

**SITUATIONAL ANALYSIS OF FINANCIAL SUSTAINABILITY IN SELECTED
PUBLIC SECONDARY SCHOOLS IN NDOLA DISTRICT OF ZAMBIA**

BY

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DECLARATION

I, **Anthony Makumba Chisanga**, do hereby declare that this research is original and that it is the outcome of my own effort. The contents in this research have never been presented elsewhere and I also declare that the narratives, figures, graphs contained in this report were generated by me except for those whose origin has been acknowledged.

Signature: Date:

Name of the Supervisor: Signature:

Date:

DEDICTAION

This research project is dedicated to my wife Rhodah who was a fountain of inspiration in my life. His constant encouragement and material support made me to soar the academic heights. May the good lord bless you. I also dedicate it to my Mum Magreat Chengo and my dad Levas Chisanga for their blessings.I cannot forget to mention my lovely children Anthony Chilufya, Chimwemwe. Chengelo and Shula for their constant prayers.

A big honour goes to my family for their patience for the time I was away.

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ABBREVIATIONS AND ACRONYMS

BOM: Board of Management

CDF: Community Development Funds

DEBS: District Education Board Secretary

FGEO: Financing Global Education Opportunity

FM: Financial Management

FSSG: Financial Sustainability Strategy Group

GRI: Global Reporting Initiative

IFAC: International Federation of Accountants

HE: Higher Education

HOD: Head of Department

JAS: Joint Assistance Strategy

MOE: Ministry of Education

OECD: Organization for Economic Cooperation and Development

PTA: Parent Teachers Association

SPSS: Statistical Package for Social Science Software

SWOT: Strength, Weaknesses, Opportunities and Threats.

TRACT: Transport Approach to Costing

TQM: Total Quality Management

UNESCO: United Nations Educational Scientific and Cultural Organization

USAID: United States Agency for International Development

RBV Resource Based View

ABSTRACT

The aim of this study is to establish the financial situation, sources of funds and how sustainable are the funds in the selected public secondary schools in Ndola district of Zambia. Descriptive design was used to facilitate description and inference building about population parameters and the relationship among two or more variables. The purpose of descriptive research was to describe the state of affairs as it was at present. The study targeted five public secondary schools in the southern zone of Ndola district. The study used the interview guide as a means of collecting data. The study established that the financial situation in schools is bad to help financial sustainability in public secondary schools. It further found out that most finances come from Government grants and user fees. It established that four (3) schools fail to sustain funds in schools due to poor budgeting skills by the Administrators. Only 25% of schools managed to carry out planned activities for the whole year because of other fundraising ventures they are involved in. The outcome states that the predictive model is key to financial sustainability for public secondary school's educational institutions.

The study recommended that the government should come up with the system that will give full mandate to school Head Teachers to collect user fees in order to sustain finances in public secondary schools. For instance, allow the school authority to only allow pupils whose user fees are fully paid up should be in school. Schools should engage in intensive fundraising ventures such as fish farming selling items made from industrial arts and home economics as well as hiring of school buses as a means of public transport. The government should be organizing more intensive training sessions in financial management for school authorities to enable them have proper budgetary skills.

CHAPTER ONE

INTRODUCTION

1.0 Overview

The chapter presents the background of the study it gives a detailed statement of the problem and defines the objective of the study, research questions. In addition, the chapter outlines the significance of the study. The chapter also covered delimitation, conceptual frame work then concludes by operational definitions

1.1 Background

Schools run a number of activities. In order to affect the smooth running of these activities schools needs funds. Without funds the number of activities cannot be successful. Schools depend on government grants and user fees.

Burke (2001). The education sector in many countries consumes very high budgetary allocation and therefore sound financial management is paramount. A lot of attention is given to education world over because of the impact it has on development. According to UNESCO (2000), low levels of education are not good on the economy of any nation. As a result, secondary education in some countries like Britain, USA, Canada, Egypt and Nigeria is fully funded by the state. In Zambia, funding of secondary education is shared between the parents and government.

According to MOE (2012), public secondary schools consume about 23% of the ministry's budget. However, even with other challenges which include salaries, development expenses which involves more levies that parents must meet. The responsibility of funds in public secondary schools is under the school Head Teacher with the approval of Board of Management BOM, Department of Education and culture (2009). Their task is to ensure that schools perform well using the resources provided however, there are problems with regards to payment. Delay in receiving money from government and parents affects the quality of service delivery. It has also been noted that more often than not most school Head Teachers operate without following the budget, buy without any procurement plans and come up with nonexistent projects. Even though education remains within the National government management, most of the Schools are in the domain of counties where disregard for regulations and guidelines are left out.

The Head Teacher who is appointed through merit by the Ministry of Education has the responsibility of the day to day management of a secondary school. Secondary schools in Zambia are governed by the Education Board of Management (EBOM) and a Parents Teachers Association (PTA). The ministry of education has the mandate to elect the EBOM with a parental representation while the PTA members are elected by the parents of that particular school. While the EBOM has the overall authority on all school affairs, the PTA mainly deals with resource mobilization, Simiyu (2014).

In order to balance the cost of education for all, the government has recently formulated guidelines on school fees structure which so far has not been fully enforced. According transparency international Kenya (2010), nearly 73% of government social expenditure is channeled to education. Unfortunately, studies have established that most of School managers have no basic accounting skills in general, Kilonzo (2007). This should therefore be taken as a

priority by the government so that schools are able to utilize the resources well. Ineffective financial management leads to lack of basic facilities, misplaced projects, and poor learning environment and therefore poor performance which defeats the government objective of attaining vision 2030 where education has been identified as one of the key pillars. Despite introduction of uniform fees structures, some schools have continued to charge higher fees besides introducing more levies towards development with permanent projects

1.2 Concept of financial Sustainability

Financial Sustainability is focused on the financial sustainability of organizations. It looks at the ability of institutions to identify and analyze full cost, and the potential to diversify their income and non-income sources to obtain financial sustainability. The obligation of meeting current and future mission is the main challenges for higher educational institutions of the 21st century. Thus the aim of financial sustainability is to ensure an institution's goals are reached by guaranteeing "sufficient income to enable it to invest in its future academic and research activities .To fulfill this aim, higher educational institutions need to pursue sustainable growth especially in terms of their finances. According to the Global Reporting Initiative (GRI) and the International Federation of Accountants (IFAC), the development of the concept of sustainability is threefold: environmental, social, and economic. In the past decade, the global recession highlighted the increasing importance for public organizations to manage the economic and financial dimensions. The difficulty for governments to provide appropriate funds for HE sector needs have encouraged performance based governmental funding policies. Taking into account that public universities are prevalently financed by the central government and are sensitive to the funding policy of each country, analysis of the financial conditions has become more relevant

than in the past. According to the classification of Massaro et al. (2016), this chapter adopts a narrative literature review approach, with the main aim being to investigate the key theoretical elements and methods used to analyze the financial health of state universities. In this way, avoiding the recurrent risk of each literature review, namely to list a summary of the findings, conclusions, and unanswered research paths (Petticrew and Roberts 2008), the following sections are structured in order to offer a critique of both financial situation and sustainability.

Sustainable growth can be defined as the “rate at which an institution can grow while keeping its profitability and financial policies unchanged”. It is a financial planning model that focused on stable risk and returns for the institutional owners and for that matter for nonprofit it is reinvestment of internal funds if there is excess of income over expense. Similarly it, suggests that sustainable growth “is the level of [Institutional] activity at which aggregate demand and aggregate supply is consistent with a stable inflation rate”. In other words, the higher educational institutions must find a way to cut cost of institution based on its own resources. Sustaining this ability to internally supply for the school needs is the challenge and brings to the light the importance of financial sustainability. According to Rowe et al (1990), institutions need to develop relationships between sustainable growth and other contributing factors that will lead to the maximization of overall institutional value. As such, sustainable growth should be embedded into sustainability. This means that institution must be self-supporting as asserts “Institutional sustainability needs to be financially self-supporting, free from subsidies for operational needs” financial self-support is a necessary condition for higher education institution’s financial sustainability. Institutional financial sustainability requires educational institutions to “cover all transaction costs (loan losses, financial cost and administrative cost), with return on equity (net of any subsidy received), and consequently function without subsidies”. This calls for an

institution to sustain its services based primarily on its resources generated internally, which is deemed to run on a regular basis for its operation.

1.2.1 Global Perspective of Financial Sustainability in the Education Sector

Financial sustainability is regarded as one of the cardinal challenges in European universities. As such, institutions with robust and sound financial structures and stable incomes are the ones that can fulfill their missions and respond to challenges brought about by dynamic environment. Thus financial sustainability aims at ensuring that a learning institution is able to generate adequate income to enable the institution to discharge its operations efficiently and invest in its academic and research activities without over relying on external sources of funding such as the government. It is noted that institutions of higher learning such as universities should look into three key pillars in order to ensure financial sustainability, that are identifying and better understanding of costs of all activities and projects, maintain reasonably diversified income structure and more so sufficient, reliable and sustainable public funding with adequate accountability measures.

It is noted that higher education in England has made a significant contribution to economic prosperity of the country and it is imperative that it not only survives but also thrives. However, the skyrocketing cost of providing higher education coupled with dwindling sources of funding pose a challenge to the institutions of higher learning in the United States. As a result, the author notes that many colleges and university have resorted to changing their business models in a bid to ensure financial sustainability. These models include changing discounting policies and charging lower tuition prices, considering the length of time required to earn a degree.

Public organizations in many countries (Israel, USA, Spain, Australia and UK) evaluate their financial conditions through financial performance (Honaldle 2003; Dollery et al. 2006; Audit Commission 2007). The focus is generally on two aspects: (1) the availability of the resources required to maintain and/ or improve the services provided to the citizens the development of systems capable of assessing and detecting financial crises (Kloha 2005; Coe 2008).

This means that the financial conditions of a public organization should be expressed through a set of well-known *pointers* by the public sector partnerships with foreign institutions, increased operational efficiencies and streamlining back office functions among others.

1.2.2 Regional Perspective of Financial Sustainability in the Education Sector

African higher education institutions play a critical role in sustaining human development on the continent (USAID, 2014). This is evidenced on the numerous studies focusing on the contributions of higher education to economic growth and long-term benefits to the society. The USAID report further avers that there is a question on how to educate a rapidly growing number of students focusing on relevance and quality and financial sustainability in Africa. In view of this, there are crucial suggestions that have been put forward. One of the suggestions encapsulates strategies to increase finance and internal efficiency in the education sector. These strategies involve reducing or moderating public expenditures, greater economy in minimizing utilization of resources and mobilizing additional resources to achieve financial sustainability. There are several ways of reducing public costs for tertiary education. These include limiting enrolment in public institutions and channeling excess demand to private institutions; using low-cost education services delivery such as distance learning programs, among others. Financial

sustainability can be enhanced by reducing costs within institutions through merging and consolidating institutions in order to realize economies of scale.

The institutions of higher learning are faced with a challenge of securing financial sustainability both in the short term and in the long term as demand for higher education continues to increase evidenced by the influx of students in institutions of higher learning. For instance, the author notes that the growth of students in South Africa learning institutions has overstretched the available resources. Coupled with declining funding, universities resort to increasing students fees in a bid to enhance financial sustainability. In the case of Tanzania, it is observed that at both national and institutional levels, there are certain conditions that facilitate or deter ability of universities to make a sustained contribution to economic development.

