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

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CERTIFICATION

I certify that this research was carried out by Temidayo Ayodele ALLEN in the Department of Educational Management, Faculty of Education, Adekunle Ajasin University, Akungba-Akoko, Ondo State, Nigeria.

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DEDICATION

This thesis is dedicated to the Almighty God who made it possible for me to complete this study despite challenges.

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ABSTRACT

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

Descriptive survey type and *ex-post-facto* designs were adopted in this study. The population of the study comprised staff of state-owned tertiary institutions in Ondo State. The sample comprised 204 staff drawn from Deans/Directors, Heads of Departments, Senior Staff of Bursary and Audit units in the three selected institutions. Purposive and proportionate sampling techniques were used. Purposive sampling was used for the selection of the institutions, and proportionate sampling was used to collect data. One self-developed questionnaire was used: "Budgeting Practices and Management of Tertiary Institutions Questionnaire" (BPMTIQ) and found reliable at $r = 0.74$, and pro-forma, titled "Budget inventory". Six research questions were raised and answered using frequency counts, percentage, mean and standard deviation, and five hypotheses were formulated and tested with the use of Multiple Regression analysis, Pearson Product Moment Correlation, and One-way Analysis of Variance (ANOVA) at 0.05 level of significance.

Result showed a moderate level of budgeting practices with 70.6%, and budget planning with 76.4%. Moderate level of budget implementation with 75.4%, budget control with 83.4%, and management effectiveness with 65.2% were also observed in the tertiary institutions. Hypotheses tested showed a significant and positive relationship between joint dimension of budgeting practices (planning, implementation, control) and management effectiveness in the tertiary institutions ($R = 0.269$; $R \text{ Square} = 0.072$; Adjusted $R \text{ Square} = 0.058$, $F_{(3,200)} = 5.196$, $p = 0.002 < 0.05$). Also, there existed a significant relationship between budget control and management effectiveness $r = 0.183$, $p = 0.009 < 0.05$). Finally, there was no significant difference in the budget variations among tertiary institutions in Ondo State ($F = 1.104$, $p = 0.391 > 0.05$).

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

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

Word count: 368

CHAPTER ONE

INTRODUCTION

Background to the Study

The hue and cry of members of the academia on financial matters is alarming and this has raised serious concern to all education stakeholders. Some individuals have adduced this problem to either insufficient subvention by the government or poor budgeting practices by the heads of public tertiary institutions in Nigeria. Against this backdrop, Anya (2006) opined that economic and human development indices confirm that Nigeria is a developing country where immense resources and potentials have not been realized because of poor management of resources.

In the management of financial resources, some Nigerians seem to be unable to prioritize their needs for goal attainment. Nguavese, Bawa, Omaku, Enesi and Fagbemi (2017) posited that the process of raising, allocating, controlling and prudently managing funds to attain tertiary educational goals has been a problem in Nigeria. Some educational institutions are distressed due to inability of allocating funds appropriately to their basic needs. Thus, Ajayi and Adeniji (2009) found that virtually all the problems of tertiary education in Nigeria are attributed to inadequate funding and poor budgeting practices. Also, Omole (2012) noted that inadequate funding of public universities has been identified as the prime cause of the problems of the universities and there is the need for service delivery, efficiency, and strong policy and programme implementation by educational institutions. Since poor funding of tertiary institutions is seen as a universal problem, it behooves the heads of tertiary institutions to resort to budgeting to nip the financial problems in the bud.

The role of budgeting as one of the elements of management is indispensable. The decay experienced in terms of student academic performance in some Nigerian tertiary institutions has

been linked to poor management of funds triggered by several factors which are both systemic and systematic neglect, and inability to adapt to global changes in the economy (Ameen, Olowoselu, and Dauda, 2017). Tertiary institutions are facing serious financial challenges. No wonder, Salami and Hauptman (2006) asserted that one of the challenges is that the demand for higher education in most countries has increased more rapidly than the ability of governments to provide the necessary resources to fulfill this demand. Amadi, Adeyemi, Ogundiran, and Awe (2016) stated that institutions today are ill-equipped, and teachers are poorly trained; standard is falling in all departments, resulting from poor funding. The situation is critical which calls for attention of all and sundry.

Many organisations are seen to be dying due to poor or improper budgeting. Obi (2015) avowed that many enterprises failed to make a reasonable profit due to the failure of the management to make proper budget. It is perceived generally that the orientation of Nigerians in terms of budgeting seems to be poor compared to the developed countries such as Canada and the United Kingdom where individual expenditure is entrenched in the payslips covering all allowances such as personal allowances, child allowance, house allowance, transport allowance among others which guide their spending. In Nigeria, this is not practiced in some employments thereby leaving some people worse because of poor budgeting ditto in tertiary institutions. Galabawa (2003) asserted that educational managers and leaders need to be conversant with educational theories to enhance their performance. Similarly, Babyegeya (2002) submitted that institution heads are said to be educational managers who implement policies and utilize them as administrators in acquiring and allocating resources for the achievement of predetermined educational goals for planning and managing budgets covering recurrent and capital expenditures.

Budget performs great roles in the management of tertiary institutions. It is a tool that managers use to organize all planning activities. It is the best tool for making sure that key resources are assigned to priorities to yield good results. It is equally a tool for integration of activities by managers in the organisations. Additionally, it is a tool that enables the manager to know when to review and revise the plans.

Budget as a financial statement of the proposed expenditure and expected revenue of the government, public corporation or educational institution for a period is a powerful tool for the attainment of goals of individuals and organizations. The problem facing some individuals or organizations is not insufficient income, but poor appropriation of funds earned. The process of quantifying and prioritising the needs to attain a set goal is what is termed budgeting. Obi (2015) is of the view that when plans are expressed quantitatively, it is known as budget and the process of converting plans into budgets is known as budgeting. The main purpose of budgeting is to provide the need of the organisation in order of preference.

Oyetaikin (2016) stated that the sources of finance to higher educational institutions in Nigeria are through allocation from the designated government bodies, endowments, fees, gifts, and international aid from international organisations. In his opinion, Bamiro (2012), also mentioned that sources of revenue to Nigerian tertiary institutions are through government allocation, Tertiary Education Trust Fund, student fees, endowments, grants and internally generated revenue. Government grants or allocations constitute a principal source of funding to public tertiary educations in Nigeria. Tertiary institutions in the country get their grants through the coordinating agencies. For instance, the National Universities Commission advises the Federal Government on the financial needs of the federal universities. The Commission then receives funds on behalf of the federal universities in Nigeria for disbursements as capital and recurrent

grants. The National Board for Technical Education is saddled with the responsibility of receiving funds from the federal government on behalf of federal Polytechnics. The National Commission for Colleges of Education receives funds from the federal government on behalf of Federal Colleges of Education in the country.

In the case of state tertiary institutions, funds are provided by the state government through the appropriate ministries to the institutions. The allocation released to tertiary institutions is usually below budgeted expenditure. In other words, there have been variations in the proposed budgets and the allocation released to the institutions by the government, thereby making the institutions to either look inwards or seek intervention from other intervention bodies.

Tertiary Education Trust Fund (TETfund) is one of the major sources of revenue for public higher educational institutions in Nigeria. The body as an intervention agency was known as the Education Tax Fund was introduced by the Federal Government through her education tax Decree Number 7 of 1993. The purpose of the decree is to raise funds for the education sector. The government felt that the private sector benefits from education and so they should directly share in the burden of financing education.

The decree establishing the Fund provides that companies are to pay 2% of their profits as education fund. The 50% of the fund would go to tertiary institutions. Actually, the education tax fund is much more interested in the development of universities. For out of 50% of the fund meant for tertiary institutions, 25% is allocated to universities, while the remaining 25% are shared between Polytechnics and Colleges of Education on pro-rata basis. The remaining 50% of the funds goes to primary and post primary institutions (Ogbonnaya, Salawu and Ajadi, 2017). TETfund has been applying the funds in the following areas within the tertiary institutions.

These areas are: construction and rehabilitation of buildings and laboratories; procurement of teaching and research equipment; academic staff training; research and book development; capacity building and teacher training programme; provision of ICT infrastructure; development of facilities that sustain institutions such as boreholes, electric power generators among others.

It, however, appears that tertiary institutions fail to make judicious use of funds released to them to carry out the needed services. Speer (2012) argued that large amount of funds is allocated, but poor budgeting practices have caused management ineffectiveness in tertiary institutions. This is to say that there has been misplacement of priorities by the managers of higher educational institutions during budget preparation and implementation. It is observed that more attention is paid to trivial projects that do not lead to attainment of goals of the institutions. Provision materials and other welfare package that will boost staff morale for effective service delivery are very important that need to be prioritised.

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

Tertiary institutions comprise universities, polytechnics, and colleges of education. Tertiary institution is a community of scholars, free to pursue knowledge without undue interference from anywhere (Amadi, Adeyemi, Ogundiran, and Awe, 2016). The aims of tertiary or higher educational institutions are the acquisition, development and inculcation of the proper value-

orientation for the survival of individual and societies; the development of the intellectual capacities of individuals to understand and appreciate environment; the acquisition of both physical and intellectual skills which will enable individuals to develop into useful members of the community; the acquisition of an overview of the local and external environments (Federal Republic of Nigeria [FRN] 2013). The National Policy on Education stated that higher educational institutions should pursue these goals through: Teaching, Research, dissemination of existing and new information, pursuit of service to the community, and by being store-house knowledge (FRN, 2013). One, however, wonders the attainment of these stated goals because of trade-off in the objectives of government and that of some heads of tertiary institutions.

In tertiary institutions, many heads of institutions have been accused of poor budgeting practices by the public, lecturers and parents and other education stakeholders. For instance, it has been observed by some authorities that the heads do not follow budget guidelines in planning and implementation of budget nor keep and use the necessary financial account records in the institutions (Nzekwe, 2007). Little or no work is done on repairs of school buildings, provision of equipment for practical, sports and games are neglected due to poor budgeting practices of tertiary institutions. Supporting this fact, Onyike (2009), regretted that poor budgeting has accounted for the seemingly neglect and dilapidation of buildings and infrastructure in greater percentage of schools over a decade. All the above cases breed mistrust and suspicion. The heads of the institutions tend to lose their prestige and control on the staff and students. In extreme cases, the institution heads are called to pay back part of the misappropriated funds and nothing is achieved in the institutions in such situations.

Heads of tertiary institutions are supposed to possess the administrative experience that will make them feel competent and confident. They are supposed to be well equipped through

training in educational administration. This knowledge will help them to handle institution's budgeting effectively. Hassan (2009) suggested that the heads of tertiary institutions should be knowledgeable and competent in the techniques of management in budgeting, accounting, and information management.

Budgeting is an important tool in financial control of an organization. The uninformed will just look at financial control as the control of money or funds. But financial control involves the task of keeping expenditures in check and safe guarding the assets and ensuring that resources are enough to implement the plans and policies and generally ensuring values for money in terms of the organisation's resource management and application. Financial control is essential in educational institutions because public money is being deployed and the success of its deployment is not always easy to measure. It is the responsibility of the management of tertiary institutions to establish, maintain and review financial systems because it is the keystone of their duties.

It is worthy to note that the budget of the Federal Government to the education in the last 11 years is infinitesimal. Out of a budget of ₦64.022 trillion, only ₦4.63 trillion or 7.23 percent was allocated to the education sector. It is important to stress that the 26% ascribed to United Nations Educational, Scientific and Cultural Organisation (UNESCO) as the minimum budgetary level for education in developing countries is a mirage. In 2009, the Federal Government budgeted ₦221.19 billion (7.25 percent) of its ₦3.049 trillion budgeted to education. The figure was reduced to 4.83 percent in 2010 as education got ₦ 249.09 billion of the big ₦5.16 trillion appropriations. There was a marginal improvement in 2011 when education got ₦306.3 billion (6.16 percent) of the ₦4.972 trillion budgeted. The marginal improvements continued in 2012 (8.20 percent), 2013 (8.55 percent), and 2014 (9.94 percent) until 2015 (7.74 percent) when a

significant drop in allocation to education was recorded. In 2016, the sector had its second-worst allocation in 11 years when, of the ₦6.061 trillion budgeted, only ₦369.6 billion (6.10 percent) was appropriated for education (Odigwe, and Owan, 2019)).

Table 1
Federal Government budgetary allocation to education (2009- 2019)

<i>Year</i>	<i>Budget in Trillion (₦)</i>	<i>Allocation to Edu. in billion (₦)</i>	<i>% of budget Allocation</i>
2009	3.049	221.19	7.25
2010	5.160	249.09	4.83
2011	4.972	306.30	6.16
2012	4.877	400.15	8.20
2013	4.987	426.53	8.55
2014	4.962	493.00	9.94
2015	5.068	392.20	7.74
2016	6.061	369.60	6.10
2017	7.444	550.00	7.38
2018	8.612	605.80	7.03
2019	8.83	620.50	7.05
Total	64.02	4,634.36	7.29

Source: Odigwe, and Owan, (2019)

Table 1 shows the different allocations of Federal Government of Nigeria to education between 2009 and 2019. It is crystal clear from the table that the percentage of Federal Government allocation to education is far below 26% recommendation ascribed to UNESCO. The percentage of budget was oscillating between 4 percent and 9 percent at this period. This calls for appropriate budgeting measures by tertiary institutions to use the available funds to achieve the intended goals.

Budgeting in organisations, firms and institutions is a sensitive issue over the years. The government and the public are interested in how funds are planned, controlled, and applied for specific assignment to achieve specific objectives. In educational institutions, the realization of

desired educational goals and objectives depends largely on the efficient planning and management of institution funds by the management of tertiary institutions.

Management is a body of individuals charged with the responsibility of harnessing human and material resources to achieve the set goals of the institution. The focus of management should be on how to achieve optimal level of output with the available resources, noting that public tertiary institutions are not receiving adequate subventions. Hence, heads of affairs of the institutions need to devise a means to manage the resources for effectiveness and efficiency.

Management effectiveness is concerned with the provision of materials and guaranteeing staff welfare for good service delivery in the institutions. This could mean increase in productivity, workers' satisfaction in terms of regular payment of salary and other entitlements that will boost their morale to deliver the best, absence of session jam, procurement of needed equipment, diversification and optimum allocation and utilisation of scarce institutional resources to achieve the goals at a minimum cost.

