N	Statement	Response			
		SA	A	D	SD
1	My institution always sets achievable goals at the beginning of academic year.				
2	Needs of the institution are always identified by the management.				
3	Budget guidelines are available with heads of departments/units.				
4	The needs of my institution are always prioritized.				
5	Stakeholders are involved in the financial decision making in my institution				
6	Financial management decisions are always communicated effectively to all who are involved in the implementation.				
7	Financial resources are linked to institution's programme during budget preparation.				
8	Heads of departments do not always submit well-prepared budget estimates to the budget committee every year.				
9	Allocation of resources is done according to the importance of the institution programme.				
10	Consideration is given to anticipated revenue during budget preparation.				

Section C: Budget Implementation

S/N	Statement	Response			
		SA	A	D	SD
1	Thorough supervisions are given to those who are to implement management decisions in my institution.				
2	Due processes are strictly adhered to during programme implementation in my institution.				
3	Implementation of management decisions is very transparent in my institution.				
4	Accomplishment of management goals are prioritized in my institution.				
5	The Governing council often involves in the purchase of items in the institution.				
6	Cost minimization is a top priority of the management in my institution.				
7	Projects are well supervised by the heads of departments and units.				



Section D: Budget control

S/N	Statement	Response			
		SA	A	D	SD
1	All those involved in the implementation of management decisions on financial matters are effectively monitored in my institution.				
2	Accountability is strictly maintained in my institution.				
3	All departments/units are effectively coordinated in my institution.				
4	There is no unnecessary spending by my institution.				
5	Staff in each department are not more than necessary.				
6	Periodic auditing of accounts is usually carried out in my institution.				
7	Academic sessions are usually ended as planned at the beginning of the session.				
8	There are no redundant staff members in my institution.				
9	Funds are sufficient to attend to needs in the plan.				
10	Contracts are properly bid for before award in my institution.				

Section E: Management Effectiveness

S/N	Statement	Response			
		SA	A	D	SD
1	My institution pays promptly salaries of staff.				
2	Salary advance is promptly approved for staff who apply for it.				
3	Equipment for effective service delivery is always provided for staff.				
4	There are no excess workloads for staff in my institution.				
5	Allowances due to staff members are paid as at when due.				
6	There is no provision for exigencies in the budget of my institution.				