In late 90's, the Tanzanian Government Task Force on Financial Sustainability of Higher Education identified major sources of financing public higher education and as a result developed a formula which to some extent is presently being applied. The formula suggested the contribution to higher education financing according to the following proportions. The national government, local government and communities to contribute the lion's share of 82%; students, parents and households to part with 12%; higher education institutions and donors to contribute 4% while other sources including higher education institutions' staff to contribute 2%. Essentially, the government should be responsible for capital, recurrent and other administrative and personnel emoluments. Bailey et al (2011) noted that the government is the chief source of financing public higher education in spite of the policy of cost-sharing.

1.2.3 Zambia's Perspective of Financial Sustainability in the Education Sector

According to Gakuru & Mungania, (2016) a financially sustainable organization is the one that is able to meet all its resources and financing obligations and fulfill its mission. Thus, it can be argued that colleges and other institutions of higher learning in Zambia ought to prudently utilize the resources that they are endowed with without drifting from their mission in order to. The authors note that financial sustainability can be promoted through a broad based and interdisciplinary approach. It is further noted that financial sustainability requires an organization to develop its overall capacity such as management capacity and technical capacity which are fundamental in generating revenue and attracting funding to the organization. According to Kamau, (2006) prudent financial management is imperative in achieving financial sustainability of an organization.

It is asserted that, in the education sector, it is fundamental to secure financial sustainability both in short and long term in addition to ensuring financial health of the sector (Mugo & Ngahu, 2015). In the same perspective, when citing Grobler, (2013), they posited that the hundreds of thousands of secondary school students who qualify for university admission in Zambia are not able to join these institutions due to the limiting capacity. To fill the void, middle level colleges both public and private admit thousands students each year.

1.3 Statement of the Problem

All schools run a number of activities. In order to run these actives schools require fund. Wajala (2002) asserts that, perhaps money is the most important factor in the development of education in terms of both quality and quantity. This is because money is needed for educating learners,

construction of school buildings, purchasing of both teaching and training materials and payment of salaries and acquisition of many items. On the other hand, Teklemaraim and Nam (2011) assert that although the provision of physical facilities depends to a greater extent on the availability of financial support, the planners' and school administrators' creativity and good will are also important elements in ensuring cost effectiveness of the utilization of physical facilities.

What is not known is the financial sustainability in these public selected secondary schools to run the activities. Hence the study of this research to set out and analyze the financial sustainability, financial situation and sources of finances, the selected public secondary schools' budget in the southern zone of Ndola district.

1.4 Purpose of the study

To establish the financial sustainability of funds in the selected public secondary schools in Ndola district of Zambia.

1.5 Objective of the study

To find out the financial sustainability in the selected public secondary schools in Ndola district of Zambia.

1.6 Specific Objectives

1 To establish the financial situation in the selected public secondary schools in Ndola district of Zambia.

1. To ascertain the sources of funds in the selected public secondary schools in Ndola

district of Zambia?

2. To assess the extent of sustainability of financial support in school activities?

1.7 Research questions

1.7.1 Main research question

How sustainable is the financial position of the selected secondary schools in Ndola district of Zambia?

1.7.2 Sub-research questions

The study will be guided by the following questions:

1. What is the financial situation in selected secondary schools in Ndola district?
2. What are the sources of funds in these schools?
3. How sustainable are these sources of funds to support school activities?

1.8 Significant of the study

This study will be critical to decision makers in trying to increase the budget allocation to public secondary schools. It will also help the government to appoint school Head Teachers who are skilled in managing secondary schools and are innovative and creative in order to sustain the available funds in schools to run the day to day activities.

Furthermore the research will help future researchers to improve on the research gaps. It will also add to the body of knowledge in the field of research.

2.1 Theoretical frame work

This section presents the theories that were of importance in this study.

Theoretical framework is defined by the cooperation with and information gained from the case project, as any analyses made for this work should be to support the case project's goals and needs. On the other hand, future recommendations and scenarios pointed for the case project require some further research to be made by itself, or by its chosen outside actors, further down the line. The future considerations will be presented according to the theory, explored per information gained from the case project, and then comprehensively analyzed to gain confident results to benefit further decision making for the case project. The theoretical framework is chosen to best apply going through the past and current financial situations of the project, to establish a solid basis for any analysis for further discussion and decision-making. Financial agency theory was used for checking /monitoring the work of a principal. It emphasizes on the cost and benefits of the principal agent relationship. This is where by one person a principal hires another person an agent to carry out some duties on his behalf. The principal delegates decision making authority to the agent who should have the knowledge and skill to carry out the delegated work. This theory is applicable to this study since public secondary schools are managed by Board of Management (BOM), (Brounen, De Jong & Koedijk, 2004). Bucket theory also was used. This theory helps families to be in a position to set and reach their financial goals and also build a sound financial foundation. This theory argues that for one to become financially worry-

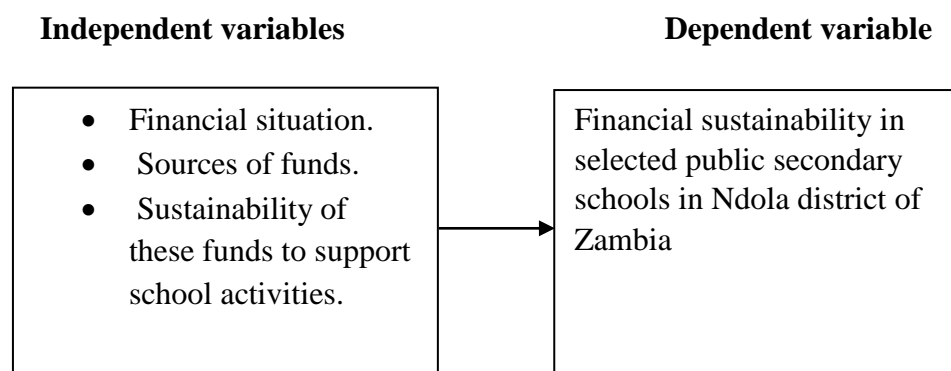
free is a very attainable goal through working out a systematic common sense approach. Lim and Sambrook (2010).

1.10 Conceptual framework

A variable is an object, event, idea, feeling, time, period or any other type of item you are trying to measure. There are two types of variables, independent variable is the one that stand alone it is not changed by the other variables you are trying to measure for example age cannot be changed.

A dependent variable is something that depends on other factors. For example a test score can be a dependent variable because it can be changed depending on several factors such as how much you studied. To show the connection between the two we say time spent in studying will determine how you perform in the test. Hence financial sustainability in selected public secondary schools in Ndola district of Zambia can be influenced by financial situation and other resources, sources of funds and sustainability of these funds to support school activities.

Figure 1: Showing the Conceptual Framework for the study



1.9 Delimitation of the study

The research was basically focused on selected public secondary schools in the southern zone of Ndola district.

1.10 limitation of the study

The study was limited by the fact that an interview guide was used to collect data. The main limitation with this was that some respondents like Head Teachers, school Accounting officers, Deputy Head Teacher were too busy to give information instead school Head of Departments, Teachers and Head boy/Head girl were assigned to be interviewed, such that the information given could have been under rated due to lack of knowledge about financial sustainability and budgeting .

It was such a difficult task for the researcher to convince the respondents to participate in the interview. Head teacher, Head of department are known to work under very strict confidentiality in order to secure any unauthorized access to information. Most respondents agreed to participate on condition that the information would not be revealed to any other party other than for academic purposes only.

The study was limited to the five (5) public secondary schools found in the southern zone of Ndola district in Zambia. For more conclusive results, all public secondary schools should have been represented in Ndola. However, this could not have been possible due to time factor since the respondents changed the time as planned to a little time, they gave excuses that they could

not go beyond since they were busy in the first term with admissions of new grades and limited finances the expected finances could not be available on time so the researcher had to work up with the available little finances to beat the re scheduled time by the respondents.

1.11 Operation and definitions

Sustainability: That can continue or be continued for a long time. To make something continue for some time without becoming less. Sustainability can be defined as a “mechanism in place for generating, organizing access to, economic resources” to keep the “service available on an ongoing basis” (Gutherie et al., 2008, p.10).

Financial: Connected with money and finance.

Support: To help or encourage somebody/something by saying or showing that you agree with them or it.

Activities: A situation in which something is happening or a lot of things are being done.

CHAPTER TWO

LITERATURE REVIEW

2.0 Overview

Literature review refers to the works the researcher consulted in order to understand and investigate the research problem. The purpose of reviewing literature is to have an informed view about the topic and identify the gaps within the literature. This chapter therefore, summarizes the literature review of previous researchers who carried out their research in the same field.

2.1.2 Financial Agency Theory

Financial Agency Theory is a way of checking/monitoring the work of a principal i.e. an employer by an agent i.e. an employee. The theory also emphasizes on the cost and benefits of the principal-agent relationship. Beneficial agency cost is one that increases a shareholders' value while unwanted agency cost arises when management actions conflict with those of Shareholders. This theory was developed by financial economists Michael, Jensen and Management theorist William, Meckling and they published it in the journal of financial Economics in 1976. According to Jensen and Mackling, agency relationship is a contract whereby one person who is the principal hires another person who is the agent, to perform some duties on his behalf. The principal delegates decision making authority to the agent. They further argued that the theory postulates that the principal have to deal with the issue of being in control

of all the affairs in an organization. They select the agents and monitor their actions so as to ensure that they are working to their level best.

This theory is applicable to this study since secondary schools are managed by Board of Management (BOM) but they employ the Bursas and Accounts clerk to manage the finance on their behalf because they don't have the financial management skills. They also delegate the decision making authority to the school principal. They then monitor how well these agents are performing their duties. They hold meetings annually to come up with strategies which will be used in the management of schools.

2.1.3 The Bucket Theory of Financial Management Practices

This theory was developed by Dr. Barbara Rowe, with Kay W. Hansen and Marsha M. Peterson (1990). The Bucket theory of FM is an approach to planning a family's financial future.

Through this theory families are in a position to set and reach their financial goals and also build a sound financial foundation. They argue that for one to become financially worry-free is a very attainable goal. One can achieve it through working at it systematically using a common sense approach. According to Rowe Kay and Marsha, Bucket Theory talks about five buckets hanging in stair step fashion, each below and a little to the right of the one above it. As water flows into the top bucket the bucket begins to fill. When it reaches its capacity, the water flows over the edge and into the second bucket. The process continues until all the buckets are filled. The assumption is that the five buckets represents basic financial & priorities. The first one being basic needs i.e. food, shelter and clothing and investment of surplus finances.

The water that flows from bucket to bucket represents the resources that are owned by families. To build a sound financial base for a family, each bucket must be filled before resources are diverted to the next one. This “bucket theory” of financial management is a common sense approach to planning a family’s financial future, (Rowe et al, 1990). This theory is applicable to this study since schools can use it when budgeting for their financial resources moving from basic needs to other needs like investment in entrepreneurship. Basic needs include food and 11 teaching/learning materials such as textbooks, exercise books, laboratory equipment’s and other stationeries.