Otley & Pollanen (2000) asserted that appropriate budgeting increases management effectiveness and efficiency through planning and coordination. Following this assertion, there is the need for good practices of budgeting in tertiary institutions. This is preponderant to achieve both management effectiveness and efficiency, which are provisions of necessary materials and ensuring the welfare of staff for effective service delivery.

Effectiveness is concerned with attainment of goal while efficiency is concerned with the optimal relationship between input and output. In other words, efficiency is the use of minimum input to achieve maximum output. Management efficiency is defined as the ability of the manager to produce the maximum amount of educational service at a given input.

Budgeting practices is the process whereby the management of tertiary institutions use appropriate technique in the planning, implementation and control of funds to achieve the set goals. It concerned with the way budget process and systems are carried out. Budget process has been defined as those stages involved in arriving at a budget from preparation to implementation and evaluation and control while budget system or technique is the method employed in formulating a budget. Budgeting process in educational institutions follows a systematic procedure. This includes budget planning, budget approval, budget implementation and budget control.

Budget planning is the process by which the institution outlines its objectives and the resources to achieve these objectives. Just like other endeavours need planning before execution, so also budget. Ryan (2008) opined that management at all levels faces with the need to plan the resources under its disposal to achieve intended goals. The maxim that says "failure to plan is planning to fail" holds here. Agagu and Omotoso (2008) posited that planning of a budget should involve establishment of goals, development of plans and programmes and allocation of resources. Generally, budget planning in educational institutions involves setting of goals, involvement of stakeholders, outlining needs, prioritisation of needs and allocation of resources to meet the needs for the achievement of the target goals.

Budget must be well conceived and based on facts and figures for financial projection of institutions. In budget planning, institutions priorities are set by allocating scarce resources to those activities that they deem to be most important (Gachithi, 2010). The plan will cover all areas of responsibility of officials in the institution so that performance can be measured at the end of budget period. Proper planning of budget seems to contribute to the management effectiveness in tertiary institutions. Pimpong and Laryea (2016) in their study on budgeting and

its impact on financial performance in Ghana found that budget planning has a significant relationship with firm performance.

Having planned the budget, approval is the stage that is concerned with the scrutinizing and assenting to the proposed plan. Sometimes, when institutions present their budget proposals or estimates, government or the funding agency may not approve the total sum contained in the budget proposal thereby making institutions to either look inwards for revenue or resort to some adjustments in the budget estimates. This is the area that managements of tertiary institutions need to winnow items of expenditure that is significant to the attainment of goals before implementation of the budget.

Budget implementation is also a very crucial stage of the budget process. There may be a good planning, but poor implementation may hamper the achievement of the set goals. Budget implementation is the execution of budget and application of funds to the planned activities of the institution. It involves mobilisation of human, material and financial resources to achieve the target goals (Agagu and Omotoso, 2008). It is not enough to just plan but proper execution of the plan is crucial to achievement of objectives. Proper implementation of budget has been seen to contribute to management effectiveness. Nguavese, Bawa, Omaku, Fagbemi, (2017) found that budget implementation has a significant impact on performance of tertiary institutions in Nigeria.

After implementing the budget, there is the need to see if the implementation conforms to the plans of the institutions which is called budget control. According to Akinnulli (2010), budget control is the art of comparing the actual with the expected with a view to determining if the plans are carried out accordingly, and to ascertain the reason for deviation from set objectives. Budget control means implementing in line with the plan of budget. It involves monitoring,

accountability, controlling of cost and auditing. Some organisations use budget control as the means of internal controls, it provides a comprehensive management platform for efficient and effective allocation of resources. Budget control enables the management to make plans through implementing those plans and monitoring activities to see whether they conform to the plan.

Mohamed, Evans and Tirimba (2015) asserted that budgetary control is the process of developing a spending plan and comparing actual expenditures against the plan to determine if the spending patterns need adjustment or not. This process is necessary to control spending and meet both institutional and financial goals. The major reason for low productivity in organisation has been linked to poor internal control within the key players in the organisation (Abdullahi, Kuwata, Abubakar and Muhammad, 2015). Tertiary institutions rely on budget control in the management of resources and this technique is also used by private individuals, such as household and firm who want to make sure they live within their means.

The effective and efficient management of resources of the tertiary institutions through the instrument of budgeting enhances the achievement of educational goals of the country. The National Policy on Education (FRN, 2013) provides a guide at attempting to fulfill the nation's objectives. This study therefore focuses on budgeting practices and management of tertiary institutions in Ondo State.

Statement of the Problem

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

the challenge of tertiary institutions nowadays has been a mismatch between the income and the proposed expenditure.

Delays in the payment of salaries, inadequate materials for effective teaching and learning, and lack of good welfare package are some of problems bedeviling the system.

Knowing that there is a shortfall in financial resources in tertiary institutions, it behooves the heads of affairs to resort to budgeting mechanism to address the problem to achieve effectiveness in the system. It, however, appears that management instrument of budgeting is not being properly explored to bring optimal result. It seems that management of tertiary institutions in Ondo State do not recourse to budget guidelines while planning and implementing the plans of the institutions, which may often result in management ineffectiveness and inefficiency. This invariably affects service delivery of members of academia.

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

Purpose of the Study

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

1. examine the level of budget practices in tertiary institutions in Ondo State;
2. examine the level of budget planning in tertiary institutions in Ondo State;
3. examine the level of budget implementation in tertiary institutions in Ondo State;
4. examine the level of budget control in tertiary institutions in Ondo State;
5. examine the level of management effectiveness in tertiary institutions in Ondo State; and
6. find out the budget variations among tertiary institutions in Ondo State.

Research Questions

This study was guided by the following research questions.

1. What is the level of budget practices in tertiary institutions in Ondo State?
2. What is the level of budget planning in tertiary institutions in Ondo State?
3. What is the level of budget implementation in tertiary institutions in Ondo State?
4. What is the level of budget control in the tertiary institutions in Ondo State?
5. What is the level of management effectiveness in tertiary institutions in Ondo State?
6. What is the budget variation among the tertiary institutions in Ondo State?

Research Hypotheses

The following hypotheses were formulated to guide the study.

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

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

H₀₃: There is no significant relationship between budget implementation and management effectiveness in tertiary institutions in Ondo State.

H₀₄: There is no significant relationship between budget control and management effectiveness in tertiary institutions in Ondo State.

H₀₅: There is no significant difference in the budget variations among tertiary institutions in Ondo State.

Significance of the Study

The study is on budgeting practices and management of tertiary institutions. The study will be useful and beneficial to the government, heads of tertiary institutions, educational planners, bursars, administrators, researchers and individuals.

The study will create awareness about budgeting practices and assist the government to come up with policies and strategies that will correct imbalances in formulation, implementation and evaluation of budgets of tertiary institutions. It will also assist the government to know the priority needs of the institutions to approve funds that will engender greater performance. The government will know the areas to inject funds that will enable the system to work effectively and efficiently to achieve the overall goals of education.

The study will assist heads of tertiary institutions to be properly guided by some budget principles. It will educate the heads of the institutions about the process and techniques of budgeting that will bring about optimal management performance. It will change the orientation of heads of institutions in financial planning and management, and also shed light on the effectiveness of the school planning and management of school budget to help heads of tertiary institutions to improve the methods of budgeting to increase its efficiency. Management teams will learn better strategies to improve budget planning and implementation in their institutions.

Education planners will be assisted in formulating good financial policies for education sector. It will also whet the knowledge of educational planners on financial practices that is not in tandem with goals of the tertiary institutions. This will help them to make good policies for the institutions.

Individuals will be enlightened by this study. It will make them to have financial education that will guide them in their daily financial operations in terms of needs prioritisation to achieve life goals.

The result of this study will be beneficial to bursars, account officers and administrators. By this study, they will advance their knowledge in budgeting and principles of financial management which will enhance performance. The study will help them to be conversant with budget terminologies and concepts.

Finally, this study will be useful to future researchers who may be interested in conducting further research on budgeting and management of financial recourses.

Delimitation of the Study

The study focused on budgeting practices and management of tertiary institutions in Ondo State. The study was delimited to state-owned universities and polytechnic that have existed for a minimum of ten years. The study was tailored towards seeing the relationship between budgeting practices and management effectiveness in three tertiary institutions.

The variables of budget planning, budget implementation, and budget control would be explored in the study to see their impacts in the management of tertiary institutions in Ondo State. The study focused on Heads of Departments/Units, senior staff of Bursary and Audit units, Deans of Faculties and/or Directors of Directorates.

Operational Definition of Terms

For clarification and easy understanding of some terms used in this study, the following definitions are hereby put forth.

Budget: A budget is a statement of organisation's plans, priorities, goals, and objectives, expressed in financial terms for a specific period. It means a quantitative expression of the operational plans for an organisation for the future.

Budget Control: Budget control means implementing in line with the plan of budget. This is a means of control whereby actual expended can be compared with that planned for so that appropriate action may be taken to correct adverse situation that may occur.

Budget Guidelines: These are the rules guiding the financial operation of the institution.

Budget Implementation: This is the execution of the institution's financial plan to achieve the set-goals.

Budget Planning: Budget planning is the process by which the institution outlines its objectives and the resources to achieve the set goals of adequate provision of materials for effective service delivery in tertiary institutions.

Budget Variation: This is the difference between the proposed and the actual budgets of the tertiary institutions.

Budgeting: This is the process and procedure of preparing, implementing and controlling budget to achieve the goals of organisation. The process of quantifying and prioritizing the needs to attain a set goal is what is termed budgeting.

Budgeting Practices: Budgeting practices are the processes whereby the managements of tertiary institutions use appropriate technique in the planning, implementation and control of funds to achieve the set goals.

Management: This is the ability of heads of institutions to provide adequate materials and ensure the welfare of staff with the available financial resources in the institutions for effective service delivery.

Management Efficiency: This is concerned with the proportion of resources that contributes to productivity. It is the optimal relationship between input and output.

Management of Tertiary Institutions: This is the use of available resources to achieve set goals for the system.

Revenue: Revenue presents cash inflows into institution's coffers from various sources, both recurrent revenue and capital receipts.

Tertiary Institution: Tertiary institutions comprise universities and polytechnics.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

The relevant literature on budgeting practices and management of tertiary institutions will be reviewed under the following sub-headings:

Theoretical framework

Conceptual framework

Concept of budget and budgeting

Principles of Budgeting

Types of budgets

Functions of budget

Characteristics of budget

Budget techniques

Budget process of the Federal Government of Nigeria

Budget process in tertiary institutions

Management effectiveness and efficiency

Budgeting practices and management of tertiary institutions

Empirical studies on budgeting practices

Appraisal of Literature Review

Theoretical Framework

In this study, Principal-Agent Theory of budgeting was adopted to illuminate idea about the study.

Principal-Agent Theory of Budgeting

Principal-Agent Theory explains the relationship that exists between the principal and the agent. The theory was developed in the 1970s by Jensen and Meckling. Gachithi (2010) stated that Principal-Agent theory is a relationship that exists where one-party acts on behalf of another party. The principal is the one who allocates resources and the agent who provides services to the public. The theory is concerned with the interaction between an agent and the principal so that the agent will act to benefit the principal rather than his own benefit to bring about effectiveness.

The theory hinges on the idea that public sector performance can be improved if incentive-based contracts between different actors are implemented. Principals will be more likely to achieve their desired outcomes while agents will have clarity around work programs and goals.

Principal-Agency theory has its foundations in two ideas which were developed through the study of the economics of organisational and institutional behaviour. First was the notion proposed by public choice theorists that self-interest is the primary motivation behind the activities and behaviour of individuals and the organisations that they work for (Mitchell and Simmons 1994). People in public employment and public organisations are viewed as rational utility maximisers, meaning that each seek to advance their own interests as would a private business or private sector employee in pursuit of profit or an increased salary. In this

way, government officials and organisations are presumed to be in pursuit of only budgetary expansion. In budget, a slack relation exists where managers intentionally use participation to create slack, while the other argued that managers through anticipation reduce slack in their budgets. In these perspectives, slack is the intentional underestimation of revenues and productive capabilities or over-estimation of costs and resources in the budget. This action of agent is what usually makes government to reduce budget to tertiary institution instead of approving it.

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

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

The risk of moral hazard arises once a contract has been agreed to. It stems from the fact that, on a day-to-day basis, principals are not able to observe most agent activities. Principals, therefore, rely on agents carrying out tasks and performing at a level as specified in a contract. The ever-present prospect of moral hazard means an ongoing requirement for monitoring. This can result in considerable costs to both contracting parties, as well as goal displacement behaviour on behalf of agents where they place a disproportionate emphasis on work that is specifically subject to monitoring. By goal displacement, this means that agents focus on monitored goals, to the detriment of other organizational and individual goals that may not be directly monitored.

A further factor complicating agency theory is a range of circumstances that is to a government and public sector work. These include that policy refinement is frequently left to the implementation process and is routinely the responsibility of agents, being public officials and not principals (Hill and Hupe, 2002); most government agencies have several and often conflicting tasks and objectives which can be difficult to define and itemise; multiple principals and agents characterize the public sector as do situations in which principals often double as agents; the public sector tends to lack competition, at least in terms of core government non-trading functions.

The basic idea is that an organisation's success depends on how it can manage its relationships with key groups, such as employees, suppliers, communities, owners, and others, that can affect its ability to reach its goals. It becomes the manager's job to keep the support of all these groups, balancing their interests, while making the organisation a place where stakeholder interests can be maximized.

In tertiary institutions, all employees including heads are categorized as agents whose motive is to optimize satisfaction while State government who funds the institutions is labeled as the principal. Members of the governing council are doubled as agent and principal. The theory seeks to harmonize the interest of the principal and the agents to attain effectiveness and efficiency in tertiary institutions.

Ayodeji (2011) stated the following measure as a way of policing the agents to bring effectiveness and efficiency to the institutions.

- i. Regular review of management decisions and appraisal of board policies;
- ii. Reorganization and restructuring from time to time will help removing those who are no longer relevant in serving the interest of the principal;
- iii. Appointment of external auditor who is an independent examiner of the financial statement prepared;
- iv. Constitution of audit committee to review the internal auditor's report in line with the approved budget estimate.

