

Accounting System and Effective Management of Private Schools in Port Harcourt Metropolis, Rivers State, Nigeria

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Abstract: *This research addressed the role of the accounting system in the effective management of private schools in Port Harcourt. The study adopted a cross-sectional research survey design. Primary data was generated using a structured questionnaire. The population of the study was 37 management staff of 13 private (primary and secondary) schools in Port Harcourt. The hypotheses were tested using the Pearson Product Moment Correlation Coefficient with the aid of Statistical Package for Social Sciences version 25.0. The tests were carried out at a 95% confidence interval and a 0.05 level of significance. The results revealed that there is significant relationship between the accounting system and effective management measures such as the optimal allocation of financial resources ($R = 0.656$), funding for infrastructure development ($R = 0.537$) and the compensation of qualified and competent staff ($R = 0.742$); hence, all previously stated null hypothetical statements were rejected. It was affirmed that the accounting system should be reinforced as it enhances the management processes and control of financial resources in the private schools in Port Harcourt. Thus, it is concluded that the reinforcement of the accounting system, facilitates the improved management of private schools in Port Harcourt Metropolis and bolsters their financial well-being. It was recommended that the management of the private schools in Port Harcourt Metropolis, focus on developing their personnel and related infrastructure in line with enabling the requisite support for the adoption of accounting systems, for the effective management of the private school.*

Keywords: *Accounting system, Private Schools, Effective Management, Infrastructure.*

INTRODUCTION

Primary and secondary school education is considered elementary and foundational to the cognitive and social development of human capital in society. However, apart from this purpose, schools, particularly such of a private nature, serve as a means to economic ends and interests, especially for its proprietors. Thus, the imperative of effectively managing these schools in line with balancing, its related concerns of quality education and economic returns; such that have posed a major challenge for the administration or management of most of these private schools,

more so, private schools in Nigeria (Agi, 2013). Onyemachi (2024) observed that most of the problems of private school management are contextual. They are linked to factors such as the lack of funding or insufficient capital, poor learning environment, scarcity of qualified teachers, weak regulation and multiple taxation from various government agencies. All of these, Onyemachi (2024) observed, impose on the operations and financial well-being of private schools in the country.

Research on private school management builds on the understanding of such as a microcosm of a larger and more dynamic society. Amaeze and Odunlade (2013) examined the role of educational facilities in enabling and advancing quality education delivery for Universal Basic Education schools, identifying related infrastructure such as conducive learning classrooms, offices, and others as crucial for the convenience of instructors and students, and as enabling of effective communication. Agabi (2014) on the other hand argued that teaching should go hand-in-hand with the effective management of resources. According to Agabi (2014), this is important for ensuring sustainable outcomes in terms of school maintenance, teachers' emolument and the funding of operational activities. Similar studies (Chinyere, 2011; Olugbenro, 2013; Chudgar, 2012) point to the intricacies associated with spearheading private schools, given the realities that mark the Nigerian education system. These studies, however, appear to focus primarily on leadership initiatives and the role of the government as an intervening party in the effective management of private schools in Nigeria.

When it comes to the effectiveness of management or school administration, one often overlooked factor or aspect is that of the financial resources. Aliyu (2018) argued that the problems of administration are fundamentally a problem of resource scarcity and as such, the coordination of available resources in ways that ensure the sustainability of the institution or system. Imperative to such is the accounting system, which according to Aliyu (2018) involves all related documents, processes, files and even technology, integrated and as such serves as a framework useful in assessing, harmonizing and managing the financial records of the institution or organisation. In an earlier study, Kalu (2011) also traced the success of schools to the substantiality and adequacy of their accounting system. This is because such ensures the optimal and judicious application and distribution of its resources and assets in manner that assures of its financial and economic well-being; thus, enabling a more efficient disposition toward its economic objectives and goals.

This study is a departure from previous research (Agabi, 2014; Chinyere, 2011; Olugbenro, 2013; Chudgar, 2012), which as earlier noted, have centred on government interventions and roles in the management and administration of private schools, investigates the relationship between the accounting system and the effective management of private schools in the Port Harcourt Metropolis. This departure is geared toward advancing insight into the underlying role of the accounting system in driving-related outcomes of effective management such as the effective allocation of the financial resources of the private school, the funding of infrastructure development and the emolument for qualified and competent teaching staff (Idoko, 2015; Oyekan et al, 2015). This paper is therefore targeted at enriching existing research on the effective management of private schools in Nigeria and also proffering tailored recommendations suited to the specific conditions and concerns of the private schools in Nigeria.