2.1.4 Empirical Review

In this section literature is reviewed based on studies done by others on factors affecting financial management. According to Longenecker et al (2006), it is always recommendable to understand well those factors that affect management of finances. Failure to understand these factors may lead to spending a lot of energy and efforts hence no improvements in an organization performance. According to Mobeg et al (2012), every year the government channels amount of funds in public schools to cater for their needs. Despite this some schools are currently experiencing financial constraints. This may be due to lack of financial management skills by the staffs. Factors like lack of financial management skills by the principal and the Bursar, lack of government regular auditing and lack of involving the parents and teachers during the final budgeting may have a great influence on financial management of public schools. Effective financial control can prevent an organization from collapsing (Paisley, 1992).

The sustainability of a school is vital for its long term success. This can be achieved through financial feasibility as a result of revenue generation and cost containment. Revenue generation

and cost containment is influenced by the stakeholders of a school. One aspect of stakeholders is partnerships, which can assist in financial feasibility by enhancing the school's productivity and achieving cost containment. To ensure sustainability of schools, social and financial returns of investment act as feedback mechanisms.

Low Fee Public secondary Schools Education is viewed as a public good which not only benefits societies but individuals as well (Bray, 2004). Studies have shown that in many areas in the world, schools

2.2. Financial situation in public secondary schools

Education is viewed as a public good which not only benefits societies but individuals as well (Bray, 2004). Studies have shown that in many areas in the world, schools favour a system whereby fees are implemented at all school levels, which can then be financially supported by loans and donations in order to educate the poor (Bray, 2004). 'Low fee' refers to fees within the region of R650 per month (Schirmer, CDE, personal communication, 2010), whereas a 'private school' can be defined as schools which are "governed and managed by an institution or organization outside the public sector and for which attendance fees are required to cover costs of operating the school" (Toma, 2005, p. 695). These private schools are normally "managed by sole proprietors, non-governmental organisations (NGOs), trusts or other forms of management" (Andrabi, Das and Khwaja, 2002,).

In the studies done by Tooley (2007) and Andrabi et al. (2002), it was revealed that low fee private schools are predominately run as 'for-profit' businesses, which depend largely on school fees to survive and are owned by entrepreneurs. However, according to Spear and Bidet (2005), low fee private schools provide a public service and therefore are non-profit organizations as

they aim to serve the community or a specific group of people by promoting a sense of responsibility and avoiding profit maximizing behavior. Conversely,

Prahalad (2005) and London and Hart (2004), discussed the opportunity of turning these non-profit organizations into social enterprises, which are run as private businesses even though the enterprises are providing services which have a public benefit. Schweizer (2005) mentioned that the word ‘business’ refers to a company’s main objective, which is to be financially viable through doing business. Therefore, this study explored the paradigm shift that appears to be happening.

Nevertheless, these schools face a difficult task of achieving their goals of making an impact and simultaneously trying to maintain a healthy financial status that will ensure the long term survival of the school (Carroll & Stater, 2008). In order for these schools to achieve long term sustainability, it is crucial for the school to continuously attract financial capital for an on-going reinvestment in the school. (Guthrie, Griffiths & Maron, 2008). This has led to the need for this research which focuses on forming a sustainable financial model to make schools an attractive investment opportunity for all stakeholders.

The purpose of this study is to find out the financial situation in public secondary schools in carrying out their strategic plan in the southern zone of Ndola district in Zambia. The literature is presented in accordance with themes of the study. Most schools, have long term strategic plan which are not effectively implemented due to lack of financial and material resources by government.

Karmokolias and Lutsenburg (1997) reported that some schools experienced high operating margins simply by exploiting characteristics of school operators which provide natural profit

“drivers” such as zero accounts receivable and zero inventories due to repayment of fees, steady and predictable business volume given that upon entering a school e.g. at primary level, students normally move stepwise up the cycle making supply of complimentary inputs very predictable for several years and some school owners enhance the predictability of revenue volume vertically integrating nursery, primary or secondary school so that students intake into a higher cycle is assured by graduates from lower cycle. They further reported that operating cost is generally met through student fee income except for some religious and community schools which also receive grant subsidies. Capital expenditures are financed from student fees, owners and extended family savings, grants or caution money held as quasi-equity. Some institutions e.g. vocational schools which have undergone significant growth over the last few years have financed capital expenditure through donations from within and outside Kenya.

A study on the nexus between financial structure and growth of enterprises in Zambia was conducted (Mwaka, 2006). The study established that growth of the enterprises was related to their financial structure. It was further noted that there was a positive relationship between the proportion of capital or debt from microfinance institutions and growth of the enterprises assets. Similarly, the study established that internal sources of initial capital negatively influenced growth of sales and employment. An earlier study by Kitaka (2003) indicated that micro and small enterprises financed by internal funds performed better than those with debt in their financial structure. The study concluded that capital structure influenced performance of the enterprises.

The studies reviewed fell short of addressing capital structure in the context of financial sustainability. A study by Mwaka (2006), for instance, examined the relationship between financial structure and growth of enterprises in Zambia. The study established that internal

sources of initial capital negatively influenced growth of sales and employment. The study had several limitations, however. It did not examine capital structure in respect of financial sustainability. Moreover, the study was not relevant to the education sector within which Public Secondary Schools fall.

According to Brian (1993) school fix fees against a mix of six factors, number of students enrolled, minimum break even fees, and total income efficiency of the school in converting income to education, quality of education provided and customers' perceptions of the quality of education provided. Of course, independent schools do not work out their fees in this theoretical way in practice they look at the income from current fees and enrolment and the quality of education this provides and if the combination seems satisfactory and broadly in line with similar schools they maintain these fees .

According to Psacharopoulos and Woodhall, (1985) Inadequate funds and financial constraints prevented the execution of set priorities such as building physical facilities and stalling of projects. The resources available in a school determine the quality of the school. These resources are reported by many studies as teaching learning materials, physical facilities and human resources. Many studies have shown that provision of adequate and quality resources facilitates effective implementation of the curriculum in schools and results in improved achievement of students. The availability and use of such materials have a positive effect on a schools' effectiveness .Lack of resources is a factor that could affect the implementation of strategic plan.

According to Ngware, Wamukuru and Odebero, (2006), the quality of public secondary schools in Kenya is also reflected in financial and other resources. The quality and adequacy of resources such as physical facilities, equipment, teaching and learning materials all have a direct bearing on quality as they determine how effectively the curriculum is implemented. The quality of

education cannot be achieved and sustained if the resources and facilities are not available in sufficient quality and quantity.

According to (Beer et al, 2000) insufficient financial resource allocation can quickly result in user indifference or implementation abandonment. The organization should match resource allocation to its environment in order to achieve its objectives. Implementation of strategic plans in organizations may be adversely affected by scarcity of resources, presence of idle capacity due to poor flow of resources and inadequate funding of capacity building. The ability of an organization's resources and capabilities to support a sustainable competitive advantage is essential to the time frame of its strategic planning. No clear studies have been done on the adequacy of funds affecting the implementation of strategic plan. But related studies have been carried out, like those in the education for all 2015 national review .established that Zambia has

2.3 Sources of funds in public secondary schools

Mohadeb (2003) looked into higher education in Mauritius in the context of financial sustainability. The study purposed to identify an efficient and sustainable funding system for higher education in a bid to enhance financial sustainability. The study noted that higher education was mainly funded by the government and with the projected increase in enrolment in 2010, the government would not be able to sustain higher education funding and hence financial sustainability becoming a threat for the institutions. The findings indicated that the government alone cannot fully fund higher education owing to other commitments that need expenditure. As such, the author proposed a model of ensuring financial sustainability through cost sharing. Cost sharing would be between the government, students and the income generating activities of the institutions in a bid to enhance financial sustainability. In addition, the author noted that it is

imperative for institutions of higher education to employ financial strategies for mobilizing, allocating and utilizing resources in order to improve financial sustainability.

While investigating resource dependence on government funding in the context of public universities in Zambia, Ouma (2007) noted that revenue generation is one of the tools that can be used to ensure financial sustainability in institutions of higher learning. Indeed, Mamo (2015) established that Jomo Kenyatta University of Agriculture and Technology had formulated revenue generation strategies such as dual track tuition policy and forming alliances and partnerships with international organizations in order to ensure financial sustainability when he examined revenue generation strategies in Sub-Saharan African universities. The formulation of the strategy and the existence of diversified criteria for admission of full-cost paying students were noted to contribute to revenue generation. Despite the university's flexibility and autonomy in financial management, it was also noted that the university had no discretion to set staff salaries and borrow money from financial markets, a barrier to revenue generation and hence financial unsustainability bearing in mind overwhelming students enrolment.

In another study, Gakuru and Mungania (2016) examined budgetary allocation and success of public sector management in Zambia. The study aimed at determining the effects of budgetary allocation on the success of public sector management in government departments. Managerial and supervisory staff participated in the study. The findings revealed that budgetary allocations were not adequate for the government departments to dispense the implementation of new public management strategies. The study emphasized on accountability in the usage of public funds and decentralization of the department activities in order to enhance effective allocation of resources. It was generally noted that budgetary allocation positively influenced public sector management.

The reviewed studies have conspicuous shortcomings relative to resource allocation and financial sustainability in the education sector. A study by Owuor (2012) empirically investigated the disparity between quantity and quality in higher education. Gakuru and Mungania (2016) examined budgetary allocation and success of public sector management in Zambia. It was revealed that budgetary allocations were not adequate. The two studies, however, failed to relate allocation of resources to financial sustainability.

The second study was not in line with the education sector.

According to International Public Finance (2007) shows that it is important that appropriate income controls are in place to ensure that is not used fraudulently. Income can come from a variety of sources including grant funding lettings, sale of materials, fund raising etc. The governing body should establish a charging policy and review it annually. The head teacher is responsible to the governing body, for accounting for and keeping accurate records on, income due and cash collected. The income controls include establishing procedures that ensure income is banked regular cash securely stored; amount banked is reconciled with the amount recorded in the cash book and supported by receipts, regular checking against bank records to ensure income is secure and separation of duties.

Mobilized local and international assistance from cooperating partners operating in education sector .in order to reduce transaction costs Zambia has developed a joint assistance strategy (JAS) that harmonizes general education, investing, and coordination and monitoring of progress. Without all these effort in ensuring that funds are available to implement education for all policy these public schools in Zambia will fail to implement the strategic plan .because these funds are used to buy educational material to pay off human resources building infrastructure to

accommodate learners resource and help in monitoring and evaluation process. These funds are not regularly disbursed hence the challenges faced by public secondary schools to implement the strategic plan. Central to this has been the participation of communities, civil society and cooperating partners.

According to FGEO, (2016) in higher-income countries, education is mostly supported by government funds raised through domestic revenue, which comes largely from taxation – property, income, and sales taxes. However, in low-income countries where domestic revenue sources are often insufficient and inconsistent, or in crisis or post-crisis contexts where state capacity is restricted, public resources for education are limited. These systems often rely on additional funding sources such as international donors or the private sector.