Another school of thought also opined that Principal-Agency problem can be resolved by giving incentives to the agents as motivation to serve the interest of the principal such as payment of good salaries and fringe benefits.

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

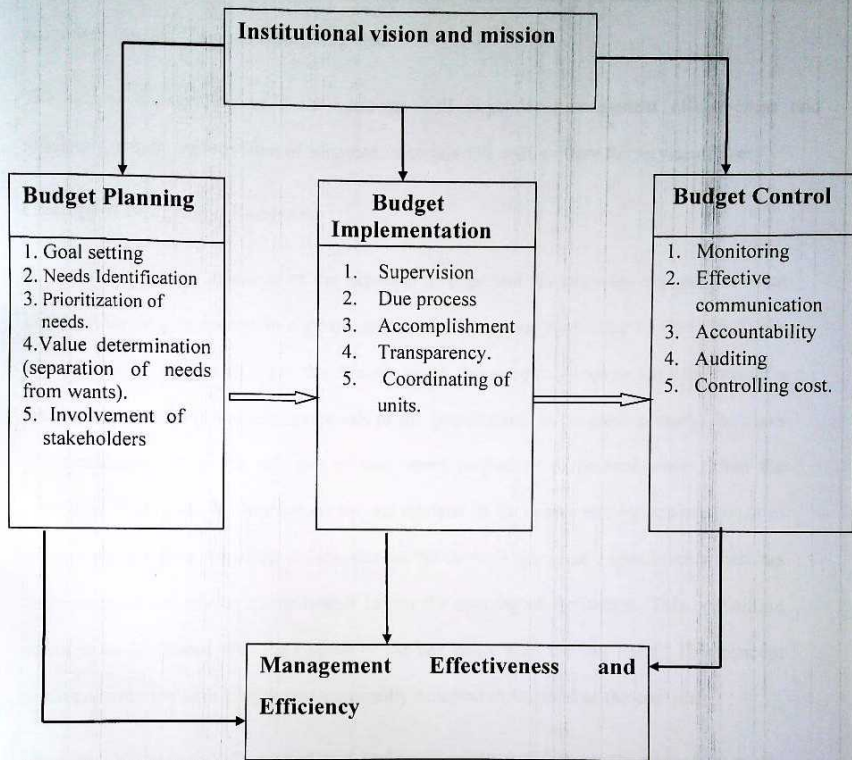


Figure 1: Conceptual Model on Budgeting Practices and Management of Tertiary Institution

Source: Researcher (2021)

The conceptual framework for this study shows the process of budgeting from planning to implementation and Control. Budget planning encapsulates goal setting, needs identification, prioritization of needs, value determination, and involvement of stakeholders.

Budget implementation involves supervision, due process accomplishment, transparency, and coordinating of units. Budget control is concerned with monitoring, effective communication, accountability, auditing and controlling cost.

The proper engagement of these variables will engender management effectiveness and efficiency, which are provision of adequate materials and staff welfare for service delivery.

Concept of Budget and Budgeting

Budget is a financial statement of the expected revenue and the proposed expenditure of an organization or government in a given period usually a year. According to Obi (2015) the word "budget" originated from the French word "bougette". Bougette literally means a leather bag containing financial proposals of the government. In the early century, the plans of expenditure which the minister of the crown carried to parliament were called the schedules of account. As time passed by, the minister of the crown and his cabinet began to refer to the inauguration of the discussions on the crown's proposed expenditure which has been prepared and carried in the leather bag as the opening of the budget. This convention began to be associated with the content of the bag rather than the bag itself. This concept continued until the term budget was universally accepted in England as the cost plan.

Khan and Hildreth (2002) posited that budget is partly political, partly economic, partly accounting and partly administrative. Budget is seen as political document because it allocates the scarce resources among multiple and competing interests. In economic point of view, it is an instrument for allocation of income, stimulating growth and development, promoting full employment, combating inflation and maintaining economic stability. As an accounting document, it provides a ceiling on government spending and makes it legally

binding for it to live within the allocated funds. Lastly, as an administrative document, it specifies the way and means by which public services are provided and establishes guideline for monitoring and evaluation. These divergent roles budget play make it a powerful instrument in attainment of objectives of an organisation.

Since resources are scarce, there is the need to prudently plan to put these scarce resources into best use so that best result can be achieved. Organisations, both public and private, must effectively plan and control their resources through budget to achieve a target goal. Budget is regarded as the framework that provides the guideline to arrive at the predetermined goal. Adah and Mamman (2013) stated that budget is a plan that provides answers to three important questions in any organisation. First, what is the goal to be achieved? Second, when is the goal to be achieved and third, how is to be achieved? This is because any organisation without goal lacks directions. Budget is therefore a formal expression of an organisational plan. Shim, Siegel, and Shim (2005) sees budget as a formal manifestation of organisational plans, goals, and objectives which cover all aspects of the operations for a designated time usually one year; it is a tool used in providing organisational target and directions.

Budget is seen as a financial statement, a monetary statement or quantitative course of action prepared and approved before a given period, stating the policies to be pursued during the time and ways of achieving the target. On the government premise, budget is an aggregate policy instrument for organising and articulating government goals and objectives often expressed in terms of programmes and projects and the instruments for attaining predetermined goals and imposing checks and balances on the relationship between government and the governed. In line with this detailed explanation, Abdullahi (2007) describes government budget as a political and administrative instrument by which the

executive and the legislative bodies endeavour to allocate scarce resources among the various organs of government.

Budget has been used as a tool guiding the government in allocating to various sectors of the economy. In view of the foregoing descriptions, budget could therefore be summarized as conscious and objective financial and related non-financial plans and guidelines of an organisation to achieve a result.

Budgeting is the process and procedure of planning and implementing budget to achieve the goals of organisation. The process of quantifying and prioritizing the needs to attain a set goal is what is termed budgeting. Chartered Institute of Management as cited in Oyetakin (2016) defined budgeting as act of quantifying monetarily a proposed plan of an organisation to achieve its goals.

Some authors have conceived budgeting as planning. Obi (2015) asserted that corporate planning is interwoven with budgeting and it serves as a system for coordinating the setting of objectives, preparing budgets and plans, mapping out strategies, preparing policy and procedures and monitoring of performance and results. It can be called a formalized long-range planning used to define and achieve organisational goal. Buttressing this point, Scott and Enu-Kwesi (2018) link budgeting to planning, indicating that planning is an intelligent behaviour that involves visualizing the future, imaging what results to be achieved and determining the activities and resources needed to achieve the results. Though it is seen as planning, it goes beyond it. Planning is just a stage in budgeting. Budgeting has become crucial and the need for proper budgeting practices has been identified as essential for developing nations (Siswana, 2007).

Budgeting according to Olufundipe (2005) is a process of preparing and using budgets to achieve management objectives. Also, Iheddiha (2003) stated that budgeting is a systematic and formalized approach for stating and communicating the firm's expectations and accomplishing the planning, coordinating and controlling responsibilities of management in such a way as to minimize the use of given resources to achieve management effectiveness. From the above definitions, budgeting can be seen as a process of formulating, implementing and evaluating budget while budget is a comprehensive and coordinated plan, expressed in financial terms, for the future. To simply put it, it is the process of allocating resources to the prioritized needs of an organisation.

Principles of Budgeting

Principle is a fundamental truth or rule that something is based on. It is quite ideal that administrators who have the responsibility of budget preparation and development should have a good knowledge of budgeting principles for an efficient and effective financial management. Failure of some educational institutions to adopt the right principles and practices in budgeting can cause ineffectiveness and inefficiency in the management of resources. Ezeugbor (2016) suggested that principles of budgeting should include: conservatism, team work and consultation, plenty of time, excellence in documentation, Training, and sign-off.

1. Principle of Conservatism

This principle is concerned with anticipating possible future losses but not future gains while budgeting. The principle tends to understate rather than overstate income. Budgeting is futuristic, and the institution manager should guide against a high expectation of the achievement of every aspect of what is budgeted. Given the fact that unexpected and

unpredictable events beyond control may happen, there is a need to explore a strategy of developing in the budget an additional expense termed "contingencies".

2. Team Work and Consultation

This principle emphasizes that all concerned individuals should be involved in budget preparation since they are the ones who implement it. It is a most important principle of budgeting. Although one person may be responsible for the overall compilation of the budgets, one person should not be responsible for all the work involved. The task of budgeting should be split and allocated among individuals who have the best chance of knowing what expenditure is likely to be needed and what income is reasonable to expect. Involvement by many people in budgeting might slow down the process, but the outcome is far more likely to be accurate and dependable.

3) Allow Plenty of Time

Budgeting is inevitably time consuming. A good budget may be worked out for several weeks, if not months, adding and changing figures as new information comes to light. For this reason, budgeting process is lengthy because much research and consultation must be carried out before people involved in the process can be confident of the figures they supply.

4) Excellence in Documentation

It is very important that the authors of a budget strive to produce documents that can be read and understood by anyone. If budget working is unclear and figures are not clearly labeled, even the author will as time passes, have trouble understanding where the figures come from and how the calculations were made. It should be assumed that budgeting workings will be circulated to many different people who may have lower levels of financial literacy, useful

again in a year when the budgeting process begins again. Unless workings are well labeled, it may be difficult to remember.

5) Training

Ensure that people who have a significant role in the budgeting process have a reasonable understanding of the principles of budgeting, how it relates to the strategic and operational plans, and how everyone must live with the consequences of the finalised budget in the year ahead. Training need only, is a single meeting in which those who have experience of budgeting provide knowledge to others involved who are less experienced.

6) Get sign off

This agreement by those involved is often referred to as "sign off". In other words, those involved add their signature to the final document of the budget.

Above discussed principles of budgeting will assist organization in a great deal to achieve success.

Types of Budgets

Budget as the total expected revenue and the total estimated expenditure in a fiscal year are categorised into three. These are surplus budget, deficit budget, and balanced budget. Each of these types is formulated to address a certain economic situation.

I. Surplus Budget

A surplus budget occurs when the expected revenue exceeds the estimated expenditure in a fiscal year. This means that expected income is greater than proposed expenditure of an organisation or government. In this case, there will be reserve in the coffers of the organisation.

II. Deficit budget

A deficit budget occurs when the estimated expenditure exceeds the expected revenue in a particular fiscal year. This type of budget is best suited for developing economies. Especially helpful at times of recession, deficit budgets help to generate additional demand and boost the rate of economic growth.

III. Balanced budget

A budget is said to be balanced if the estimated government expenditure is equal to expected revenue in a fiscal year. Advocated by many classical economists, this type of budget is based on the principle of living within means.

Though an ideal approach to achieve a balanced economy and maintain fiscal discipline, a balanced budget does not ensure financial stability in times of economic depression or deflation. Theoretically, it is easy to balance the estimated expenditure and anticipated revenues but when it comes to practice, such balance is somewhat hard to achieve.

Purpose of Budgeting

There are various purposes for preparing budget for an organisation. Siyanbola (2013) stated the following as the reasons for budgeting.

- a) To improve planning and control with ultimate intention of increasing the profit and financial position of the organisation;
- b) To find the most profitable course of action through which the efforts of the business may be directed in meeting its primary objectives;
- c) To assist management in holding the business as nearly as possible on the survival course;
- d) To force management to focus attention on operating and financial problems so that effective planning would be made for them;

- e) To translate the objective of an organisation into action;
- f) To coordinate the various factors of production with a view to satisfying all stakeholders;
- g) To communicate the organisational objectives across the firm.

Functions of Budget

Budget performs myriad of functions in an organisation. It is a good instrument to maintain economic stability. It is not that money cannot be spent without preparing a budget but spending it without budget may end up not meeting or satisfying the needs. The fundamental importance of a budget is that it controls the financial behaviour of administrators in an organisation. In other words, a budget guides the financial management practices of educational administrators.

Second, a budget prevents waste or reckless spending of funds provided for various educational services. The reason is that its implementers are tied to or compelled to follow the approved estimates in expending funds.

Third, budget attracts the interest and support of tax payers.

Fourth, budget authorizes expenditures. The technical function of the budget in the accounting procedure is to authorize expenditure serving as a basis for accounting control.

Budgeting Techniques

The term budgeting techniques was expressed to consist of the analytical and the procedural method used in the preparation of budgets (Amamiyemighan, 2009). Budgeting techniques could be termed as methods or manners of analyzing a budget in a detailed format. The selection of any technique depends on the purpose for which the budget is meant to serve. Some techniques emphasize the use of allocation. Some need rigorous efforts to

manage while others could be less rigorous. Some techniques lay emphasis on expenses on items while others focus on collaborative budgeting.

Input approach to budgeting will be the focus here. These include: Line-Item Budgeting, Incremental Budgeting, Planning Programming Budgeting, Zero-Based Budgeting.

Line-Item Budgeting Technique

The line-item budgeting has been described as a budgeting technique that focuses on items or expenditure headings and it has a line which is drawn towards the budgeted amount for the fiscal year under consideration (Durosaro, 2002). In line-item budgeting, expenditures for the year under consideration are highlighted according to objects of expenditures. The items are often detailed, and they specify the amount of money an office would be permitted to expend on personnel, fringe benefits, travelling, equipment and the like for the coming year.

It was recorded that before the late 19th century, budgeting was characterized by weak executive power and little central control. The line-item budgeting system could then be described as a reform which emanated out of a concern that there was inadequate expenditure control which was opined to have contributed to an environment with the tendency for increasing problem of substantial corruption. Consequently, the budget reformers of 19th and early 20th century opted for a type of budgeting that would promote accountability of the detailed use of resources. These early budget reformers focused on the effective control, laying foundation for sound economy as well as efficiency, which is the primary goal of budgeting. No wonder Omopariola (2003) opined that the major purpose of line-item is to control unauthorized expenditure. Budget technocrats regarded the line-item as the simplest of all the techniques because it is easy to prepare and understand. However, the weaknesses

of line-item budgeting as identified by Hull University Business School reflect in its rigidity during implementation.