LITERATURE REVIEW

The Development of Private Schools in Nigeria

The education system in Nigeria was introduced to the country through Western Christian missions. This began with the introduction of elementary schools in 1842 and then, owing to the agitation for post-primary education as a basis for qualification to work as intermediate civil servants, secondary schools were also introduced (Egbebi, 2019). The shift in the governance and political dispensation of the country, enabling the country's transition to independence, also occasioned the ownership and placement of most of these mission-owned schools in the hands of private groups and organisations. These schools, as Egbebi (2019) observed were the first set of private schools in the country, owing to the lack of interest by colonial governments in education until 1870 when it offered its first form of support and funding through grants-in-aid to the mission schools.

Over the turn of the century, one finds that there has been a proliferation of both private as well as public schools in Nigeria. Omede (2015) tied the growth of private schools, not only to the increasing need for access to primary and secondary education in various localities in the country but also to the growing commercialisation of education as well. According to Omede (2015), individuals and various groups, including churches, began to invest in the education sector, especially in the setting up private education centres and institutions at all levels (primary, secondary and even tertiary), as a means of generating revenue for personal as well as other concerns. However, as Egbebi (2019) pointed out, the historical development and emergence of private schools in Nigeria are notably marred by a lack of coherent structuring and monitoring of the process, complicated by a porous and loose framework which over the years has been shaped by bribery and corruption, especially in the registration and approval of the establishment of some of these private schools.

ACCOUNTING SYSTEM IN PRIVATE SCHOOLS

Accounting systems are a crucial framework in every institution or organisation, including private schools (Idoko, 2015; Tyokyaa, 2016). This follows their significance in ensuring the financial health and development of these schools. Aliyu (2018) opined that accounting within the context of education is imperative in the monitoring and coordination of resources. This follows the clamour for the reinforcement of financial control systems and transparency in the allocation of financial resources and funds in the system. According to Aliyu (2018), the problem of corruption within the education system is such that has, for decades, stifled its progress. Oyekan et al (2015) noted that the lack of adequate accountability has exacerbated the financial inconsistencies in the education system, creating loopholes that have led to the misappropriation and embezzlement of funds, thus allowing various groups to exploit the system to the detriment of its quality and well-being. This implies that the absence of adequate accounting system and practices can be considered as one of the underlying factors responsible for the continued decay in the Nigerian education system, more so, the poor management private schools in Nigeria.

The development and emphasis of the accounting system, and the application of such the operation and coordination of private schools, in Nigeria, are essential to the success of these

schools (Idoko, 2015; Kalu, 2011). Through improved levels of accountability, the management and administration of these schools can effectively track their financial activities, ensuring that funding from grants and other sources is applied in line with their proposed intent (Aliyu, 2018). This aligns with Agabi's (2014) view too, that where financial resources are managed responsibly, it avails institutions the means of not only engaging competent and qualified staff but also facilitating the availability of funding for the development of key infrastructure. This position echoes the view of some scholars on the dilapidating conditions of the Nigerian education system that, instead of advocating for more funding and increased financial support, attention should be channelled toward curtailing the corruption within the system, which as noted, gnaws away at its very essence (Agabi, 2014; Idoko, 2015; Agi, 2013). Related research bordering on the relationship between the accounting system and the effective management of private schools in Nigeria is scant, and thus, in line with this position, this research hypothesizes as follows:

- Ho₁:** There is no significant relationship between the accounting system and the effective allocation of resources in private schools in the Port Harcourt Metropolis
- Ho₂:** There is no significant relationship between the accounting system and the funding of infrastructure development in private schools in the Port Harcourt Metropolis
- Ho₃:** There is no significant relationship between the accounting system and the compensation of qualified staff in private schools in the Port Harcourt Metropolis

METHODOLOGY

The underlying philosophy adopted for this research is positivism, hence a focus on inference based on the aggregation of facts or evidence. This study is structured as a cross-sectional survey research design. While the target population for this research, extends to all private schools in Nigeria, an accessible population of 13 private schools was identified in this research. The research specified criteria for the inclusion of the schools. These involved (a) Schools must be privately owned and managed (b) schools must be listed on the online directory of the National Association of Proprietors of Private Schools (NAPPS), Nigeria (c) schools must be located within the geographical area of the Port Harcourt Metropolis. From these 13 private schools, 39 management staff (3 from each private school) are targeted as participants. The research adopted the structured questionnaire as its primary data collection tool. Instruments for the variables were adapted from previous research (Idoko, 2015; Oyekan, 2015). The 5-point Likert scale was utilised in the measurement of the constructs. Cronbach reliability tests revealed substantial reliability scores for the instruments (where $\alpha > 0.70$), indicating internal consistency and the adequacy of the instruments in the investigation.