According to Shivachi (2007) Public sources of funding are generated by domestic revenue that, as mentioned above, is often raised through taxation. Public expenditure refers to resources allocated to and spent on public education by various levels of national governments – central, regional and local. Public financing can include both direct spending on education, as well as indirect spending, most often in the form of subsidies to households such as: tax reductions, scholarships, loans, living allowances, etc.

2.4. Sustainability of funds support school activities

The concept of financial sustainability for universities and other public institutions is essential in the light of the increasing importance of the public sector contribution to economic growth.

Despite this important role, during recent years, the public funding of the HE sector in most countries has not increased, or at least not increased sufficiently, to finance new investments.

This seems strange but is comprehensible when considering that HE and research have to

compete with other priorities in public budgets (security, health, etc.). Budgetary restrictions have been imposed by national governments as well as the aspiration, G. Lucianelli and F. Citro of policy makers to introduce more “rational” management (Bogt and Scapens 2012), with the main objective of improving efficiency, effectiveness, and accountability.

The most significant effects of these policies across Europe, and elsewhere, are that the costs in universities will rapidly increase in years to come and this perspective can only compromise firstly their short-term solvency and secondly their long-term solvency. This is because the increasing level of new debts to finance investments or activities (that in the past were financed by central governments) determines more interest costs to pay to credit institutions: that can compromise their financial conditions and bring about financial distress. This implies that only those organizations that are aware of the incoming costs of their activities can judge whether they are operating on a financially sustainable basis. Financial sustainability requires long-term and systems thinking for a set of very different resources such as natural, human, social, manufactured, and financial capital (Porrit 2005). In order to define in greater detail what financial sustainability in HE really means, it is necessary to understand whether there is a link with the concept of financial viability (or autonomy), that is currently at the center of the international debate, where both scholars and international institutions in the field have identified a sound policy trend in increasing the accountability of organizations (FSSG (2008)).

Current literature takes into account the concept of “autonomy,” as an essential per-requisite considering that universities are organizations that have to operate in an economical, efficient and effective way. In fact, an increase in autonomy implies that direct state control is substituted by a stronger regulation and universities have to deal with greater accountability requests. Nowadays, universities have to reach goals, demonstrate quality, and show the state and other

stakeholders how they have used public funding, just like those universities that survive on private funding (that must show how the money has been spent). Romanov (2010) associated financial sustainability with an organizational, representing it as a system of financial and economic relationships, which create, allocate, and use funds, providing solvency in the long term.

Benderskaya and Chizhova (2012) underlined that financial sustainability provides an organization with innovation-based reproduction on an expanded scale, credit ability, competitive ability, and investment attractiveness. In terms of financial sustainability, it is possible to understand more by observing the experience of the UK, that has achieved a very successful HE sector across all key areas of activity, due to the system being transparent in the use of public funding to ensure the long-term financial sustainability of the sector. The “Financial Sustainability Strategy Group” (FSSG) and the “Transparent Approach to Costing (TRAC) Development Group” have carried out research in a number of areas and produced a range of important policy documents and good-practice-resources. In the late 1990s, the introduction of the TRAC Development Group was a significant development toward considering the financial sustainability of research, allowing all universities and other institutions in the HE sector to understand what their various activities cost and what income they receive for them. There are a number of things that HE institutions should be doing to ensure that they are financially sustainable.

The FSSG (2008) described a number of factors that are driving costs in the HE system on the teaching side and potential tensions and threats to sustainability. These include the challenges of a more diverse and consumer minded student population; raised employer expectations; new government social and economic agendas, and international competition against the context of

tight public funding. Pressures on costs include pension deficits and operating costs rising much faster than funding. There are relatively few studies on the problem of ensuring the financial sustainability of a HE institution worldwide.

According to Salmi (2009), there is a broad consensus in some Organization for Economic Co-operation and Development (OECD) countries that the expansion of HE systems has led to its underfunding. However, it should be underlined that there is no objective benchmark in this respect. While more money certainly means better resources, it does not automatically imply a better quality of services or cost-effectiveness. Nobody knows what the optimal level of HE funding ought to be. However, it is worth noting that there are some relevant changes across OECD countries (OECD 2009). These changes are taking the following forms: changes in the legal and funding relationships of public education institutions and public authorities that encourage raising more private funds and acting in a more entrepreneurial way, changes in the perception of the sector, which is increasingly seen as a regular economic sector. Despite these changes, the HE sector can hardly be conceived as a “regular” market place. Some ways of reasoning about it (e.g., the inclusion of tertiary education in the General Agreement on Trade in Services, or the competition for students or funding) are transforming the perception (and to a large extent self-perception) of HE, from a public service into a service industry, even in countries which are not directly involved with these changes. In most countries, these changes are defined by globalization, either directly or indirectly. Taking into account all these factors, the concept of financial sustainability is strictly connected to the concept of financial autonomy. It has been defined as “the ability to allocate and manage financial resources freely, to establish partnerships and raise income from the private sector” (Mamo, F. G., 2015)

Estermann and Nokkala 2009; Estermann and Bennetot 2011 reveal that, in order to ensure a long-term financial health of universities. More specifically, it is possible to refer to a financially sustainable organization looking at the definition in the TRAC guidance, and adopted in the Research Councils of Universities in the UK: “An institution is being managed on a sustainable basis if, taking one year with another, it is recovering its full economic costs across its activities as a whole, and is investing in its infrastructure (physical, human, and intellectual) at a rate adequate to maintain its future productive capacity appropriate to the needs of its strategic plan and students, sponsors and other customers’ requirements.” Leon, P., 2010. There are some doubts on the possibility to apply this definition of financial sustainability to public institutions since we consider that this is a strong requirement also for profit organizations. Financial viability (or autonomy) is a crucial condition as well as, in some cases, a precondition for implementing financial sustainability.

According to EUA (2008), the process toward financial sustainability requires, firstly, the identification of the full costs of all the university activities and projects (with reference to research, teaching and the so called “third-mission”). After that, universities need to focus on how to diversify their income sources (Eurydice 2008; Estermann and Nokkala 2009; Estermann and Bennetot 2011) since they may receive funding from many different sources (National public funding, National private funds, International public or private funds). Reaching these goals and comparing these practices across the world means overcoming some obstacles related to national legislative differences, firstly across Europe, affecting costing and accounting practices and terminology. In fact, different forms of depreciation, diverse terms in financial statements, dissimilar rules for property insurance in the public sector and the use of similar terms with

different meanings make the standardization process of terminology and comparison among universities extremely difficult.

For the time being, the European University Association (EUA) suggests adopting the term “full costing” for the ability to identify and calculate all the direct and indirect costs of a university’s activities, including projects, in order to leave the necessary room for diversity in approaches (EUA 2008). In fact, some terms are also used in different ways across the world, while different concepts are discussed using the same terms. In the EUA’s project, the terminology has been clarified on page 18. The EUA project, funded by the European Commission, Directorate-General for Education and Culture, has highlighted how financial autonomy is related to full costing and that “full costing itself is the appropriate tool to recognize the costs of the institutions” activities and projects (EUA 2008). This analysis has been based on 18 case studies (some of them are listed below as an example of best practices). The survey covered funding, structure costs and level of autonomy (along with legal status, size, profile, ownership of property and governance).

The exploration of funding across the survey group revealed that there is not always a clear connection between funds received for each activity and the actual costs of it.

It is worth considering that the usefulness of this project has been in describing through case studies what universities have to do in each phase of the process in order to implement the full costing method.

Public secondary schools must define their objectives in terms of benefits; analyze their status (i.e., identifying existing costing and accounting procedures, check availability of data and their

profile), scan the environment, set up the project management, define the costing methodology settings, and manage the data.

Wango and Gatere (2016) looked into integrity and financial accountability in schools in Zambia. The aim of the study was to provide intervention strategies for enhancing financial accountability. The school principals, officers in the ministry of education and in teachers' service commission participated in the study. The findings indicated that schools were losing large chunks of money through fraud and other financial malpractices as a result lack of accountability. As such it was noted that financial accountability ought to be incorporated in the leadership and management of schools in order to curb financial malpractices. It was suggested that all activities involving funds must adhere to the financial policies and the school heads and board of management should incorporate prudent financial accounting in order to account for funds, prevent fraud and increase overall efficiency and financial accountability.

Moreover, a study carried out by Wango and Gatere (2016) examined integrity and financial accountability in schools in Zambia. The findings of the study indicated that schools were losing large chunks of money through fraud and other financial malpractices as a result lack of accountability. The study recommended that financial accountability ought to be incorporated in the leadership and management of schools in order to curb financial malpractices. Yet, the study failed to bring out the influence of financial accountability on financial sustainability.

According to Mobeg et al (2012), every year the government channels amount of funds in public schools to cater for their needs. Despite this some schools are currently experiencing financial constraints. This may be due to lack of financial management skills by the staffs. Factors like lack of financial management skills by the principal and the Bursar, lack of government regular auditing and lack of involving the parents and teachers during the final budgeting may have a

great influence on financial management of public schools. Effective financial control can prevent an organization from collapsing (Paisley, 1992)

According to International Public Finance, (2007) present that, in the context of financial Management, good leadership is about ensuring and demonstrating that resources are used efficiently and effectively. A school that is well managed financially, will not only use its resources properly, but will also “be seen” by others to do so. If a school is to “be seen” by others as well run it must be willing and able to show how it has used its resources and be able to respond honestly to questions about its financial probity. In other words school management should be open, transparent and have integrity.

Sazonov, Ekaterina, Irina and Elena (2015) evaluated financial sustainability of higher education institutions in Russia. The authors noted that financial sustainability in a university is achieved where the institution produces sufficient income to enable it to invest in future academic and research activities. The authors underscored the essence of an education institution to constantly monitor market situation of education services and also evaluate its own position in the market in order to ensure financial sustainability especially in changing market conditions such as intensifying competition brought about by education institutions.

According to Kavanagh (2007) financial sustainability calls for long term planning which aids in creating and maintaining financial sustainability. Afriyie (2015) while looking into sustainable factors of higher education institutions in different parts of the world noted that institutions of higher learning can achieve financial sustainability by increasing or maintaining operations through internally-generated income and investment portfolio funds. The author further noted that such factors as authentic leadership, public relations and investment portfolio were important for financial sustainability. The author proposed a predictive model for financial

sustainability in higher education institutions. It was stated that in order to improve financial sustainability, then leadership style, investment portfolio and public relations should be critically considered and improved.

School managers may come up with plans for the school but the plans may fail to work if they are not linked to the budget Mobegi et al, (2012). It is only through budgeting that schools can be able to allocate resources effectively. According to Campel (1996), it is always important for people within the school system to be involved in preparing the budget because they are part of the system and share in the operation of the whole program. It is important to scrutinize the budget at school level so as to minimize opportunities for financial mismanagement and be in a position to monitor the actual performance of the school, Ziebell (1991).

Mestry (2006) in his study revealed that schools in South Africa, budgets were poorly done while Mbogi (2012) in his study note that in most secondary schools a budget is just a document on paper and its actual implementation is a mystery. He further explained that the need to complete urgent projects affect proper budget implementation and even pave way for misappropriation. Management of school finances is wanting because of poor budgeting for school finances, Kibogi 1998. A situation where there is no budget means that money will be spent anyhow. This gives the head teachers a chance to spend money as they wish and account for the same. Walela et al, 2015 noted that managers of secondary schools in order for them to manage their finances well; there is need for them to look ahead, establish priorities and plan the activities in the school. He examined that effective school financial management is brought about by clear long term plans and priorities. It is important that clear plans for spending the limited funds are drawn. Therefore, it is expected that for this study, budget participation would enhance the financial management of the schools.