Also, there is no clear performance and objective of expenditure is highlighted. In other words, under the line-item budgeting there is no information on the efficiency and effectiveness of enlisted programme or about why money was spent on items. As observed by budget technocrats, the line-item system would not be easy to operate in large business organization with various and interrelated activities to perform. Perhaps, this made Hull University Business School to be adaptable with the increasing demands being associated with continuous expansion of government activities.

Incremental Budgeting Technique

Incremental budgeting technique is a process whereby an anticipated increase by a certain amount or percentage is added to the previous period's budget for the new period. In other words, this technique of incremental budgeting is a process which makes use of a previous year's budget and actual figures as the basis for succeeding year's budget.

Obayan (2006) however faulted the Nigerian budgetary procedure which is characterized by secrecy and bargaining activities, and is mostly based on incrementalism. More so, incrementalism has its shortcomings which include spending-it-all habit towards the end of the year so that the budget increases in the coming year. This procedure encourages corruption and financial indiscipline. In view of this, it does not allow creativity for new ideas and reduction of costs.

Planning Programming Budgeting Technique (PPBT)

PPBT tries to merge the strategic planning process with the allocation of funds. The emergence of PPBT came up because of the shortcomings of the incremental budgeting technique which lacks objective rationality. It was deemed fit to introduce a technique which

includes quantifiable rational objectives. It involves rational allocation of resources and removes barriers between organisations. Also, the budget becomes centralized and it is a top-down budget composition. However, planning programming budgeting technique has been fraught to be more of academic exercise than of practical application as it calls for service of an expert which could be successfully practised in an environment with a planned economy.

Omole (2012) posited that the following steps can be taken in using PPBT as highlighted as follow:

1. Establish objectives and goals.
2. Develop alternative programs that will accomplish goals.
3. Establish resource requirements for each alternative.
4. Estimate benefits to be gained from each program alternative.
5. Develop an operating plan by selecting from among alternatives.
6. Test the long-range fiscal implication of the plan.
7. Compile the annual budget.
8. Evaluate the success with which program benefits are achieved.
9. Revise planning standards.
10. Repeat the cycle to accommodate changes in objectives, goals, available resources, and the institution's environment.

The technique of budgeting focuses on the benefit an activity will provide rather than on what resources are available to expend. Supposing you have just been asked to cut your budget in a particular area, if you have tied the budget to the benefit, you can respond by informing the decision maker what benefit the organisation must forego. If you have not tied the budget to the benefit, you have no response but to cut the budget.

Zero-Based Budgeting Technique (ZBBT)

Zero-Based Budgeting technique is a process of making a budget from the scratch at every budgeting year. As the name implies, ZBB means the making of a new budget at a zero point at every succeeding year whereby no past expenditures are taken into consideration. It was further explained that each activity programme must justify its reason on papers for requesting for funds. Hence, ZBB is based on the development and ranking of decision packages and choosing the most important package in line with the institutional objectives and order of priorities.

Zero-Based Budgeting helps managers to frequently examine programmes carefully and reject low priority activities, but develop more effective programmes. Zero-based budgeting system approach stresses the effective use of resources. However, its shortcomings are that, it is difficult to implement as it is not easy to develop and make decision units and packages; it is time consuming and requires too much paper work. Zero-based budgeting system could be conveniently applied where tenure positions are practiced, in personnel services which involve annual appointment.

Budget Process of the Federal Government of Nigeria

Budget as a document containing anticipated revenue and proposed expenditure of government for a fiscal year has a way of generating it. Budget process refers to the procedure by which government creates and approves a budget. Budget process in Nigeria involves the budget planning, enactment, implementation and monitoring. Whatever evolves from the preparation to the implementation and evaluation is called the budget process or budget cycle. Streak (2003) stated that budgeting processes can be divided into four stages

each involving different actors with different roles. These stages are preparation, approval, implementation and Auditing.

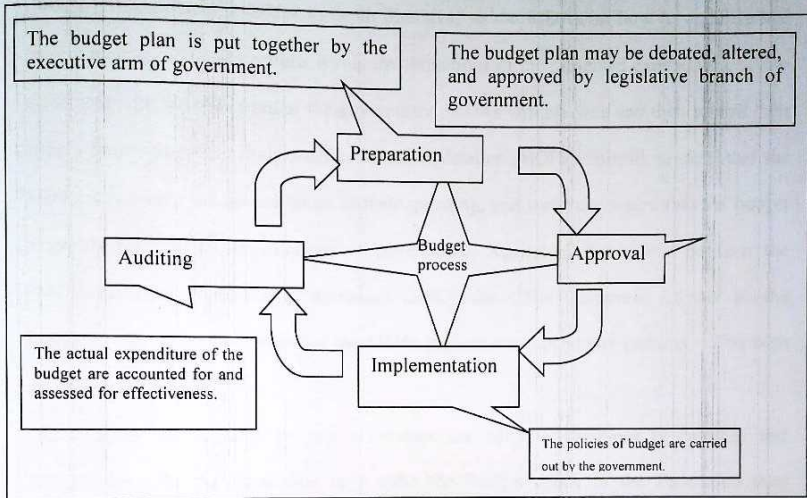


Figure 2: Budget Process of the federal Government of Nigeria
Source: Streak, 2003

The process of budgeting at the level of federal and state governments is similar. Tule, Ogiji, Okorie, and Mbaka (2015) posited that the budget process of the Federal Government of Nigeria goes through four critical processes which are: preparation, legislative approval, implementation and, monitoring and evaluation. These stages are hereby discussed one after the other.

- **Budget preparation**

This process begins with the Federal Ministry of Finance (FMOF) requesting Ministries, Departments and Agencies (MDAs) to submit their budget estimates through Budget Call Circular. This Circular provides in depth directives to the MDAs on how to organize and present their spending projections within the limitations of the presented expenditure, and in agreement with the objectives of the government. MDAs will produce and then submit their budget proposals to the Budget office of the Federation (BOF) that will confirm that the MDAs stay within the agreed limits of their spending, and that they ensure that the budget proposals conform to the priorities of government. Additional discussions between the FMOF, National Population Commission (NPC), the Chief Economic Adviser to the President, will hold to establish that the MDAs support the expenditure patterns in line with the objectives.

The President is mandated by law to produce and submit projections of earnings and disbursements for the fiscal year to NASS. The Budget office of the Federation then produces the Fiscal Strategy Paper that summarizes government's complete budgetary policy. The Fiscal Strategy Paper also includes the macroeconomic structure, major assumptions, earning estimates and disbursement projections. The Paper details the strategy objectives of the President is produced in conjunction with other MDAs, like the National Planning Commission and the Central Bank of Nigeria (CBN). The Federal Ministry of Finance submits an outline of the budget to the President, who will then present same to the Federal Executive Council for consideration and approval. This stage is very critical in the process of budgeting since it is the foundation of the process that other participants will build on to achieve macroeconomic objectives of the nation.

- **Legislative Approval**

The President presents the Appropriation Bill to the Senate and the House of Representatives in a joint sitting. The appropriate committees in the Senate and House of Representatives will then examine and suggest revisions to the different sections of the budget. The parameters used to draft the budget are considered throughout the stakeholder discussions during which the Executive and the Legislature are engaged in extended debate. For instance, issues such as appropriate oil price benchmark, oil and gas funding; gas Joint Venture Agreements and reimbursement for the fiscal year are discussed. Furthermore, the discussions also entail the review of the internal allocation of resources. During this stage, Civil Society groups have the chance to get involved and influence the budget process. The modifications are merged and concluded to become the Appropriation Bill for the fiscal year after approval by the NASS. After this, the Bill is signed by the President and then becomes the Appropriation Act.

- **Implementation Stage**

This process involves various federal government MDAs, which receive funds for their capital projects every quarter. MDAs spend these funds based on the share of the budget from the Consolidated Revenue Fund of the Federation (CRF). The FMOF, in 2005, initiated a Cash Management Committee, to make sure that funds are made accessible to allow for the easy funding of the budget and ensure that it reduces borrowing.

- **Monitoring and Evaluation Stage**

This stage involves monitoring and evaluation of the budget. The FMOF prepares an annual Budget Implementation Report which reviews the level of execution of project implementation from various locations in the country, and the quality of each year's budget. MDAs involved in the monitoring process include: the FMOF, NPC, the National Economic

Intelligence Agency (NEIA), the Presidential Budget Monitoring Committee (PBMC), the Office of Auditor General of the Federation (OAGF), the Office of the Accountant General of the Federation and NASS. The BOF and the NPC together with the spending ministries and agencies, conduct inspection on the completed and ongoing projects. The fiscal year begins on the 1st January and ends 31st December. There is, however, no time limit for the National Assembly to consider and approve the budget set before it, although, there is a time limit for the President. This process starts in June with the issuance of a Call Circular from the FMOF to MDAs to submit their expenditure proposals, which are set within the spending limits. A draft Bill is prepared by October by the FMOF and forwarded to NASS through the Presidency. Technically, before the legislature's December recess, the Bill could be passed with any agreed amendments. The President then authorizes the Bill to become law in January. A clause also allows the President to spend from the previous year's budget, which must be within the time limit of six months. The continuum of the budget process is what is called budget cycle some even succinctly put it budget cycle.

Not all practices yield good result. A good budget process is characterized by several essential features. A good budget process incorporates a long-term perspective; it establishes linkages to broad organizational goals; it focuses budget decisions on results and outcomes, it involves and promotes effective communication with stakeholders, and Provide incentives to government management and employees.

Olufundipe (2005) highlighted twelve elements of budget process to guide government decision making in four stages as follow:

Establish Broad Goals to Guide Government Decision Making

1. Assess community needs, priorities, challenges and opportunities.

2. Identify opportunities and challenges for government services, capital assets, and management.

3. Develop and disseminate broad goals.

Develop Approaches to Achieve Goals

4. Adopt financial policies.

5. Develop programmatic, operating, and capital policies and plans.

6. Develop programmes and services that are consistent with policies and plans.

7. Develop management strategies.

Develop a Budget Consistent with Approaches to Achieve Goals

8. Develop a process for preparing and adopting a budget.

9. Develop and evaluate financial options.

10. Make choices necessary to adopt a budget.

Evaluate Performance and Make Adjustment

11. Monitor, measure, and evaluate performance.

12. Make adjustment as needed.

Budget Process in Tertiary Institutions

The process of budgeting in Nigerian tertiary institutions owned by state government is relatively the same. In Ondo State tertiary institutions, the process of budgeting is as follows:

- Preparation by the Bursary Unit or Budget Committee;
- The proposed budget will be presented to the Governing Council;
- Invitation of all heads of departments and units to defend their proposed budget submitted;
- The management of the institution will then defend the budget estimates in the House of Assembly;

- Presentation of the budget estimates to the Visitor where it will be defended for consideration and approval;
- Budget implementation; and
- Budget control

Budget Preparation by the Bursary Unit or Budget Committee: The preparation begins with the issuance of Call Circular. The bursary units of the tertiary institutions issue circular to all units and departments requesting them to prepare and transmit their budget estimates for the following years. The call circular may be accompanied by budget manuals. Siyanbola (2013), has listed the following as steps to be established to prepare a quality budget:

- i. Existence of a Budget Manual: The manual contains the standing instructions governing the responsibilities of persons, procedures, forms and records relating to the preparation and use of the budget.
- ii. Constitution of the Budget Committee: The committee consists of the chief executive officer and representatives of functional areas. The committee is to formulate the program for the preparation of the budget.
- iii. Identifying Principal budget factor: The factor that limits the level of activities (such as shortage of staff) and the extent of which should be firstly assessed before preparing the functional budgets.
- iv. Appointment of a budget officer: Normally an accountant who is saddled with the responsibility of issuing budget instructions to various departments; receiving and checking the budget estimates; providing historical information to departmental heads to help them in their forecasting; ensuring that departmental heads prepare their budgets in time; preparing

- the budget summaries; submitting budgets to committee and furnishing explanation on particular points; discussing difficulties with managers and coordinating all budget works.
- v. Establishing the budget periods: Budget could be established into control periods which could be weekly, monthly, quarterly or even yearly.
- vi. Preparation of the master budget: this is the consolidation of various functional budgets.

If all these steps are followed, it will enable the institutions to form a substantial budget.

Also, Ogbonnaya, Salawu and Ajadi (2017) posited that budget process involves working out all the anticipated revenue and proposed expenditure section by section, item by item in details. The process of budgeting in educational institutions according to them is as highlighted as follow:

- Careful study of the educational needs of the institution and estimation of the revenue that will be necessary to meet the needs.
- Planning and procurement of the necessary revenue to implement the educational programmes.
- The determination of the revenue that will be available to execute the educational programmes.
- The determination of the ways to allocate the available revenue in such a manner as to avoid friction, duplication and waste.

Management Effectiveness and Efficiency

The words effectiveness and efficiency are common terms used by people in different fields. Sometimes, they are used interchangeably thinking that they are synonymous. Detail clarifications will be made here in relation to management of tertiary institutions.

Oxford Advanced Learners Dictionary (9th edition) defines effectiveness as the art of producing result that is wanted or intended. In this case, the quantity of materials used is not stressed as the concern but the achievement of set objectives whereas efficiency is defined as the quality of doing something well with no waste of time or resources.

Effectiveness has been the ability of educational managers to harness efforts of others to achieve the predetermined objectives of the educational institutions. Management is not effective if it is not able to achieve the intended goals of the institutions. The goal of higher educational institutions is to produce graduates at a specific number of years depending on the programme admitted for.

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

The major aim of the reform of education administration is the creation of a style of institution that is more economic, efficient and effective (Tooley and Guttrie, 2007). This means that increased attention to effectiveness and efficiency in production of educational services can lead to better educational benefits, which is management effectiveness. Junge,

Bosire and Kamau (2014) posited that educational effectiveness can be enhanced through budgeting. It has been stressed that the policy of education effectiveness evaluation has changed gradually, and this has been coupled by increased demands on accountability from the stakeholders. Hence, budgeting can assist in increasing accountability in the use of funds and invariably lead to effectiveness in tertiary institutions.

Svirina (2013) opined that in measuring management efficiency and effectiveness, one can extract the results achieved by the organization, adding that maximum efficiency occurs in a case when organisation is achieving good result during a long period of time with minimal costs. Budgeting is a variable that promote efficiency. To minimize cost in production, there should be good financial planning which is central to the concept of budgeting.