DATA ANALYSIS AND RESULTS

This section addressed the findings of the study. Data from the field is presented in two main sub-sections; the descriptive results and the test for the hypotheses of the study. From the 39 questionnaire copies distributed, 37 copies were successfully retrieved within a period of 2 weeks

after administration. All retrieved copies were collated and cleaned for errors, with all 37 revealed to be valid and suitable for the analysis.

Descriptive Results

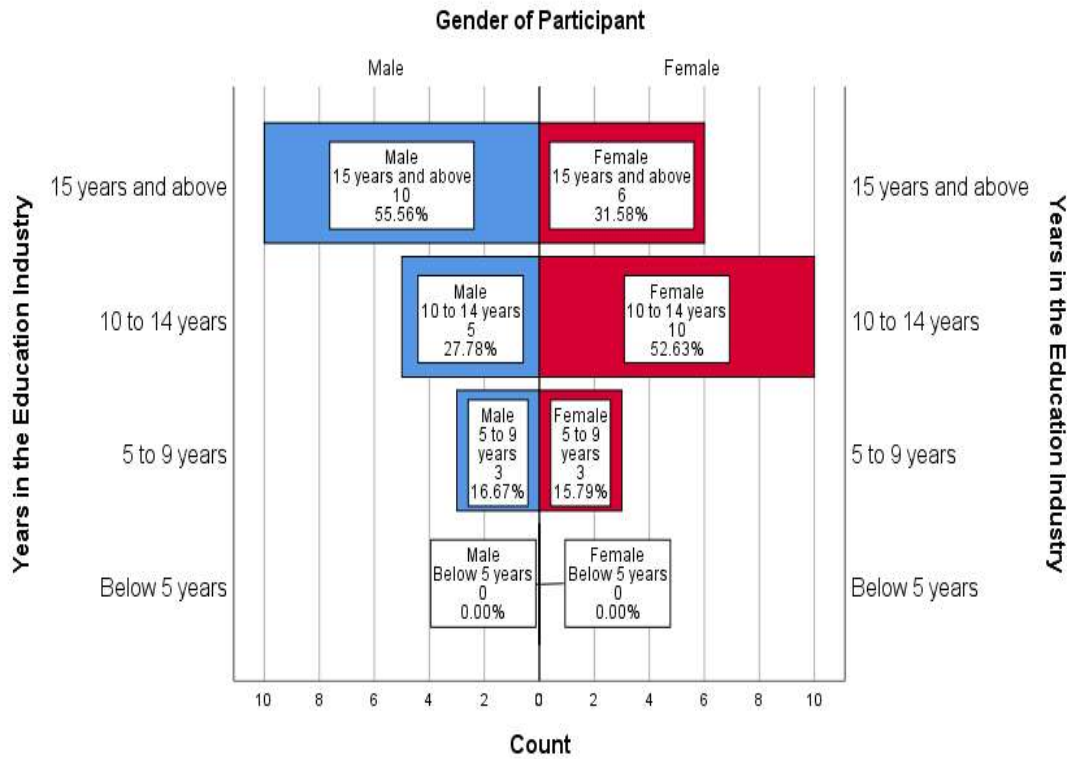


Figure 1: Population pyramid for demographic characteristics of the variables

The result for the distribution for the demographic characteristics of the population as revealed on figure 1. The result showed that there was a more dominant distribution for male participants in the study. The result also shows that while a majority of the male has experience of 15 years and above in the private school education industry, the female participants have a higher and more dominant distribution for the 10 to 14 years’ experience in the private school education industry.

Table 1: **Summary distribution result for the constructs of the study**

	N	Mean	Std. Deviation	Skewness	Kurtosis
	Statistic	Statistic	Statistic	Statistic	Statistic
Accounting System	37	4.0541	.54157	-2.742	10.886
Financial Resource Allocation	37	4.2162	.78259	-2.560	6.370
Funding for Infrastructure Development	37	3.9910	.75558	-2.037	4.506

Emolument for Qualified Staff	37	3.8739	.74681	-2.284	.388	5.145	.759
Valid N (listwise)	37						

Source: Survey Data (2024)

The summary distribution for the constructs, points to their substantiality and prevalence within the private schools examined in this research. Following the scaling measurement adopted (the 5-point Likert), summaries indicate affirmative positions to the constructs and their practice within the context of the private schools in the Port Harcourt Metropolis.