2.5 Literature Gaps

Local studies on various determinants (capital structure, resource allocation, and financial accountability) of financial sustainability have been critiqued to assess whether or not they have sufficiently addressed the foregoing themes in respect to public secondary schools. A study by Mwaka (2006) examined the relationship between financial structure and growth of enterprises in Zambia. The study established that internal sources of initial capital negatively influenced growth of sales and employment. The study had several limitations. It did not examine capital structure in respect of financial sustainability. Moreover, the study was not relevant to the education sector within which public secondary schools fall.

A study by Owuor (2012) empirically investigated the disparity between quantity and quality in higher education. The study noted that due to the shrinking allocation of financial resources insufficient facilities and stalled infrastructural projects in the learning institutions have been experienced. Gakuru and Mungania (2016) examined budgetary allocation and success of public sector management in Zambia. It was revealed that budgetary allocations were not adequate. The two studies failed to relate allocation of resources to financial sustainability. The second study was not in line with the education sector.

A study carried out by Wango and Gatere (2016) examined integrity and financial accountability in schools in Kenya. The findings of the study indicated that schools were losing large chunks of money through fraud and other financial malpractices as a result lack of accountability. The study recommended that financial accountability ought to be incorporated in the leadership and management of schools in order to curb financial malpractices. The present study seek to address

these research gaps by putting into perspective the financial situation, sources of funds , and financial sustainability in public secondary schools.

2.6 Summary

This chapter provides literature review on other research work that has been carried out on related topics. It covered the theoretical foundation, situational analysis of financial sustainability, sources of funds and sustainability of funds in selected public secondary schools in Ndola district of Zambia and empirical studies and research gaps.

The next chapter will detail the methodology that will be adopted in the research. The chapter outlined the sampling method, the research design, the data collection method, the data analysis method and give the justification of the research methodology adopted.

CHAPTER THREE

METHODOLOGY

3.0 Overview

The chapter describes the methodology that will be used to carry out the study. The Research design will be descriptive in nature focusing on public secondary schools in southern zone of Ndola district. Descriptive design will be used to facilitate description and inference building about population parameters and the relationship among two or more variables. The purpose of descriptive research is to describe the state of affairs as it is at present.

Cooper, (2000) states that a descriptive study is concerned with finding out who, what, where and how of a phenomenon which is the concern of this study. Cooper & Schindler, (2001). It is used when the objective is to provide a systematic description that is as factual and accurate as possible. The benefit of cross sectional survey is that it focuses on finding relationship between variables at one moment in time from a large pool of subjects

The population of the study will be all the 5 public secondary schools in southern zone of Ndola district. The sample size and the sampling techniques as well as the interview guide will be as a primary data collection instruments.

The interview guide developed will be pilot tested before a refined one will be administered to the respondents. The chapter also indicates that, data will be analyzed using statistical package for social science software (SPSS) and presented inform of chart and tables.

3.1 Research Design

The study will adopt a cross sectional survey design and will aim at providing data on the entire population under study. It is descriptive in nature hence can be used to describe some features of the population. Researchers record the information that is present in a population but they do not manipulate variables. The study will involve the collection of data on financial sustainability in selected public secondary schools in the southern zone of Ndola district.

3.2 Population of the Study

A population is the total collection of elements from which we wish to make some inference (Mugenda & Mugenda, 2003). According to Ngechu (2004), population is a set of people, services, elements, and events, groups of things or households that are being investigated. It is the number of individuals which the researcher is interested in describing and making statistical inferences. The population of the study will be all the 5 public secondary schools in the southern part of Ndola district of Zambia. According to 2010 National housing census, there are 5 public secondary schools in southern zone of Ndola district. This was a census survey in which all the secondary schools were involved. The study will issue one interview guide to every school which will interview the Head teacher or Deputy Head teacher, a Head of Department Teacher, Head boy and Head girl. In total the researcher will interview 55 people 10 from each school from the 5 public secondary schools of my sample the southern zone of Ndola district.

3.3 Sample and Sample size

A sample can be used to be a subset or group of subjects selected from the larger population and whose characteristics can be generalized to be entire population; white (2003).The study will be conducted interviewing gender balanced for both men and women five public secondary schools in Ndola district will be considered respectively.

3.4 Sample and Sampling Procedure

The researcher will use purposive technique, where will consult the five public secondary schools because they have relevant information about the study. This is because the researcher needs expert judgment to select cases that will be useful to meet the researcher's goal.

3.5 Validity Testing

It is asserted that the definition of validity has indeed undergone a number of changes. The test of validity falls under three categories according to Creswell (2005). These include criterion-related, content, and construct validity. The present research determined content validity. Given that this validity cannot statistically be determined (Kimberlin & Winterstein, 2008). The researcher consulted with the university supervisors in order to assess how well the questions contained in the instrument could address the study objectives3.6 Methods of Data Collection.

The researcher has designed an interview guide as the research instrument to be used during data collection. The interview will be used as a self-administered tool. On the other hand, it will be used as an interview guide during field work. The interview guide will be important because it will be used to express the views and opinions of the respondent.

3.6 Data processing and Analysis

The researcher will analyze the data using statistical package for social science software (SPSS) as a tool of computing. Data processing at this stage refers to editing, tabulating, coding and data entry and data analysis so that data can be accurate before data analysis is done.

Editing: This involves examining the collected raw data in order to detect errors and omissions and to correct where necessary. The researcher will carefully scrutinize the data through editing to ensure that the data is accurate and consistent by reading through all the questions and compare them with answers given to eliminate errors.

Coding: After editing the researcher will code the response of each category of respondents. This helps to clarify each answer to the questions into meaningful category.

3.7 Tabulating

This includes putting together data into tables and statistical analysis. This is done to reduce frequency into percentages.

Objectives 1,2and 3 will be analyzed using descriptive statistical where by the results will be tabulated into frequency, percentage tables.

3.8 Ethical Consideration

According to Field and Morse, (1992) The researcher interpretation of these experiences is usually described as an emir perspective. The acceptance of this statement means that researchers recognize that participants are autonomous people who will share information willingly. A

balanced research relationship will encourage disclosure, trust, and awareness of potential ethical issues.

Since research study considers high respondent's confidentiality and infringing on the respondent rights. The researcher carried out the study basing on the research ethics. The researcher sought permission to interview respondents. The researcher also ensured that questions asked to respondents did not cause psychological harm as much as possible the researcher ensured that respondents' names did not be mentioned in the work.

Also data collected was be used specifically for academic purposes. No money was promised to be given to respondents in exchange for the information provided, because this can alter the true information to be given.

3.6 Chapter Summary

The chapter described the methodology that was used to carry out the study. The research design was descriptive in nature focusing on public secondary schools in public secondary schools in southern zone of Ndola district. The populations of the study were five selected Secondary schools in the southern zone of Ndola district.

Sample size and the sampling techniques as well as the interview guide as a primary data collection instrument were described.

The interview guide developed was pilot tested before a refined one was administered to the respondents. The chapter also indicated that, data was analyzed using SPSS and presented in inform of charts and table. The next chapter presents the findings of the research.

CHAPTER FOUR

ANALYSIS AND INTERPRETATION OF DATA

4.0 Overview

This chapter provides the results and findings of the study with respect to the data collected from the respondents. The findings based on the background of the respondents are given in the first section followed by the finding on Financial Sustainability by selected public secondary schools in the southern zone of Ndola district. The third section presents the results on measures taken to address how sustainable are the funds and the final section provides the discussions of the findings. The next chapter is focused on the discussion of the findings, conclusion and recommendation of the study. Data was collected from District Education Board Secretary's office (Debs), Head teachers, Accountants, Head of Departments, Teachers, Head boys and Head girls. The findings are presented in the following sections.

4.1 Response Rate

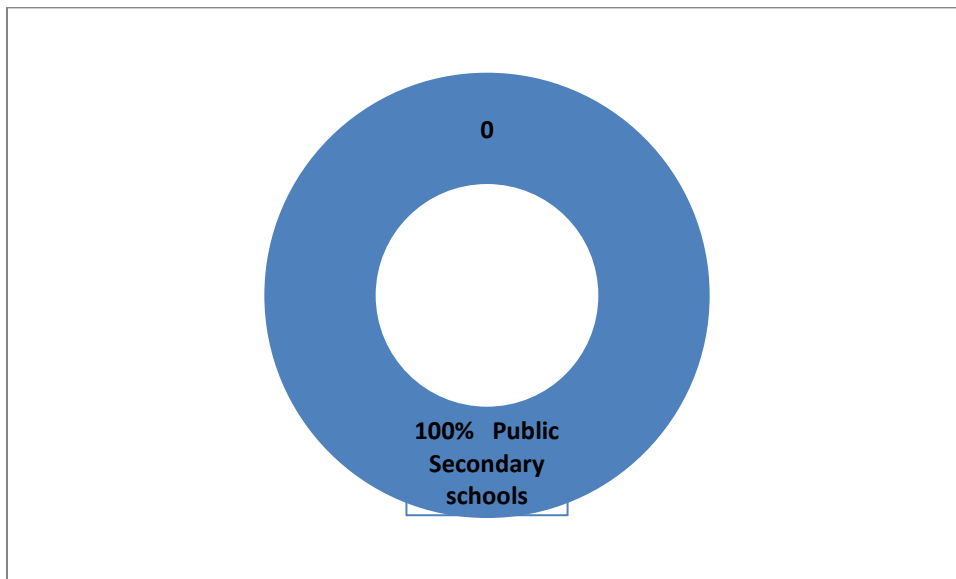
Of the 50 interview guides forms that were distributed to the Debs, Head Teachers, Head of departments, Teachers, Head girls and Head boys. 48 useable interview guide forms were returned in good time, giving a response rate of 68.1%. These response rates were sufficient and representative and conforms to Mugenda and Mugenda (1999), who stipulates that, a response rate of 50% is adequate for analysis and reporting; a rate of 60% is good and a response rate of 70%and over is excellent. The chapter covered the demographic information, and the findings were based on the objectives.

4.2. Demographic Information

The analysis of the demographic characteristics showed significant influence on Financial Sustainability in public secondary school. The analysis and discussion captures the findings and the implications that the same have on financial sustainability on public secondary schools.

4.3. Nature of the school

The researcher sought to determine the nature of the school and the findings are given in figure below.