Budgeting Practices and Management of Tertiary Institutions

Budgeting practices are a process whereby the management of tertiary institutions uses appropriate technique in the planning, implementation and control of funds to achieve the set goals, which is meeting the needs of staff so that they render optimally for goal attainment in the institutions. These budgeting practices is concerned with the budget preparation, budget implementation, budget control and the techniques involved in arriving at the budget of tertiary institutions. Because of the need to bring sanctity and financial peace to the tertiary institutions, budgeting is preponderant to achieving management effectiveness and efficiency such as regular payment of staff salary to boost their morale for optimum performance.

Budget processes are those stages involved in arriving at a budget from preparation to implementation and evaluation while budget techniques are the methods or approach employed in formulating a budget. These budget practices seem to contribute to management

effectiveness and efficiency. In production, manager will focus on two important questions. Firstly, how to achieve the intended objectives? Secondly, how to use minimum resources to achieve the intended objectives? Budgeting has been a very important instrument of management of tertiary institutions to achieve these objectives.

There are different procedures and techniques in which different tertiary institutions adopt in one way or the other determines their effectiveness and efficiency. Many researchers have carried out studies on best practices that can enhance efficiency of resources in institutions. Alabi, Ojebola and Abdulkare (2013) carried out a study on the different techniques of budgeting in Southwest Nigerian universities such as incremental budgeting, planning programming budgeting, zero based budgeting, line-item budgeting techniques. The major purpose of the study was to examine the types of budgeting adopted and the percentage of the funds allocated to various areas in the sampled universities. The authors found out that incremental type of budgeting techniques that was mostly used by the universities in the Zone paved way for corruption. The practice is inimical to the management effectiveness and efficiency since the focus of the technique is to just add a percentage of previous year's budget not minding the relevance of the item in the present year.

Also, it is observed that the budget process influences management effectiveness and efficiency. Ideally, those who are to involve in the implementation of budget should involve in formulation. However, some management of tertiary institutions fails to follow due process in doing this thereby bringing about misappropriation.

For efficient management of funds in tertiary institution, Oyeka, Adelodun and Oresajo (2015) posited that management must ensure the existence of financial rules and regulations which must be followed strictly on all issues bordering on acquisition and release of funds. This includes:

- i. Money should be collected only by the authorized personnel.
- ii. All money collected in cash and in cheque should be deposited in the bank within twenty-four hours.
- iii. All payments must be approved by the chief financial officer.
- iv. Money set aside for capital project must not be used for recurrent expenses,
- v. Cash advances must be retired within 30 days.
- vi. All cash advance request must be supported with relevant documents
- vii. Money for recurrent expenses should be deposited in savings account or deposit account.
- viii. Quotations or tenders must be obtained from not less than three suppliers of equipment before purchases are made.

This financial practice rule will engender effective and efficient use of resources in tertiary institutions.

External auditor and the internal auditor have pivotal roles to play in ensuring compliance while implementing budget of tertiary institutions. It is often noticed that these two agencies carry out their responsibility without any preset accounting standards. The entire task of auditing the accounts and financial management of educational institutions is taken very lightly. The control over effective utilization of scarce resources is often diluted. It is, therefore, high time to define the role and responsibilities of auditors of educational institutions and the accounting standards and practices.

Internal audit system must be implemented with quality and seriousness; management control system must be perfect and effective. Misappropriation, frauds, misrepresentations must be detected and curbed at their initial stage. Auditors must see whether the accounting standard have been strictly followed by the educational institutions.

Managements of institutions are being accused of poor budgeting practices by the students, lecturers and stakeholders. For tertiary institutions to attain set goals, it is expected that activities to secure the best use of their resources and budgets are to be well planned, implemented and adequately controlled.

Empirical Studies on Budgeting Practices and Management of Tertiary Institutions

The empirical studies that are related to this study are discussed as follow:

Junge, Bosire, and Kamau (2014) assessed the effect of budgetary practices on performance of public schools in Nakuru municipality, Kenya. The purpose of the study was to find out the relationship between budgeting practices and performance of secondary schools. Findings revealed a strong positive relationship between budgeting practices and effectiveness of schools. It concluded that institutions should increase the level of practices to ensure increased chances of success. This present study is related to the study as it concerns with finding out the level of budgeting practices and management effectiveness in institution of learning.

Similarly, Ugoani (2019) carried out a study on budget management and organisational effectiveness in Nigeria. The study examined the relationship between budget management and organisational effectiveness. Findings revealed a positive correlation between budgeting management and organizational effectiveness. It was concluded that management at all levels should ensure that deviations from budget are checked to avoid mismanagement. This

present study is related to the study as it is based on budget management and organisational effectiveness.

Debebe and Osebe (2019) carried out a study on impact of budgeting process on organisational effectiveness. The study examined the relationship between dimensions of budget planning, budget preparation, budget implementation, budget controlling, and tax revenues and level of organisational effectiveness. Findings revealed a positive and significant relationship between budget process and organisational effectiveness. The study concluded that budget process is highly effective in achieving organisational effectiveness. This present study is related to the study because the studies examine the variables of budget planning, budget implementation, and budget control and their relationships with organizational effectiveness.

Olaniyan and Efuntade (2020) studied budget and the budgetary control system in tertiary institution's financial performance in Nigeria. The purpose of the study was to investigate the relationship between budget planning, monitoring and control, budget participation, budget evaluation and tertiary institutions financial performance. Findings revealed the significant relationship between budget planning monitoring and control, budget participation, budget evaluation and tertiary institutions financial performance. This study has a congruence with the present study as it tries to establish the relationship between budget planning, budget implementation and budget control on management effectiveness in tertiary institutions.

Alabi, Ojebola and Abdulkareem (2013) carried out a study on budgeting systems in universities in southwest, Nigeria. They examined types of budgeting system and the percentage of funds allocated to the various areas in the sampled universities. The findings revealed that incremental budgeting system that was mostly adopted by universities in the

zone could pave way for corruption. It was also discovered that salary of workers gulped the highest proportion of revenue of about 75%. It was concluded that universities should be carefully guided to discourage corruption and financial recklessness of the budget executers. Management of tertiary institutions is expected to use appropriate budget technique in the planning, implementation and control to achieve optimum goals of the institutions. This present study is related to the study as it concerns with the appropriation of funds to achieve the goals of the institutions.

Okpala (2012) carried out a study on strategic budgeting system and management of public resources in Nigeria. The study investigated the problem of national resources management from the budgetary point of view. The findings revealed that there was a significant relationship between budget system and management of public resources. It was concluded that government at all levels should embrace budget reform to optimize resource. This study is related to the present study because it examines the budgeting practices and management of tertiary institutions.

Akinyede, Owolabi, and Akinola (2018) carried out another study on financial literacy and money management among tertiary institutions students in Osun state, Nigeria. The purpose of the study was to examine the relationship between financial literacy and money management among students of tertiary institutions. Regression model was used in the data analysis. Findings showed that financial knowledge improves welfare of people. It was emphasized that financial literacy and practice will affect all aspects of people's welfare and that lack of financial knowledge will lead to irresponsible overspending on consumption and poor academic performance. This study is related to the current work because it examined money management in tertiary institutions for effectiveness and efficiency.

Ekundayo and Ajayi (2009) examined problems militating against the effective management of Nigeria university education system. The findings revealed that problems such as financial crisis, poor infrastructure brain-drain, erosion of university autonomy, graduate unemployment and examination malpractices bedeviled the system. It was recommended that for meaningful development to take place in the institutions, government must be ready to address the issues of funding the system adequately. The study is related to the current study in the sense that problems of funding and budgeting are related. If government is funding adequately, and the funds allocated to the institutions are not well budgeted to achieve the purpose, it will amount to poor funding, and poor funding will bring other problems to the system which will be tagged management ineffectiveness.

Chukwuemeka, Ijeoma, Ogunji, Igba, Ngozi (2019) carried out a study on impact of budget preparation and implementation on secondary school administration in Southeast States in Nigeria. The purpose of the study was to examine the impact of budget preparation and implementation on secondary schools. The authors employed a descriptive survey design. Findings revealed that budget preparation procedure and implementation enhance management of secondary schools. It was recommended that teachers and other stakeholder should be allowed to make suggestions during budget preparation and implementation; that there should be cooperation and involvement of key actors during the process of preparation and implementation to enhance efficiency and effectiveness in the system. This study bears congruence with the present study in the fact that it seeks to examine the relationship between budget planning and management effectiveness in the school system.

Obi (2015) researched budgeting and budgetary control as the metric for corporate performance in Nigeria. The purpose of the study was to examine the impact of budgeting

and budgetary control as the metric for goal attainment in an organization. The method employed was descriptive based using interviews for data collection. Findings showed that good budgeting and budgetary control is the key to achieving organizational objectives. The study is similar to the present study because both are concerned with the use of a budgeting instrument to achieve effective and efficient performance in corporate organizations.

Orobor and Orobor (2018) studied cost-saving and internally generated revenue in tertiary educational institutions: the role of cloud computing in Nigeria. The purpose of the study was to critically determine the role of cloud computing in cost-saving and IGR generation in educational institutions. Findings revealed that the prevailing financial crisis and growing need those educational institutions are facing can be rescued through cost-saving technologies. They therefore posited that there is no amount of fund in a system that can sustain it if it lacks cost savings strategies. The study used cloud computing, a computer application, as means of saving cost in the tertiary institutions while the present study uses budgeting as the instrument for management effectiveness and efficiency.

Ahmed (2015) examined public and private higher education financing in Nigeria. The purpose of the study was to investigate the financial status to establish the adequacy and inadequacy of funds to Nigeria universities. It was a descriptive study of survey type. The findings revealed that university education is still underfunded to meet up with the international bench-mark and best practice. The study recommended that universities should efficiently utilize the little resources available to them to achieve the set goals.

Ogunbenle and Edogiwawerie (2016) investigated budgetary allocation and development in Nigeria tertiary institutions. The purpose of the study was to examine the effects of the

federal government budgetary allocation on the development of tertiary institutions in Nigeria. Descriptive statistics was used to analyze the primary data collected. It was reported that inadequate funding deters growth in Nigeria tertiary institutions. It was concluded that since there is inadequate funding by the government, there is the need for alternative channels of funding which will ensure qualitative education and growth in Nigerian tertiary institutions. This is very relevant to this current research because it investigated budgetary allocation to institutions.

Egbunike and Unamma (2017) examined budgeting, budgetary control and performance evaluation: evidence from hospitality firms in Nigeria. The purpose of the study was to determine if there was relationship between budget, budgetary control and performance in the hospitality firms. Finding revealed that budget and budgetary control could serve as an avenue through which hospitality firms in Nigeria can be evaluated. It concluded that firm in Nigeria should carry out performance evaluation on every aspect of budget and budgetary activities as a way of ensuring that budget outcomes are met. This study is related to the current one in the sense that it involves using budget and budgetary control to measure performance of an organization.

In another study carried out by Nguavese, Bawa, Omaku and Fagbemi (2017) on refocusing tertiary institution in Nigeria through effective budget implementation: issue towards a knowledge-based economy. The authors examined the impact of effective budget formulation and implementation on the development of tertiary institutions. Findings showed that budget formulation and implementation have a significant impact on the development of Nigeria tertiary institutions. The study has relevance with the present study since the present study also looks at budget preparation and management effectiveness and efficiency.

Adeleye (2016) carried out a study on traditional budgeting system and factors of investment decision making processes in public higher institutions in Southwest, Nigeria. The purpose of the study was to determine the correlation between traditional system and factors of investment decision making process public higher institutions. It was a descriptive design of survey type. Correlation and multiple regression statistical tools were used to analyze the data. Findings showed that traditional budgeting system provides the requisite strategic direction on which investment decision on scarce resources are based with the goal of attaining internal efficiency. It concluded that Integrated budgeting system that incorporates the three types of traditional budgeting system of line-item, formula funding and performance-based mechanism should be adopted with respect to investment decision making in tertiary institutions.

Svetkovska (2010) evaluated the success of the public finance management reform in Slovakia using program budgeting system having observed that many administrators are focused on controlling expenditure rather goal attainment during budgeting which has hindered performance. He deduced that performance or program budgeting system aid results than other system of budgeting such as line item. Line item is just a tool for controlling expenditure. Programmme-budgeting focuses on attainment of goals rather than controlling expenditure.

Siraj, Ahmad, and Ismail (2017) researched on cost management in public higher education institutions in Malaysia: challenges in financial sustainability. The study examined senior academic and administrative officers' perceptions on important cost management practices in Malaysian public higher universities. The study employed a survey questionnaire and both descriptive and inferential statistics was used in data analysis. Findings showed that different

cost management strategies will be effective in assisting public universities to achieve financial sustainability and reduce dependence on government funding. It was also discovered that consolidating redundant units and using technology for cost efficiency are the most important measures to reduce cost.

Akinyemi and Bassey (2012) carried out a study on planning and funding of higher education in Nigeria: The challenges. The purpose of the study was to examine the challenges facing planning and funding of qualitative higher education in Nigeria. Findings revealed that despite the increase in enrollment and government expenditure, the financial and human resources available have not been able to match this demand due to competitions from other sector of the economy. They recommended that there was the need for proper planning of higher education system to ensure quality higher education to reduce wastages and enhance efficient utilization of available educational resources.

Famide, Omiyale, and Adebola (2015) examined the trends of funding tertiary institution in Nigeria. It was a descriptive study. Findings revealed that allocation from government could not meet the needs of tertiary institutions, hence, the need for alternative means of funding the system. Institutions are expected to devise a means to increase internally generated revenue to augment the inadequate funds released by government to meet up the priority needs of the tertiary institutions.

Gandhi (2015) researched financial management of higher educational institutions in India. The purpose of the study was to analyze current financial status and gaps in practices of higher educational institutions in India. It was a descriptive study. The author found out that financial practices in higher educational institution did not follow rules and regulations of the

regulatory and the professional bodies. It was concluded that gaps in financial practices should be detected and checked as to safeguard the interest of the persons and body financing higher institutions.