Test for Hypotheses of the Study

Table 2: Correlation result for the variables

		Accounting System	Financial Resource Allocation	Funding for Infrastructure Development	Compensation for Qualified Staff
Accounting System	Pearson Correlation	1	.656**	.537**	.742**
	Sig. (2-tailed)		.000	.001	.000
	N	37	37	37	37
Financial Resource Allocation	Pearson Correlation	.656**	1	.849**	.819**
	Sig. (2-tailed)	.000		.000	.000
	N	37	37	37	37
Funding for Infrastructure Development	Pearson Correlation	.537**	.849**	1	.709**
	Sig. (2-tailed)	.001	.000		.000
	N	37	37	37	37
Emolument for Qualified Staff	Pearson Correlation	.742**	.819**	.709**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	37	37	37	37

** . Correlation is significant at the 0.01 level (2-tailed).

Source: SPSS Output

From the analysis, it is evident that accounting systems significantly associate and are therefore correlated with the outcomes of optimal financial resource allocation ($R = 0.656$ and $p = 0.000$), funding of infrastructure development ($R = 0.537$ and $p = 0.001$) and the emolument for qualified staff ($R = 0.742$ and $p = 0.000$). Following this outcome, previously stated null hypotheses are rejected as evidence affirms that:

- i. There is a significant relationship between the accounting system and the effective allocation of resources in private schools in the Port Harcourt Metropolis
- ii. There is a significant relationship between the accounting system and the funding of infrastructure development in private schools in the Port Harcourt Metropolis
- iii. There is a significant relationship between the accounting system and the compensation of qualified staff in private schools in the Port Harcourt Metropolis

DISCUSSION OF THE FINDINGS

The evidence from this research, affirms to the significance of accounting system in advancing the effective management of the private schools in the Port Harcourt Metropolis. The finding

reiterates the views of previous research (Aliyu, 2018; Saliu, 2015) on the need for emphasis on the development and reinforcement of accounting systems in private schools. The observed positive relationship between the accounting system and effective management measures such as the optimal allocation of financial resources ($R = 0.656$), funding for infrastructure development ($R = 0.537$) and the compensation of qualified and competent staff ($R = 0.742$), demonstrates the extent to which accounting system, facilitate the monitoring and control of revenue and finances of the private schools, allowing for transparency and a more responsible allocation of such in the operations and running of the private schools.

The accounting system as shown in this research, occasions the efficient management of the school's finances, ensuring that generated revenue or findings are carefully managed and allocated in line with enhancing the well-being of the schools, thus, increasing the availability of funds for the development of infrastructure and also the school's capacity to identify, engage and compensate qualified and competent staff in teaching and other functional responsibilities in the school (Agi, 2013). The findings of this research, are a pointer to the role of private school management or administration as key in the development or adoption of accounting systems that are suitable for private schools. Agi (2013) opined that the management of private schools should be attuned to the emerging concerns of school operations and the management of such in their context, following best practices of accounting and financial management frameworks.

CONCLUSION

The facts generated in this research, presents accounting system as a crucial practice, necessary for the effective management of private schools in Nigeria, more especially with regard to the outcomes of financial resource allocation, the funding for infrastructure development as well as the emolument for qualified and competent staff. This observed relationship between the variables, affirms to the significance of accounting system in the control and administering of the financial resources of these private schools. Thus, it is concluded that the reinforcement of the accounting system, facilitates the improved management of private schools in Port Harcourt Metropolis, bolstering the financial well-being of these schools.

RECOMMENDATIONS

The following recommendations are put forward in line with the findings of this research:

- i. The adoption and development of accounting system should be such that emphasizes processes, technology and procedures that resonate with the unique features and capacities of the private schools in the Port Harcourt Metropolis. Such considerations are imperative for ensuring effective integration of systems and the application of such in the effective management of the private schools
- ii. Staff should be trained in line with the adoption of accounting systems, and thus equipping accounting personnel with the required skills and knowledge necessary or useful in addressing the accounting needs and concerns of the private schools. Training programs should be contextual and focus on the specific accounting functions and gaps in competence of the school personnel

- iii. The management of the private schools should focus on developing the required infrastructure, in the form of technology support systems, reporting systems, and databases that drive and offer the necessary conditions or framework for the effective application and operations of accounting systems; ensuring the requisite support and conduciveness.

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