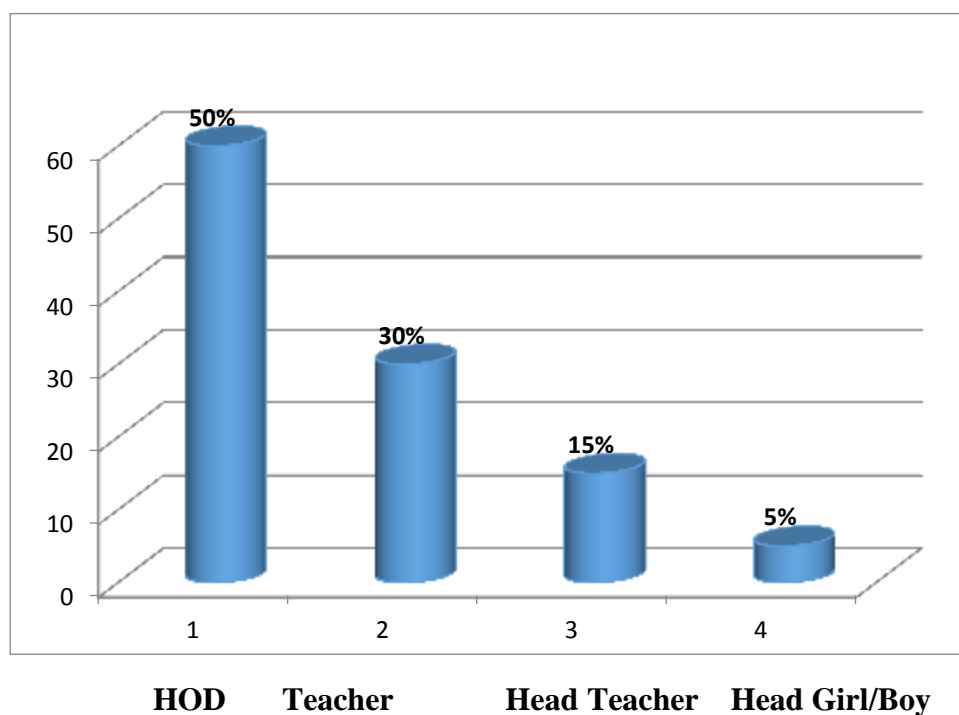


Source: Research Data (2018)

From the findings of the study above, (100%) of the respondents indicated that secondary schools in my sample of the southern zone of Ndola district were public.

4.4. Position held in the school

The researcher sought to determine whether the respondents were indeed the Head Teachers, Heads of department, Teachers, Head boys and Head girls in their respective schools. This is to ensure that the survey results were valid and reliable

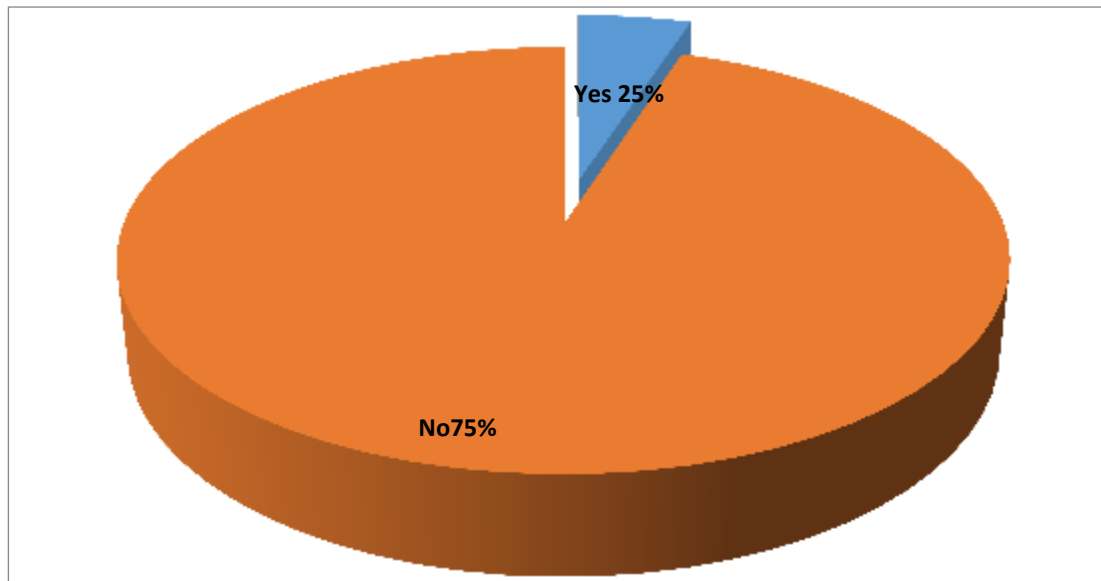


Source: Research Data (2018)

From the findings in the figure above, majority (50%) of the respondents were Head of Department 30% were Teachers, 15% were Head Teachers and 5% of the respondents were Head Girls/Head Boys 5%. This implies that majority of the respondents were Head of Departments.

4.5: Availability of Financial Sustainability

The study also sought to establish whether schools in southern zone of Ndola district sustain finances. The results are presented in the figure below



Source: Research Data (2018).

From the findings above, majority (75%) of the schools in my sample do not sustain finances while the minority 25% sustains finances. This implies that majority of the public secondary schools in my sample do not sustain their finances. On further investigation, the study established that there is a gap between the Head teacher, Head of Departments, the teachers and students. These are not involved in the budget formulation of the school upon receiving finances. According to the sample, the Head teacher may come up with the operational budget.

4.6 What is the Financial Situation in the School?

The study asked the respondents to indicate the financial situation in the school. The responses were based on the interview guide. All the 5 Head Teachers responded strongly that, schools in the southern zone experienced over enrolment but pupils do not pay the user fees on time to carry out school activities such as purchasing of teaching materials. *Vespoor (2008) has noted that most public secondary schools in Sub-Sahara Africa operate with inadequate resources due to poor funding. Most schools face inadequacy of text books, classroom, sanitation facilities, teachers and other teaching resources. It is incumbent upon the institution to plan for the resources they have and are capable of using it such that it is difficult to distribute materials such as books a copy to each pupil.* On the other hand, respondents also said that the government is not consistent in providing grants to schools which makes it even difficult to operate and sustain finances. 80% of Teachers and all the 5 accountants including all the Deputy Head Teachers responded that, schools mostly depend on user fees paid by pupils for the smooth running of schools. All the 5 Head Teachers responded that if these fees are not paid on time then financial situation becomes bad since school projects depend on user fees without which schools are left with little or no funds to use in the successful implementation of school activities.

Scholier and Johnson (1984) stated that analysis and choice are of little value to an organization unless the strategies are capable of being implemented. Strategic changes does not take place simply because it is considered to be desirable ,it takes place if it can be made to work and put into effect by members of the organization. Further the Debs responded that, the environment where these public secondary schools are situated is different from others so the financial situation must suit the environment in which each school is found, public schools in the southern

zone of Ndola district are situated in the area where 80% of parents are unemployed .Therefore it becomes difficult to pay user fees which could be hard in carrying out all the activities of the school. The Debs further responded that it is a different case with grant aided schools like Technical schools and convert schools where 95% of parents are committed to paying school fees and are allowed to send pupils away from classes for failure to pay their school fees.

David (2003) argues that allocating resources to a particular division and department does not mean that strategies will be successfully implemented. This is because numbers of factors commonly prohibit effective resource allocation. These include over protective policies, vague strategy targets, reluctant to take risks and lack of sufficient knowledge. The 3 Head Teachers in the southern zone of Ndola district said the school fundraisers held by schools such as companies writing adverts on their school wall fence do not bring in adequate of funds to be used in the carrying out of schools' activities.50% of Heads of Departments responded that Political interference also hinders the smooth running schools 'activities. Most politicians promise that the government will provide free education in schools but they don't provide the necessary needed school materials and financial resources needed by the school to carry out school activities .This contributes to lack of commitment by parents to pay user fees knowing that it is free education.

Most schools face inadequacy of text books, classrooms, sanitation facilitate, Thompson and Strickland (1993) stated that, all organizations have four types of resources that can be used to achieve desired objectives financial, physical, and human and technology resources. School Head teachers often work in poorly equipped schools due to inadequate funds from government as well as teachers and other teaching resources. It is incumbent upon the institution to plan for the resources they have and are capable of using it.

4.7 What are the sources of funds in these schools?

The respondents at the district level attributed the failure to sustain finances in the public secondary schools to carry out activities in Ndola district to having limited sources of funds. This is because the district receives little financial resources from the government .which makes it practically impossible for the district to call school authorities to plan or be involved in the budget planning process.

4.7.1 Sources of income and fees charged per student

All the Head Teachers responded that public secondary schools had various sources of income that included fees, donations, school farm, government grants, CDF and rentals.

Table 4.7.1 Sources of Income

Response N * Frequency Percentage (%)

Response	N	Frequency		Percentage %		
		Yes	No		Yes	No
Fees	17	16	1		80	20
Donations	17	15	2		60.5	39.5
Government Grants	17	17	0		100	0
CDF	17	14	3		85	15
Rents	17	5	12		29.4	70.6

Source: Research Data

From table 4.7.1, 80 % of the respondents had fees as their major source of income, 20percent received income in form of rent 60.5 % received income in form of donation's and 100 % in form of government grants, while 85 % received CDF. It was established from research data that 40 % of the respondent who received CDF money prior budget made for the CDF before allocation was made, while 60 % received CDF money before making a budget for such funds, Respondents were asked how much fees they charge per student per year.

4.8 How Sustainable are these sources of funds to support school activities.

Johnson and Scholes (1984) stated that the world in which organizations exist is highly complex and unpredictable it is inconceivable that managers can know all that they require to know about this complexity, let alone predict its effect specifically. 90% of teachers, 50% of Deputy Head Teachers, 70% of Heads of Departments and 95% of Head boys/girls responded that in schools there is lack of collective budgeting, the Head Teachers mostly do the budgeting without involving the finance committee and the school council. You will see that there is no priotizing of things to be addressed first .As a result funds do not last for the whole year due to poor budgeting, this makes it impossible to effectively implement the school activities in public secondary schools in the southern zone of Ndola district. A sustainable sector will need agile and responsive leadership and management who are comfortable working with a more commercial, higher-risk, and higher-investment model of the university, while still respecting core academic values.” This requires creativity and innovation, and probably some rethinking of the ways those secondary schools has been delivered in the past.

Debs and 2 Standard officers at the district level responded that it's not easy for them to be mobile due to lack of transport. Grants offered by government to districts is not enough to take standard officers in schools to monitor and explain how schools can manage to sustain finances in order to carry out the schools activities. Time is also limited for them because they are so many activities, like attending to locating of student teachers, monitoring of effective teaching and learning handling of transfer just to mention but few.

According to Wory (2000) communication should be two way so that it can provide information to improve understanding and responsibility and motivate staff. For funds to be sustained in school the budget should be clearly understood by the staff, it should be communicated to all those that will be involved in the implementation of the school activities. It is through communication that staff will get to understand the content of the budget and hence easy to implement activities in schools.

In their work, Hax and Majluf (1996) reveals that, organizations should encourage in active participation of as many people as possible, including the faculty, administration, students and alumni (former male and female students of a school, college or university), engaging them in the ongoing dialogue and involving them in the budget formulation process to generate a feeling of ownership of the process and the outcome throughout the organization.

Most head teachers and teachers attending any training for purpose of enhancing their skills and attitude will prove to be difficult to attain much trading into new trading into new treasures of knowledge. Head teachers and their teachers do not attend any management course, in service or inductions in order to improve their skills through trading and development. This shelves them in darkness on how to overcome daily challenges in implementing school activities posed by surrounding environment.