Otonko (2012) assessed university education in Nigeria: History, success, Failure and the way forward having observed that Nigerian universities have been bedeviled by some woes. The author traced the history, relevance, successes and failures as well as areas that need to be touched to salvage the university education. He concluded that deplorable conditions of higher education and the rate of unemployment in Nigeria are clear dangers to the society, saying that Nigerians need a benevolent and patriotic people that are ready to wipe falling tears of the citizens through good practices in the system.

Siyanbola (2013) studied impact of budgeting and budgetary control on the performance of manufacturing companies in Nigeria having noted that distribution of limited financial and non- financial resources in effective and efficient manner as an important challenge in all organizations. The purpose of the study was to analyze the impact of budgeting and budgetary control on the performance of manufacturing company. It was a descriptive study of the survey type. The findings established the link between the budgeting and performance of manufacturing company. The author concluded that dedicated workforce and budgeting remain important tools in organizational performance.

Asogwa, Etim, and Etukafia (2017) carried out a study on Cost control measures and funds management in tertiary institutions in Nigeria having observed that Nigerian universities spend extravagantly and do not control their spending and that each institution can raise money and spend it all as wishes without monitoring. The purpose of the study was to

examine cost control measures and their ability to enhance funds management in Nigerian universities. It was a survey study drawn across six geo-political zones of the country estimated under administration, finance and operations. Correlation analysis was carried out. Findings revealed that there were weaknesses in the cost centre and that there is significant relationship exist between funds management and university administration. The study concluded that administration, finance and operation have a positive relationship with funds management and any improvement will ultimately enhance funds management in Nigerian universities.

Muhammad (2017) examined funding as a tool for revitalizing university Education for social political and economic engineering in Nigeria. The paper examined higher education system, financing higher education, problems of funding and utilization. He found that management of higher education in Nigeria was bedeviled by inadequate funding. He concluded that universities should be adequately funded, and that good management and accountability should be ensured.

Arikewuyo (2018) studied university management and staff unions in Nigeria: Issues and challenges. He observed that despite the laudable goals and objectives which universities are expected to perform, however the system has been characterized by a combination of chronic underfunding, rapid increasing student enrolment, inadequate facilities, deterioration of physical infrastructure and incessant staff strikes. The purpose of the study was to examine management of Nigerian universities and relationship between the staff unions, government, the council and various challenges which the unions face in the management of the system. Findings revealed that high handedness, arbitrariness and corruption on the part of administrators are the causes of agitation in the system. It concluded that Nigerian universities need to be reoriented in

consonance with acceptable democratic and international standard and stressed the need to fund the system effectively. This study is related to the current research because it examined issues resulting from management inefficiency in tertiary institutions.

Kalu (2011) examined budgeting practices of principals of secondary schools South-East, Nigeria. The purpose of the study was to investigate the budgeting practices of principals of secondary schools in relation to preparation and implementation. Findings revealed that there was significant relationship between budgeting practices of principals and performance of objectives.

Pimpong and Laryea (2016) studied budgeting and its impact on financial performance: The case of non-Bank financial institutions in Ghana. The study assessed the impact of budgeting on firm's performance of non-bank financial institutions in Ghana. Quantitative research method was used. The study established that there is a relationship between budgeting and firm's performance in non-financial institutions in Ghana. Budget coordination plays a significant role in firm performance.

Gauld (2016) studied Principal-Agent theory of organizations, noting that there has always been a conflicting interest between the proprietor and the workers in any organisation which serves as constraint to goal attainment. The purpose of the study was to assess the theory and how it could be applied to solve organisational problems. It was found that for any organization to thrive, both interests of principal and that of the agent must be harmonized to bring the desired results.

Panigrahi (2018) in his study on institutional financing, analyzed the policy changes in financing tertiary institutions in India which included privatization of public institutions to

offset inadequate funding by government. It was revealed that financing higher education institutions is not feasible by government of India. Therefore, the need for alternative methods which include fees and self-financing.

Butt, Hunjra, and Rehman (2010) carried out a study on financial management practices and their impact on organizational performance in Pakistan. The study measured the relationship between organisational performance and management practices in Pakistani corporate sector. It was an empirical study on financial management and organisational performance. Findings established that financial management practices influenced organisational performance in Pakistan.

Todowede (2013) examined management of university finances for sustainable administration and institution building. The purpose of the study was to explore the strategies of managing finances in universities for sustainable administration. The researcher deduced that future of the university system lies in the embrace of best practices of university governance and sound resources management. University governance should leverage strategic financial management approaches for effective and efficient utilization of financial resources in meeting the objectives of the institution. The article is relevant to the current study because it investigated how university management could manage finances in universities for sustainable administration and efficiency.

Oralu and Oladele (2015) examined management and funding of education in Nigeria. The study focused on the sources and the management of funds in educational institutions. It was discovered that Government allocation to education sector was far below UNESCO recommendation of 26% allocation to developing country. The study then urged government to

increase budgetary allocation to education sector because of its importance to national economy. An efficient utilization of funds to education will bring about greater achievement.

Sarkar and Hossain (2016) carried out a study on utilization of higher education budget on public universities in Bangladesh. The purpose of the study was to appraise the utilization of higher education budget vis-à-vis session jam in public universities and unemployment of university. Findings revealed that a large portion of higher education budget was inoperative due to short term and long term of unemployment, session jam in higher institution.

Igbiniedion and Tolupere (2019) investigated the issues and challenges of funding tertiary institutions in Bayelsa State, Nigeria. The article examined arising issues and challenges of funding tertiary institutions. It was a descriptive study of survey type. Findings revealed that the increase in demand for higher education led to an increase in establishment of higher institutions without proper planning. It was recommended that institutions be merged to bridge funding gaps and urged government to fund by analyzing their needs.

Anohene (2011) researched budgeting and budgetary control as management tools for enhancing financial management in local authorities, Afigya Kwabre District Assembly as a case study. The purpose of the study was to examine budget preparation and implementation. The method adopted was descriptive research. Findings revealed that poor budget formulation and implementation and low revenue generation make it difficult for local authorities to live up to their responsibility. More strategy should be employed in preparing and implementing budget.

Obara (2013) examined budget preparation and implementation in Nigerian public sector. The author reviewed the practice of budgeting and budget implementation. It was deduced that due process, value-for-money audit, and cost audit are imperative in budget implementation. It is

recommended that due processes and value-for-money audits should remain in the policy for economy, efficiency and effectiveness in the use of resources. It is important to underscore due process mechanism with systems, and skills to ensure that it endures.

Stav and Eizman (2008) carried out a study on budgeting as a powerful tool for enhancement of quality and efficiency in higher education in Israel. The study was based on a model testing of budgeting for higher institutions. The method adopted was Econometric model- a binary selection model (logit). The author established that model can serve as a regulator for internal allocation of their budgets. Budget mechanisms influence organizational behavior and direct it towards achieving pre-planned targets.

Gachithi (2010) carried out a study on challenges of budget implementation in public institutions: A case study of University of Nairobi. The purpose of the study was to investigate the challenges of budget implementation in the University of Nairobi. It was a descriptive study. The study revealed that budget preparation is asymmetrical to budget implementation because of inadequate revenue. The study concluded that to solve budget implementation problem, there is the need for procedures and guidelines in the allocation of funds and operational implementation policies. Inadequate subventions have been a great issue in tertiary institutions which is seen to be hindering effective implementation of their budgets.

Cardos (2014) analyzed literature on the various budgeting systems, traditional and alternative budgeting models with their pros and cons. It was a descriptive study. Findings revealed that no specific budget model is suitable for all organization. Applicability of a budgeting system is subject to type of organisation and business environment. It was concluded that each organization should find out its own combination of management tools and customize them to

their internal budgeting system considering each company's culture, structure and environment. The present study also focuses on the use of appropriate budget techniques in the planning, control of funds to achieve management effectiveness.

Elikwu (2016) carried out research on strategic public financial management reform as a panacea towards efficient service delivery in Nigeria. He analyzed public financial management reforms of Nigerian government such as treasury single account (TSA). It was a descriptive study. The author exposed several means the government used to curb corruption. He then concluded that there is need to improve the revenue base of the country through full implementation of TSA and efficient management of funds to block all loopholes. Proper implementation of budget of tertiary institutions will help preventing misappropriation of funds. This will invariably promote management effectiveness in the institutions. This study is related to the present study as it discussed the financial management to achieve intended goals.

Kyei, Kwaing and Francis (2015) examined the budgets and budgetary control as a management tool for Ghana Metropolitan Assemblies. The purpose of the study was to examine budgeting and budgetary control with a view to finding out its importance. Effective budget and budgetary control are determined by proper monitoring adequate information, regulatory and legislative framework and information technology. It was concluded that district, municipal and metropolitan assemblies generally do attach much importance to budgets and budgetary control as a tool to aid effective and efficient management.

Mohamed, Evans, Tirimba (2015) carried out a study on the effectiveness of budgetary control techniques on organizational performance at Dara-Salaam Bank headquarters in Hargeisa Somaliland, Kenya. The purpose of the study was to examine how budgetary control could

impact organizational performance. Findings revealed that there was strong relationship between effective budgetary control and performance of organization. This present study is related to the study in the sense that it seeks to establish the relationship between budget control and management effectiveness.

Oyekan, Adelodun and Oresajo (2015) examined the allocation of financial resources to enhance educational productivity and students' outcomes in Nigeria. The authors examined the allocation of financial resources to the education industry and how it enhanced productivity and student outcomes in Unity Colleges in Ogun State. It was deduced that proper financial allocation enhances educational productivity. It was concluded that budget administrators should always work on budget operation.

Omosidi, Oguntunde, Oluwalola, and Ajao (2019) carried out a study on budget implementation strategies and organisational effectiveness in colleges of education in Nigeria. The purpose of the study was to examine the relationship between budget implementation strategies and organizational effectiveness. The method adopted was descriptive study of the survey type. Twenty-four colleges of education were randomly selected for the study. Findings revealed that there was a significant relationship between budget implementation strategies and organizational effectiveness in the colleges of education. The present study is related to this study because it studies the budget implementation and management effectiveness in higher institutions.

Summary of Literature Review

Budget is a financial statement of the expected revenue and the proposed expenditure of an organization or government in a given period usually a year. As an administrative document, it specifies the way and means by which public services are provided and establishes guideline for

monitoring and evaluation. Budget as the total expected revenue and the total estimated expenditure in a fiscal year are categorized into three. These are surplus budget, deficit budget, and balanced budget. Each of these types is formulated to address a certain economic situation.

Budget performs myriad of functions in an organization. It is a good instrument to maintain economic stability. It is not that money cannot be spent without preparing a budget but spending it without budget may end up not meeting or satisfying the needs. The fundamental importance of a budget is that it controls the financial behaviour of administrators in an organization. In other words, a budget guides the financial management practices of educational administrators.

Both empirical and theoretical literature on budget process and techniques, budgeting practices and management effectiveness have been reviewed. The literature stressed the link between budgeting practices and management effectiveness of tertiary institutions.

There has been high attention to efficiency and effectiveness in each level of expenditure to increase educational benefits. Therefore, to ensure management effectiveness in tertiary institutions, there is the need to control funds through budgeting. A well-integrated budgeting process can provide better programme and financial decisions that can lead to improved effectiveness and efficiency.

Budgeting is a management tool to achieve both effectiveness and efficiency in institution. Having recognized the fact that resources allocated to tertiary institutions are grossly inadequate, the available instrument in the hand of management of tertiary institutions is budgeting, since budgeting is concerned with the prioritizing needs to achieve goals.

The high level of impecunity of some individuals and organizations that most time thwarts their plans is due to inappropriate financial planning or poor implementation. For instance, a salary earner may receive bumper income monthly but if he fails to adopt appropriate technique of budgeting, such a person will record little or no achievement with that income.

Tertiary institutions in Ondo State also operate budget; therefore, the inadequacies identified in budget practices by scholars in their previous studies could be perceived in the operation of budget in tertiary institutions in Ondo State, hence the need for this study.

CHAPTER THREE

RESEARCH METHOD

This chapter presents the method that was employed in carrying out the study under the following sub-headings: Research Design, Population of the Study, Sample and Sampling Techniques, Research Instruments, Validity of the Instruments, Reliability of the Instrument, Administration of the Instruments and Data analysis.

Research Design

The descriptive survey research and *ex-post-facto designs* were used in this study. The researcher decided to use these designs because they afforded him to garner opinions and information from the respondents on budgeting practices of their institutions, and how the practices influenced management effectiveness and efficiency. The designs also helped to collect existing data from the institutions under study.

Population of the Study

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

Table 2 shows the distribution of population of the study in the three tertiary institutions.

Table 2**Population Distribution of the Study**

Name of institutions	No. of HODs	No. of Audit staff	No. of Bursary staff	No. of Deans/ Directors	Total
AAUA	43	11	81	27	162
OAUSTECH	16	4	16	9	45
RUGIPO	36	10	59	27	140
TOTAL	95	25	156	63	347

Source: Fieldwork (2021)

Sample and Sampling Techniques

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

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

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

Deans/Directors in each of the institutions were selected making a total of thirty-seven (37) Deans/Directors. Table 3 shows the sample distribution of the study.

Table 3
Sample Distribution of Respondents

Name of institutions	No. of HODs	No. of Audit staff	No. of Bursary staff	No. of Deans/ Directors	Total
AAUA	26	7	49	16	98
OAUSTECH	10	2	10	5	27
RUGIPO	22	6	35	16	79
TOTAL	58	15	94	37	204

Source: Fieldwork (2021)

Research Instruments

Two instruments were used for the study. The first instrument was a questionnaire titled "Budgeting Practices and Management of Tertiary Institutions Questionnaire (BPMTIQ)" and one proforma titled "Budget Inventory". The questionnaire which was developed by the researcher comprised sections A, B, C, D, and E.

Section A contained general information about the respondents and the background of the institutions. Sections B, C, and D contained items on budgeting practices, budget planning, budget implementation, and budget control, respectively. Section E contained items of questions on management effectiveness of the institutions.

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

Validity of the Instruments

The initial draft of the questionnaire was submitted to the research supervisor for comments and corrections to ensure face and content validity. After effecting the corrections, copies were given to two lecturers in the field of Educational Measurement and Evaluation for suggestions and comments. After taking into cognizance the suggestions/comments, the final draft of the questionnaire was prepared and submitted to the research supervisor for approval.

Reliability of the Instrument

After validation and approval of the supervisor, the questionnaire was pilot-tested to ascertain the reliability of the instrument. Pearson Product Moment Correlation was used to test the reliability, and the coefficient of correlation was found to be 0.74, which was considered to be high for the study. Also, Cronbach alpha reliability test was carried out to ascertain the internal consistency of the instrument. The coefficient of the reliability was found to be 0.844, which was considered to be high for the study.

Administration of the Instruments

The researcher visited the selected institutions to collect the data needed for the study. One research assistant in each of the sampled institutions was engaged to work with the researcher in the administration of the instruments. For proper attention, the researcher waited and retrieved the questionnaire after completion by the respondents. To obtain data on the actual and the proposed budgets, a letter containing the checklist on budget inventory was submitted to the bursar's offices in each of the tertiary institutions.

Data Analysis

Descriptive statistics such as mean, standard deviation, and frequency count were used to answer the research questions while inferential statistics such as multiple regression, correlation and One-way Analysis of Variance were used to test the hypotheses. Hypothesis one was tested with multiple regression analysis; hypotheses two, three and four were tested using Pearson Product Moment Correlation, and hypothesis five was tested with One-way Analysis of Variance at 0.05 levels of significance.

CHAPTER FOUR

RESULTS AND DISCUSSION

This chapter presents the results and discussion of data collected. It presents the background information of the respondents and the results of the findings. The background information of the respondents in the three tertiary institutions used in the survey is presented in table 4.

Table 4

Background Information of the Respondents in the three Tertiary Institutions in Ondo State.

Institution	HOD	Auditor	Bursary Staff	Dean/Director	Total
AAUA	26	7	49	16	98
OAUSTEC	10	2	10	5	27
RUGIPO	22	6	35	16	79
Total	58	15	94	37	204
Percentage	28.40%	7.40%	46.10%	18.10%	100.00%

Source: Fieldwork (2021)

A total number of 204 staff of the three sampled institutions participated in the survey. It can be seen in table 4 that a total number of 98 staff of Adekunle Ajasin University participated in the study. Out of this, 26 of the staff were Heads of Departments; 7 were staff of Audit Unit, 49 were staff of Bursary Department; and 16 were either Dean of Faculty or Directors of Directorates.

At Olusegun Agagu University of Science and Technology, a total number of 27 participated in the survey. Out of this, 10 of the staff were heads of departments; 2 were staff of Audit Unit; 10 were staff of Bursary Unit; and 5 were either deans or directors of directorates.

At Rufus Giwa Polytechnic, Owo, a total number of 79 participated in the survey. Out of this, 22 of the respondents were heads of departments; 6 of the respondents were staff of Audit Unit; 35

of the respondents were staff of Bursary Unit; and 16 of the respondents were deans and/or directors.

This information is presented in figure 3.

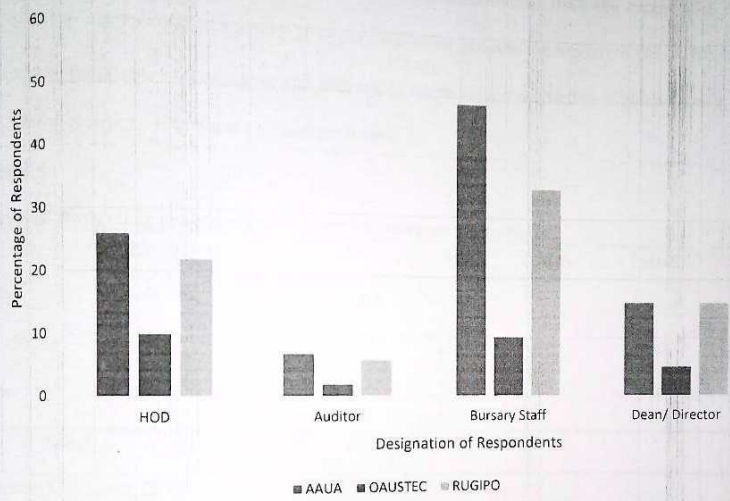


Figure 3: Background Information of the Respondents

Research Question 1

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

In order to answer this research question, data on 204 respondents to sections B (budget planning), C (budget implementation), and D (budget control) of the questionnaire were collated and analysed using frequency counts, percentage, mean and standard deviation. The three sections have 27 items structured in a 4-point Likert scale format. The maximum and

minimum obtainable scores are 108 and 27, respectively. The maximum and minimum obtained scores are 78.3 and 60.9, respectively. To classify the responses to levels (high, moderate and low), the mean and standard deviation were calculated as (mean = 69.6; standard deviation = 8.7). Thereafter, the standard deviation was added and subtracted from the mean ($69.6 + 8.7 = 78.3$; $69.6 - 8.7 = 60.9$) to arrive at upper and lower bounds for moderate (61 – 70) level of budgeting practices. Scores above and below this range were classified as high and low levels of budgeting practices. Details are as shown in table 5.

Table 5

Level of Budgeting practices in Tertiary Institutions Ondo State							
Levels	Range	N	%	Min	Max	Mean	SD
High	78.3 – 108	29	14.2				
Moderate	61 – 78.2	144	70.6	45	102	69.9	8.7
Low	27- 60.9	31	15.2				
Total		204	100				

Source: Fieldwork (2021)

From Table 5, 29(14.2%) of the respondents agreed that budget practices is high, 144 (70.6%) agreed that it is moderate, and (15.2%) agreed that it is low. The pictorial representation of this information is further depicted in Figure 4.

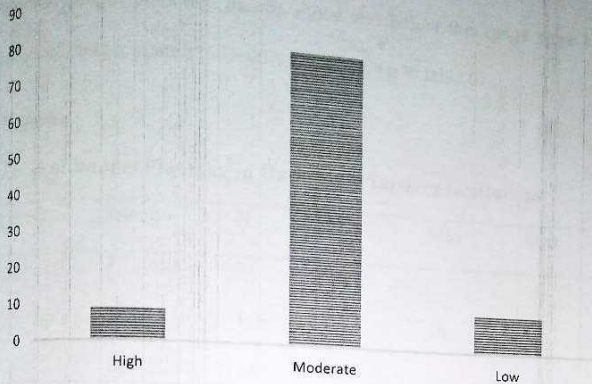


Figure 4: Level of Budgeting Practices

From Table 5 and Figure 4, it can be concluded that the level of budget practices in tertiary institutions in Ondo State is moderate.

Research Question 2

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

To answer this research question, data on 204 respondents to section B (Budgeting Planning) of the questionnaire were collated and analyzed using frequency counts, percentage, mean and standard deviation. The section has 10 items structured in a 4-point Likert scale format. The maximum and the minimum obtainable scores are 40 and 10, respectively. The maximum and minimum obtained scores are 40 and 16 respectively. To classify the responses to levels (high, moderate and low), the mean and standard deviation were calculated as (mean = 26.63; standard deviation = 4.37). Thereafter, standard deviation was added and subtracted from the mean ($26.63 + 4.37 = 31$; $26.63 - 4.37 = 22.26$) to arrive at upper and lower bounds for moderate (22-31)

level of budget planning. Scores above and below this range were classified as high and low levels of budget planning. Details are as shown in table 6.

Table 6

Level of Budget Planning in Ondo State Tertiary Institutions

Levels	Range	N	%	Min	Max	Mean	SD
High	31 – 40	34	16.7				
Moderate	22.27 – 30	156	76.4	16	40	26.63	4.37
Low	10 – 22.26	14	6.9				
Total		204	100				

Source: Fieldwork (2021)

From Table 6, 34(16.7%) of the respondents agreed that the level of budget planning was high, 156 (76.4%) agreed it was moderate while 14 (6.9%) agreed that it was low. The pictorial representation of this information is further depicted in Figure 5.

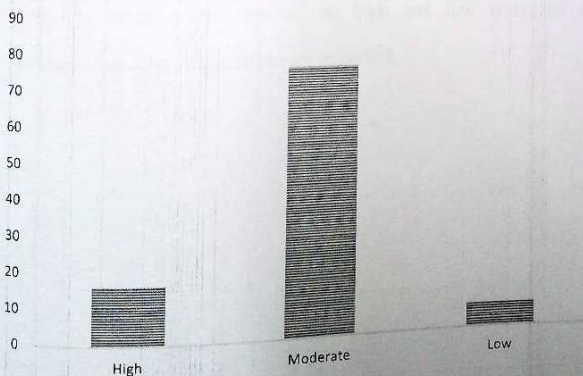


Figure 5: Level of Budget Planning

From Table 6 and Figure 5, it can be concluded that the level of budget planning in tertiary institutions in Ondo State is moderate.

Research Question 3

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

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

Table 7

Level of Compliance with budget guideline in Budget Implementation in Tertiary Institutions in Ondo State.

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

Source: Fieldwork (2021)

From Table 7, 25(12.3%) of the respondents agreed that the level of compliance with the budget implementation was high, 154 (75.4%) agreed it was moderate while 25 (12.3%) agreed that it was low. The pictorial representation of this information is further depicted in Figure 6.

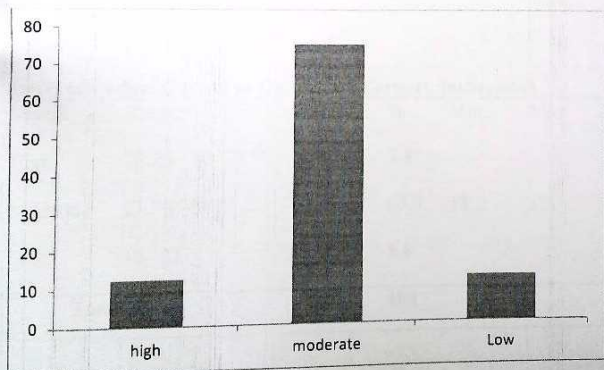


Figure 6: Level of Budget Implementation in Tertiary Institutions in Ondo State.

From Table 7 and Figure 6, it can be concluded that the level of compliance with budget guideline in budget implementation in tertiary institutions in Ondo State is moderate.

Research Question 4

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

In order to answer this research question, data on 204 respondents to section D (Budget Control) of the questionnaire were collated and analysed using frequency counts, percentage, mean and standard deviation. The section has 10 items structured in a 4-point Likert scale format. The maximum and the minimum obtainable scores are 40 and 10, respectively. The maximum and minimum obtained scores are 37 and 13, respectively. To classify the responses to levels (high, moderate and low), the mean and standard deviation were calculated as (mean = 24.97; standard deviation = 3.28). Thereafter, the standard deviation was added and subtracted from the mean ($24.97 + 3.28 = 28.25$; $24.97 - 3.28 = 21.69$) to arrive at upper and lower bounds for moderate ($21.69 - 28.25$) level of budget control. Scores above and below this range were classified as high and low levels of budget controls. Details are as shown in table 8.

Table 8

Level of Budget Control in Ondo State Tertiary Institutions

Levels	Range	N	%	Min	Max	Mean	SD
High	28.25 - 40	16	7.8				
Moderate	21.70 - 28.24	170	83.4	13	37	24.97	3.28
Low	10- 21	18	8.8				
Total		204	100				

Source: Fieldwork (2021)

From Table 8, 16(7.8%) of the respondents agreed that the level of budget control was high, 170 (83.4%) agreed that it was moderate while 18 (8.8%) agreed that it was low. The pictorial representation of this information is further depicted in Figure 7.

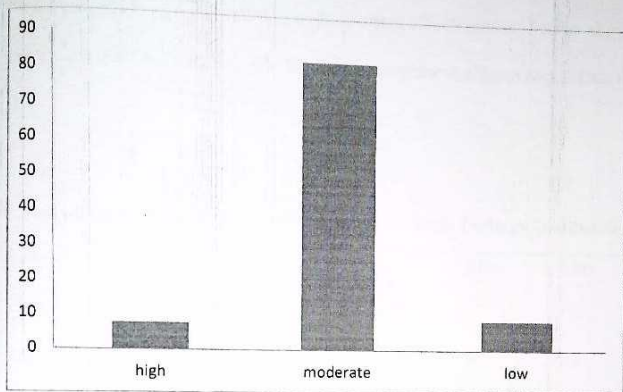


Figure 7: Level of Budget Control in Ondo State Tertiary Institutions

From Table 8 and Figure 7, it can be concluded that the level of budget control in Ondo State tertiary institutions is moderate.

Research Question 5

What is the level of management effectiveness in the tertiary institutions in Ondo State?

In order to answer this research question, data on 204 respondents to section E (Management effectiveness) of the questionnaire were collated and analysed using frequency counts, percentage, mean and standard deviation. The section has 6 items structured in a 4-point Likert scale format. The maximum and the minimum obtainable scores are 24 and 6, respectively. The maximum and minimum obtained scores are 23 and 6, respectively. To classify the responses to

levels (high, moderate and low), the mean and standard deviation were calculated as (mean = 12.45; standard deviation = 2.98). Thereafter, the standard deviation was added and subtracted from the mean ($12.45 + 2.98 = 15$; $12.45 - 2.98 = 9.45$) to arrive at upper and lower bounds for moderate (9.47 – 15.43) level of management effectiveness. Scores above and below this range were classified as high and low level of management effectiveness. Details are as shown in table 9.

Table 9

Level of Management Effectiveness in Ondo State Tertiary Institutions

Levels	Range	N	%	Min	Max	Mean	SD
High	15.43 -24	30	14.7				
Moderate	9.48 - 15.42	133	65.2	6	23	12.45	2.98
Low	6 – 9.47	41	20.1				
Total		204	100				

Source: Fieldwork (2021)

From Table 9, 30(14.7%) of the respondents agreed that the level of management effectiveness was high, 133 (65.2%) agreed that it was moderate while 41 (20.1%) agreed that it was low. The pictorial representation of this information is further depicted in Figure 8.