Vespoor (2008) has noted that most public secondary schools in Sub-Sahara Africa operate with inadequate resources due to poor funding. Mega grants given by Government fail to sustain school activities. Most schools face inadequacy of text books, classroom, sanitation facilities, teachers and other teaching resources. It is incumbent upon the institution to plan for the resources they have and are capable of using them such that it is difficult to distribute materials such as books a copy to each pupil. In addition all the 5 Head Teachers from the southern zone of Ndola district responded that after collecting user fees from pupils, schools pay huge sums of affiliation to Debs office. This makes it impossible for schools to sustain funds in schools in order to carry out activities.

95% of the respondents attributed failure to sustain funds in schools due to non-engagement in fundraising ventures like fish farming, selling of items by the home economics; metal works department and holding fundraising walks with the involvement of the PTA.

4.9 Chapter summary

This chapter provided the findings of the study with respect to the data collected from the respondents in the public secondary schools in the southern zone of Ndola district through interview guides.

The findings based on the back ground of the respondents are given in the first section followed by findings on the financial sustainability challenges facing schools in public secondary schools in the southern Zone of Ndola district. The third section provided the discussion of findings.

The next chapter focuses on the discussion of the findings, conclusion and recommendation of the study.

CHAPTER FIVE

DISCUSSION OF FINDINGS

5.0 Overview.

The chapter presents the discussions of the findings based the information given by the respondents.

5.1 What is the Financial Situation in the Schools?

All the 5 Head Teachers responded strongly that, schools in the southern zone experienced over enrolment but pupils do not pay the user fees on time to carry out school activities such as purchasing of teaching materials. *Vespoor (2008) has noted that most public secondary schools in Sub-Sahara Africa operate with inadequate resources due to poor funding. Most schools face inadequacy of text books, classroom, sanitation facilities, teachers and other teaching resources. It is incumbent upon the institution to plan for the resources they have and are capable of using it such that it is difficult to distribute materials such as books a copy to each pupil.* On the other hand, respondents also said that the government is not consistent in providing grants to schools which makes it even difficult to operate and sustain finances. Teachers and all the 5 accountants including all the Deputy Head Teachers responded that, schools mostly depend on user fees paid by pupils for the smooth running of schools. All the 5 Head Teachers responded that if these fees are not paid on time then financial situation becomes bad since school projects depend on user fees without which schools are left with little or no funds to use in the successful implementation of school activities.

Scholier and Johnson (1984) stated that analysis and choice are of little value to an organization unless the strategies are capable of being implemented. Strategic changes does not take place simply because it is considered to be desirable, it takes place if it can be made to work and put into effect by members of the organization. Further the Debs responded that, the environment where these public secondary schools are situated is different from others so the financial situation must suit the environment in which each school is found, public schools in the southern zone of Ndola district are situated in the area where parents are unemployed .Therefore it becomes difficult to pay user fees which could be hard in carrying out all the activities of the school. The Debs further responded that it is a different case with grant aided schools like Technical schools and convert schools where parents are committed to paying school fees and are allowed to send pupils away from classes for failure to pay their school fees.

David (2003) argues that allocating resources to a particular division and department does not mean that strategies will be successfully implemented. This is because numbers of factors commonly prohibit effective resource allocation. These include over protective policies, vague strategy targets, reluctant to take risks and lack of sufficient knowledge. The 3 Head Teachers in the southern zone of Ndola district said the school fundraisers held by schools such as companies writing adverts on their school wall fence do not bring in adequate of funds to be used in the carrying out of schools' activities. Heads of Departments responded that Political interference also hinders the smooth running schools 'activities. Most politicians promise that the government will provide free education in schools but they don't provide the necessary needed school materials and financial resources needed by the school to carry out school activities .This contributes to lack of commitment by parents to pay user fees knowing that it is free education.

Most schools face inadequacy of text books, classrooms, sanitation facilities, Thompson and Strickland (1993) stated that, all organizations have four types of resources that can be used to achieve desired objectives financial, physical, and human and technology resources. School Head teachers often work in poorly equipped schools due to inadequate funds from government as well as teachers and other teaching resources. It is incumbent upon the institution to plan for the resources they have and are capable of using it.

The respondents bemoaned the high district affiliations asked by the offices to run the affairs of the district. For instance sports, Labor Day celebrations, women's day and Teachers day celebration exams inclusive.

5.2 What are the sources of funds in these schools?

Swiderska (2001) showed that stake holder's participation plays a critical role in ensuring that financial situations in public secondary schools are successful and preventing potential problems at the implementation stage of all school activities. Schools make contribution towards the carrying out of activities. The district ensures that there is a collective responsibility at different sections that is standard officers, accounts, schools authority, Ndola city council, rotary club, youth community and development, charitable organization and civil society. The community plays a big role in providing financial resources.

At school level, the level of participation by deputy head, Head of departments, Teachers, pupils, the community, P.T.A is minimal where these are involved. They are not considered hundred percent. In most cases the Heads work in isolation. This makes the stake holders to develop a negative attitude toward paying user fees and carrying out school activities, because

most of the information is not availed to them, on how much funds and material resources are available.

The study further found out that, Lack of funding; Untimely distribution of funds; Political interference/ influence and Culture were the challenges encountered in strategy implementation by the public secondary schools in the southern zone of Ndola district.

According to Wory (2000) communication should be two way so that it can provide information to improve understanding and responsibility and motivate staff. For funds to be sustained in school the budget should be clearly understood by the staff, it should be communicated to all those that will be involved in the implementation of the school activities. It is through communication that staff will get to understand the content of the budget and hence easy to implement activities in schools.

In their work, Hax and Majluf (1996) reveals that, organizations should encourage in active participation of as many people as possible, including the faculty, administration, students and alumni (former male and female students of a school, college or university), engaging them in the ongoing dialogue and involving them in the budget formulation process to generate a feeling of ownership of the process and the outcome throughout the organization.

Most head teachers and teachers attending any training for purpose of enhancing their skills and attitude will prove to be difficult to attain much trading into new trading into new treasures of knowledge. Head teachers and their teachers do not attend any management course, in service or inductions in order to improve their skills through trading and development. This shelves them in darkness on how to overcome daily challenges in implementing school activities posed by surrounding environment.

The other problem that contributes is that stake holders are not fully involved at the beginning when the Budget is being formulated to the expenditure and evaluation period. In this way, it makes it impossible for stakeholders to come on board and contribute fully the urgency and importance of the Budget to implement the school activities. In most schools monitoring and evaluation is rarely done to the expectation of the stake holders hence the negative attitude in contributing.

5.3 How Sustainable are these sources of funds to support school activities.

In their work, Hax and Majluf (1996) reveals that, organizations should encourage in active participation of as many people as possible, including the faculty, administration, students and alumni (former male and female students of a school, college or university), engaging them in the ongoing dialogue and involving them in the budget formulation process to generate a feeling of ownership of the process and the outcome throughout the organization. It was revealed by respondent that most Head teachers like working in isolation without involving the other members of staff in the planning stage once funds are available in schools.

Further, Swiderska (2001) showed that stakeholder's participation plays a critical role in ensuring that strategic planning efforts are successful and in preventing potential problems at the implementation stage. Stakeholders participation brings considerable benefit in terms of building the conditions necessary to facilitate Smooth implementation of planned activities, stakeholders for the case of a secondary school can mean the management, teachers, students, non- teaching staff, board of governors (BOG), sponsors and the entire society which the institution serves. All these categories must be involved in one way or another. The involvement can be right at the

beginning when strategy is being formulated to the evaluation period. In that way then financial sustainability would be easy to realize.

In addition all the 5 Head Teachers from the southern zone of Ndola district responded that after collecting user fees from pupils, schools pay huge sums of affiliation to Debs office. This makes it impossible for schools to sustain funds in schools in order to carry out activities. The respondents attributed failure to sustain funds in schools due to non-engagement in fundraising ventures like fish farming, selling of items by the home economics; metal works department and holding fundraising walks with the involvement of the P.T.A.

The major implication of this is that administrators should be aware of what their organization's strengths and weaknesses are in terms of financial sustainability. Thus, an understanding of inherent strengths and weaknesses can help administrators to determine how to best go about shoring up the strengths while combating the weaknesses so as to better the financial sustainability of the institutions. An additional implication of this finding is that the groupings are by continents and not individual institutions. Why do institutions with regards to the financial sustainability based on geographical area are similar in their practices? The implication of this is to find out the reason for similarity in practices across the five public secondary schools in the zone. The answers can help administrators to implement financial sustainability practices at the zonal level rather than the institutional level. This can lead to reduction of the challenges that institutions are facing with regard to financial sustainability. In other words, this finding suggests that there can be workable solutions that can be implemented for institutions at the zonal level.

5.4 CHAPTER SUMMARY

This chapter looked at discussion of findings about the financial situation in schools. The study established that the sound financial situation suit the environment in which these schools are situated. Further, despite over enrolment in schools, pupils do not pay user fees on time. In addition the high affiliations contributed by schools to debs' office contribute to the poor financial situation in these public schools. The chapter also looked at the sources of money in these public secondary schools these being the parents, government, donors and the community.

Further the chapter discussed how sustainable are the funds in these public secondary schools. The establishment was that many managers make budgets on their own and they have no or little budgetary skills which contributed to not carrying all planned activities in schools.

CHAPTER SIX

SUMMARY, CONCLUSION AND RECOMMENDATIONS

6.0 Overview

This chapter presents the summary of the findings, the conclusion and recommendations of the study based on the objectives of the study. The objective of this study was to establish the financial sustainability by public secondary schools in the southern zone of Ndola district in Zambia.

6.1 Summary

From the findings, majority of the secondary schools in southern zone of Ndola are public schools and the majority of the respondents in the study were Debs, Head teachers, Deputy Head teachers, Head of departments, Teachers, Accountants and pupils. (Head boy/ Head girl)

Most of the public secondary schools in southern zone of Ndola district had no budget but a working plan. Which were mainly formulated by head teachers with less involvement of P.T.A and Teachers, and implemented by the schools' management The study conducted by Ngware et al. (2006) to determine the extent of practice of TQM in Kenyan secondary schools revealed that most schools did not have a budget to sustain finances to carry out school activities. Among the few schools that showed evidence of school budgets acts not only as the roadmap but also as a tool to communicate quality expectations to all employees. The researcher noted that unfortunately, such schools are weak in systematic follow-up to ascertain the financial sustainability in these schools. In addition there seemed to be no deliberate attempts to do a formal internal evaluation with a view to ascertain the extent to which qualitative and or

quantitative targets have been met. Failure to do such an evaluation denies the organization the opportunity to reflect on the financial situation, sources of finances and financial sustainability in the public schools. The fact that schools are operating without a budget is an indication of a lack of commitment to quality management. Lack of quality planning may jeopardize the provision of quality education services, which may in turn lead to low student achievement. It is important therefore for the school system to sensitize school managers of the importance of budgeting in education

The study further found out that poor financial situation, lack of adequate funding by the government, lack of financial sustainability in public schools were the challenges encountered. Poor financial sustainability in public secondary schools in the southern zone of Ndola district is attributed to Head Teachers not working very closely with the stake holders in matters of participation in the planning and implementation of the schools' budget.

Management in schools also lived in fear of challenging the political interference, for fear of being demoted or transferred to remote places if they send pupils away for failure of paying user fees and not affiliating to Debs office. They could also not question government as to why funds or grants are not given in time for them to operate smoothly, also why staff could not be involved in the budgeting process in order to sustain funds in schools.

6.2 Conclusion

Based on the findings of the study, it can be concluded that most public secondary schools in the southern zone of Ndola district had a poor financial sustainability due to lack of proper budgeting. Only 25% of schools operated with a proper budget of which was not fully implemented due to lack of adequate funds, these are the same schools which sustained funds by

engaging in fundraising ventures. Even those schools with a working budget were not fully sustained because funds could not reach the end of the year. Schools do not engage in fundraising ventures to help sustain school activities. The study also established most public secondary school in southern zone of Ndola district made less efforts of including all stake holders in the budgeting process, to ensure that every one's interest are met.

From the findings the study established that sources of funds in public secondary schools are minimal; being Government grants, user fees and school rentals. These funds usually do not come on time hence delaying the progress of sustaining the school activities like carrying out mock exams, education tours and education conferences.

The study established that it will be useful for future school Head teachers to get hands-on experience by working with school leadership teams as they investigate achievement gaps and work to solve them. Thus the study concludes that leadership qualities had a positive effect on financial sustainability in public secondary schools in what they entirely depend on is the working plan devised by the management. In cases where transfers occurred in these schools there was no continuity in the budget left by the predecessor. The successor would also want to device another budget hence affecting the sustainability of funds in the process.

Public secondary schools that have an effective management and good governance could be financially healthy in the short term. Nevertheless, they also have to ensure and take the responsibility of their economic and financial sustainability in the long term. Most of them, that are public organizations, have to adapt their culture and behavior to the demands of a more commercial and competitive environment, as well as face new challenges in doing so because they may adopt financial strategies and behaviors that are not consistent with those of private for-profit sector organizations. It is probably too early to know all the implications, since there

are constantly new financial risks, with universities having to acquire more knowledge on how “business-like” management practices can really work for one of the public secondary schools in the southern zone of Ndola district.

On the other hand, the study also established that schools are not allowed to use all the funds raised through user fees rental and grants given by Government. Instead they are asked to affiliate a great deal to Debs and provincial education office.

6.3 Recommendations

Several areas of concern for schools were identified in the research findings. The following recommendations are made to public secondary schools in the southern Zone of Ndola district of Zambia.

6.3.1 Public secondary schools should be allowed to collect user fees fully by asking pupils to call parents and dialogue with school authorities

6.3.2 Government should be organizing more intensive training sessions in financial management for the head teachers, their deputies and the members of school staff. Based on the research findings that most schools do not prepare annual financial control checklist, a policy should be instituted to ensure that financial control checklist are prepared annually by public secondary schools. Financial controls can help schools to minimize chances of fraud and corruption in our public secondary schools

Management of public secondary schools in Ndola district should invest heavily through fundraising ventures like putting up school tuck shops, utilizing home economics department by

making food stuff and sewing clothes for sale, putting up fish ponds to sell fish and other ventures that can generate funds to ensure that the school activities are sustained.

Budgeting and implementation requires top management commitment to allocate resources properly, a well formulated budget that is not implemented do not add any value to the firm.

6.3.3. Further more serious monitoring and evaluation should be done by education Auditors to ensure grants , school rentals and user fees are put to good use as demanded by the school budget in order to sustain school activities for the interest of all. Furthermore, the researcher recommend that further studies should endeavor to find out what other challenges affect the financial sustainability in public secondary schools.

The schools' management and educational stakeholders should carry out a Strengths, Weaknesses, Opportunities, and Threats (SWOT) analysis and identify financial situation issues affecting the schools. This will make them understand where they are, challenges facing them, opportunities available to them and hence minimize on their weaknesses and capitalize on their strengths thus contributing to financial situation success. Secondly, schools should put a lot of emphasis on how best they can identify other sources of funds apart from the existing ones. This will enhance the adoption of any planned change in the institution. Thirdly, schools should ensure that all stakeholders are involved in the budgeting process and adhere to the budget made in order to sustain funds in schools to carry out all the school activities.

Based on the findings, the study recommends that the management on public secondary schools should consider adopting training during budgeting process. This will allow the management to create a comprehensive understanding that can be leveraged to influence stakeholders and create better decisions. The study also recommends that it is very crucial that the public secondary

schools conduct an evaluation on the budget this will help the institutions to gather valuable information that will provide valuable insights in the financial sustainability. The study recommends that the management keeps on monitoring as well as reassessing the effect of the budget adopted. This will help to identify whether the adopted counteractive measures are making any acceptable difference. It is essential that resource variation on financial sustainability implementation during budget implementation practice in public secondary schools in Ndola are well monitored so that school managers get the skills from the training on use of finances and other resources ensuring effective strategic planning of schools.

Finally, the study recommends that the government through the education should set aside funds to give to public secondary schools to use in carrying out schools' activities.

6.4 Suggestion for Future research

Future research should endeavor to focus on other concept of financial sustainability management that affects the students' performance. Example, a research on organizational behavior and performance of public secondary schools would avail more light on performance in public secondary schools. Consequently, such concepts determine the extent of formal budgeting in an organization as well as the extent of financial sustainability

6.5 CHAPTER SUMMARY

This chapter looked at the summary of the study's findings, conclusions and recommendations about how schools should handle the financial situations in their institutions and identify other sources of funds to help in the smooth running of their planned activities. Further it identified the fundraising ventures that schools can embark on in order to sustain these funds in schools to

implement all the planned activities by also involving the stake holders such as parents, the government, civil societies and the Donors.

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APPENDICES

Appendix I: Letter of Introduction

Dear Respondent,

REQUEST FOR RESEARCH DATA

I am a Master of Business Administration (MBA) student at the University of Zambia.

I am required to submit as part of my course work assessment, a research proposal report on challenges in implementation of school strategic plans by public secondary schools in southern zone of Ndola district. I am kindly requesting you to assist me in this study by filling the attached questionnaire.

Please be assured that the information you provide will be used solely for academic

Purposes and all responses will remain confidential.

Anthony Makumba Chisanga

Student Researcher

Appendix II: Interview Guide

STRUCTURED INTERVIEW GUIDE FOR RESPONDENCE

Dear respondent,

I am **Anthony Makumba Chisanga** a student of University of Zambia taking MBA in Business Studies. I am carrying out a research on Situational Analysis of **financial sustainability in selected public Secondary Schools in Ndola District of Zambia**. The study will help the stakeholders on how to implement the strategic plan public schools of southern zone of Ndola district. Therefore I kindly request for your participation and the information you will give will be kept **confidential** and it will only be used for research and academic purposes.

Section 1: General Information

1. (a) Name of the school

.....

(b) Is your school:

i. Public ()

ii. Private

(c) What position do you hold in school?

i. Head Teacher ()

ii. Deputy Head Teacher ()

iii. Head of Department ()

iv. Teacher ()

v. Head Girl ()

vi. Head Boy ()

2. If yes who are involved in the collection of the school finances?

.....

i. sustainability

.....

ii.

.....

Section II: How is the financial situation in your school?

1. How is the financial situation in your school?

.....

.....

2. How do parents help in providing funds through payment of school user fees?

.....

.....

3. Do you receive these fees on time?

.....

.....

4. How do you manage to construct infrastructure at your school.

.....

.....

Sources of funds

1. What are sources of funds in your school?

.....

.....

2. How sustainable are these funds?

.....

.....

3. How regular are these funds?

.....

.....

How sustainable are these funds

1. How do you sustain the funds in your school?

.....

.....

2. Who is involved in the budgeting process?

.....

.....



3. Do you have any fundraising ventures in your school that help you to sustain funds?

.....

.....

4 . Does the Debs office help to train managers in the proper budget making?

Appendix III: Letters

**UNIVERSITY OF ZAMBIA – ZIMBABWE OPEN UNIVERSITY
(UNZA-ZOU)**

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Your Ref:
Our Ref:

P.O. Box 32379
LUSAKA, ZAMBIA

Date: 05/02/2018


RE: CONFIRMATION OF STUDY


Reference is made to the above subject.

This serves to confirm that ANTHONY MACHIMBA CHSADGA of NRC
Number 235816/6211 and computer number 715210097 is
a bonafide student of the University of Zambia in collaboration with the
Zimbabwe Open University (UNZA-ZOU).

The student is pursuing a Master degree of Business Administration
programme and that he/she will be carrying out a research on
Challenges Faced by Public School onimple
menting Strategic Plan

Any assistance rendered to him/her will be greatly appreciated.


Dr. Daniel Ndhlovu
ASSISTANT DIRECTOR (PG)
INSTITUTE OF DISTANCE EDUCATION



All correspondence should be addressed to the
District Education Board Secretary

Telephone: +260 212 612277 / 622 047



In reply please quote:

No.:

REPUBLIC OF ZAMBIA
MINISTRY OF GENERAL EDUCATION

DISTRICT EDUCATION BOARD SECRETARY
P.O. Box 71970
NDOLA

26th February 2018

To: All Headteachers
NDOLA DISTRICT

RE: INTRODUCTORY LETTER FOR ANTHONY MAKUMBA CHISANGA SIN:
715810097

The subject above refers.

I write to introduce to you Chisanga SIN 715610097 a student from University of Zambia -Zimbabwe Open University. He would like to do a research at your institution.

Kindly assist him.

Terry Changwe
Terry Changwe
District Education Board Secretary
NDOLA DISTRICT
/rk



THE UNIVERSITY OF ZAMBIA

DIRECTORATE OF RESEARCH AND GRADUATE STUDIES

Great East Road | P.O. Box 32379 | Lusaka 10101 | Tel: +260-211-290 258/291 777
Fax: +260-1-290 258/253 952 | Email: director@drgs.unza.zm | Website: www.unza.zm

Approval of Study

9th August, 2018

REF. NO. HSSEREC: 2018-JULY-004

Mr. Anthony Mwamba Chisanga
House No. 60/6B
Roan
LUANSHYA

Dear Mr. Chisanga,

RE: "CHALLENGES FACED IN THE IMPLEMENTATION OF THE STRATEGIC PLAN BY THE SELECTED SCHOOLS IN NDOLA DISTRICT"

Reference is made to your request for waiver of ethical approval of the study. The University of Zambia Humanities and Social Sciences Research Ethics Committee IRB has approved the study noting that there are no ethical concerns.

On behalf of The University of Zambia Humanities and Social Sciences Research Ethics Committee IRB, we would like to wish you all the success as you carry out your study. In future ensure that you submit an application for ethical approval early enough.

Yours faithfully,

Dr. Jason Mwanza

BA, MSoc, Sc., PhD

CHAIRPERSON

**THE UNIVERSITY OF ZAMBIA HUMANITIES AND SOCIAL SCIENCES
RESEARCH ETHICS COMMITTEE IRB**

cc: Assistant Director (Research), Directorate of Research and Graduate Studies
Assistant Registrar (Research), Directorate of Research and Graduate Studies

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