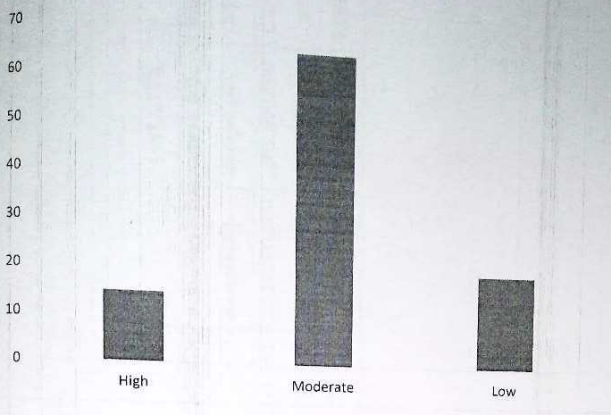


Figure 8: Level of management effectiveness in Ondo State Tertiary Institutions

Research Question 6

What is the budget variation among the tertiary institutions in Ondo State?

In order to answer this research question, data on the proposed budgets and actual budgets of the three tertiary institutions in Ondo State for 2017, 2018 and 2019 were collated. Differences in the proposed budgets and actual budgets for the three tertiary institutions for the periods specified were computed as shown in tables 9 and 10.

Table 10

Differences in the Proposed and Actual Budgets of Ondo State Tertiary Institutions

INSTITUTIONS									
Year	RUGIPO			AAUA			OAUSTEC		
	Proposed Budget (₦)	Actual Budget (₦)	Variation (₦)	Proposed Budget (₦)	Actual Budget (₦)	VARIATION (₦)	Proposed Budget (₦)	Actual Budget (₦)	Variation (₦)
2017	5,961,607,790	3,291,049,167	2,670,558,623	4,672,069,680	3,313,698,485	1,358,371,195	1,920,000,000	663,000,000	1,257,000,000
2018	5,010,108,720	3,337,693,750	1,672,414,970	4,935,308,140	3,420,465,762	1,514,842,378	1,977,000,000	1,103,000,000	874,000,000
2019	4,106,502,796	3,249,545,765	856,957,031	4,916,810,000	3,722,431,243	1,194,378,757	1,600,000,000	504,000,000	1,096,000,000

Source: Fieldwork (2021)

Table 11

Percentage of Budget Variations in the Sampled Tertiary Institutions in Ondo State

Year	INSTITUTION						Total variation Variation (₦)	% of total variation Percentage of variation (%)
	RIGIPO		AAUA		OAUSTEC			
	Variation (₦)	Percentage of variation (%)	Variation (₦)	Percentage of variation (%)	Variation (₦)	Percentage of variation (%)		
2017	2,670,558,623	51.36	1,358,371,195	33.39	1,257,000,000	38.95	5,285,929,818	42.31
2018	1,672,414,970	32.16	1,514,842,378	37.24	874,000,000	27.08	4,061,257,348	32.50
2019	856,957,031	16.48	1,194,378,757	29.36	1,096,000,000	33.96	3,147,335,788	25.19
Total	5,199,930,624	100	4,067,592,330	100	3,227,000,000	100	12,494,522,954	100

Source: Fieldwork (2021)

From Table 10 & 11, in 2017, the budget variation was at the highest at RUGIPO, followed by AAUA and it was least at OAUSTEC. In 2018, the budget variation was highest at RUGIPO, followed by AAUA, and it was also least at OAUSTEC. In 2019, the budget variation was highest at AAUA, followed by OAUSTEC and it was least at RUGIPO. The pictorial representation of this information is further depicted by bar chart in Figure 8.

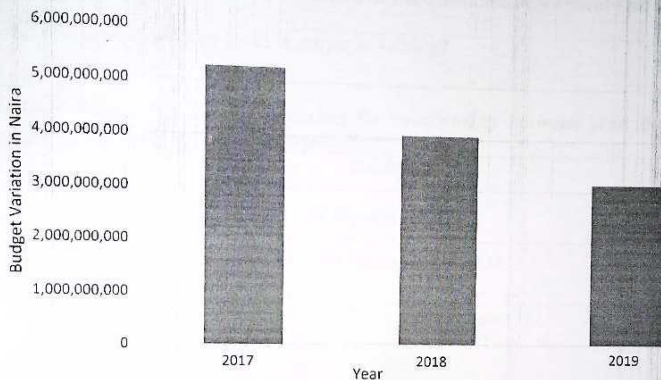


Figure 9: Budget Variations in Tertiary Institutions in Ondo State Between 2017 And 2019

From table 10 and Figure 9, it can be concluded that the budget variations among the three tertiary institutions for three years in Ondo State was highest at RUGIPO, followed by AAUA and was least at OAUSTEC.

Furthermore, table 11 explicitly shows the budget variations and the percentage of variations in the institutions. In 2017, total budget variation stood at ₦5,285,929,818. The variation dropped to ₦4,061,257,348 and ₦3,147,335,788 in 2018 and 2019, respectively. This means that variation was high in 2017, which is 42.31%. In 2018, it dropped to 32.50% and 25.19% in 2019.

Testing of Hypotheses

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

In testing this hypothesis, data on budget planning, budget implementation, budget control and management effectiveness sub-sections of the questionnaire were collated and subjected to regression analysis. The result is shown in Table 12.

Table 12
Multiple Regression analysis showing the relationship between joint dimensions of budgeting practices and management effectiveness

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

- Dependent Variable: management effectiveness
- Predictors: (Constant), budget control, budget implementation, budget planning.

From Table 12, there is a significant and positive relationship between budgeting practices and management effectiveness in tertiary institutions in Ondo State. It can also be deduced from the table that the dimensions of budgeting practices (planning, implementation and control) make significant joint contribution to the prediction of management effectiveness in tertiary institutions in Ondo State. More specifically, all the dimensions of budgeting practices jointly accounted for 7.2% of the total variance in management effectiveness in

tertiary institutions in Ondo State ($R = 0.269$; $R \text{ Square} = 0.072$; $\text{Adjusted } R \text{ Square} = 0.058$, $F_{(3,200)} = 5.196$, $p = 0.002 < 0.05$).

To further examine the relative contribution of the independent variables to the dependent variable, data on budget planning, budget implementation, budget control and management effectiveness sub-sections of the questionnaire were collected and subjected to multiple regression analysis. The result is shown in Table 13.

Table 13

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

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

a. Dependent Variable: management effectiveness

From Table 13, out of three dimensions of budgeting practices (planning, implementation and control), only two (budget planning and budget control) made significant relative contribution to the prediction of management effectiveness. Budget control was the higher predictor of management effectiveness. It accounted for (30.6%) of the total variance in management effectiveness ($\beta = 0.306$, $p < 0.05$). Budget planning was the least predictor of management effectiveness. It accounted for (17.2%) of the total variance in management effectiveness ($\beta = 0.172$, $p < 0.05$). Budget Implementation did not make significant contribution to management effectiveness, since p-value (0.209) is greater than 0.05. From

tables 11 and 12, it can be concluded that there is a joint contribution of the dimensions of budgeting practices (planning, implementation and control) to the prediction of management effectiveness in tertiary institutions in Ondo State, hence, hypothesis 1 is rejected at 0.05 level of significance.

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

In testing this hypothesis, data on budget planning and management effectiveness sub-sections of the questionnaire were collated and subjected to Pearson Product Moment Correlation. The result is shown in Table 14.

Table 14

Relationship between Budget Planning and Management Effectiveness

Variables	N	r-cal	Df	p-value	Decision
Budget planning	204	0.072	202	0.307	Not significant
Management effectiveness					

From Table 14, the value of r calculated is 0.072. p-value is 0.307. since the p-value is greater than 0.05, the hypothesis earlier stated that there is no significant relationship between budget planning and management effectiveness in tertiary institutions in Ondo State is hereby upheld.

Hypothesis 3: There is no significant relationship between budget implementation and management effectiveness in tertiary institutions in Ondo State.

In testing this hypothesis, data on budget implementation and management effectiveness subsections of the questionnaire were collated and subjected to Pearson Product Moment Correlation. The result is shown in Table 14.

Table 15

Relationship between Budget Implementation and Management Effectiveness

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

From Table 15, the value of r calculated is 0.040. p -value is 0.566. Since the p -value is greater than 0.05, the hypothesis earlier stated that there is no significant relationship between budget implementation and management effectiveness in tertiary institutions in Ondo State is hereby upheld.

Hypothesis 4: There is no significant relationship between budget control and management effectiveness in tertiary institutions in Ondo State.

In testing this hypothesis, data on budget control and management effectiveness subsections of the questionnaire were collated and subjected to Pearson Product Moment Correlation.

The result is shown in Table 16

Table 16
Relationship between Budget Control and Management Effectiveness

Variables	N	r-cal	Df	p-value	Decision
Budget control Management effectiveness	204	.183	202	.009	Significant

From Table 16, the value of r calculated is 0.183. p -value is .009. Since the p -value is lesser than 0.05, the hypothesis earlier stated that there is no significant relationship between budget control and management effectiveness in tertiary institutions in Ondo State is hereby rejected at 0.05 level of significance. This shows that there is a significant relationship between budget control and management effectiveness in tertiary institutions in Ondo State.

Hypothesis 5: There is no significant difference in the budget variations among tertiary institutions in Ondo State.

In testing this hypothesis, variations that existed between the proposed budget and actual budget among the three tertiary institutions in Ondo State between 2017 and 2019 were collated and subjected to One-way Analysis of Variance (ANOVA). The result is shown in Table 17.

Table 17
Summary of One-way ANOVA of the Mean differences in Budget Variations among Tertiary Institutions in Ondo State

	Sum of Squares	Df	Mean Square	F	Decision
Between Groups	653471191603409660	2	326735595801704830	1.104	
Within Groups	1775460273340760320	6	295910045556793410		
Total	2428931464944170000	8			

From table 17, the value of F calculated is 1.104, p -value is .391. Since p -value is greater than 0.05, the hypothesis earlier stated that there is no significant difference in the budget variations among tertiary institutions in Ondo State between 2017 and 2019 is hereby upheld.

Discussion of Findings

Research question one examined the level of budget practices in tertiary institutions in Ondo State. It tried to establish whether the level of budget practices in the sampled institutions

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

Institution can improve on their practices to reach high level in their performance. The improvement on the level of planning, implementation, and control of budget will bring about management effectiveness.

Research question two examined the level of budget planning in tertiary institutions in Ondo State. Findings revealed that budget planning is moderate in the tertiary institutions. This finding agrees with the study of Ryan (2008) who also discovered moderate level of budget planning. The budget planning is at moderate level, but moderate level of budget planning is not sufficiently enough to attain sound financial operation in a time like this for optimum management effectiveness. The moderate level of budget planning may be due to the failure of the tertiary institutions to properly set achievable goals at the beginning of academic year; failure to identify all the importance needs of members of staff; failure to link the resources to institutional programmes; failure to give consideration to anticipated revenue during budget preparation and many other factors.

High level of budget planning is needed for effective operation of the system. Budget planning is the way institutions go about setting achievable goals at the beginning of year; identify the needs; availability of budget guidelines; prioritization of needs; communication of decisions and consideration of anticipated revenues, which is found to be moderate in the institutions. This finding is in conformity with the assertion by Olaniyan and Efundade (2020) that budget planning in institutions is moderate.

The prioritisation of the needs based on the available resources will go a long way in achieving institutional goals. The institutions can achieve this, by preparing scale of preference after collating various budget estimates of units and departments. Prioritisation of needs will therefore curb this obnoxious practice. The result is also in line with the opinion of Ugoani (2019) who posited that achievement of business prosperity requires efficient management of available resources through planning, organising, directing, controlling and budgeting.

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

The study is also in line with the opinion of Obara (2013) who examined budget preparation and implementation in the Nigeria and found that budget implementation is moderate. Implementation is a critical stage of any process. Having moderate level of budget implementation in the tertiary institutions will not engender high performance of the system. This is linking to lukewarmness, which even Bible condemns in Revelation chapter three

verse sixteen. High level of budget implementation can be attained if there is due process and thorough supervision during implementation of projects and programmes of the institutions. The finding also corroborates that of Obara (2013) who examined budget implementation strategies and organisational effectiveness and found out moderate level of budget implementation in institutions.

Research question four examined the level of budget control in the tertiary institutions in Ondo State. Finding revealed that budget control is moderate in the tertiary institutions in the State. The moderate level of budget control might be due to poor monitoring of project implementation; unnecessary spending by the tertiary institutions; redundant staff and lack of accountability.

This study agrees with the findings by Mohamed, Evans and Tirimba, (2015) that carried out a study on the effectiveness of budgetary control techniques on organisational performance. The result also corroborates the study carried out by Egbunike and Unamma (2017) who examined budgeting, budgetary control and performance evaluation, and discovered moderate level of budget control. In addition, the finding coincides with the assertion of Siyanbola (2013) who studied impact of budgeting and budgetary control on the performance of organisation. There is a need for systemic and systematic control of expenditure in the institutions so that high level of budget control can be attained. This can be achieved through monitoring, effective communication, accountability, auditing, and controlling costs during budget implementation.

Research question five examined the level of the management effectiveness in tertiary institutions in Ondo State. Finding revealed a moderate level of management effectiveness. Moderate level of management effectiveness resulting from moderate level of budget practices. This means that the higher the level of budgeting practices, the higher the level of

management effectiveness. The improvement in in budget planning, budget implementation and budget control will bring about improvement in management effectiveness. This finding is symmetry to the result of study carried out by Ugoani (2019) who carried out a study on budget management and organisational effectiveness in Nigeria. The study examined the relationship between budget management and organisational effectiveness. Findings revealed a positive correlation between budgeting management and organisational effectiveness. This study also corroborates the finding of Junge, Bosire, and Kamau (2014) who assessed the effect of budgetary practices on performance of public schools in Nakuru municipality, Kenya and found a positive relationship between budgeting practices and effectiveness of schools

Also, research question six examined the budget variations among the tertiary institutions in Ondo State. findings revealed the following:

At Rufus Giwa Polytechnic, Owo, the total budget variation was ₦5,199,930,624 in the period under review. The variation was diminishing with respect to year. The variation was high, which was 51.36% (₦2,670,558,623) in 2017. It decreased to 32.16% (₦1,672,414,970) in 2018, and again decreased to 16.48% (₦856,957,031) in 2019. This shows a decreasing variation in the budgets. The lower the percentage variation, the better the budgeting practices. It is apparently clear that the budgeting practices improved over the years as the variations decreased.

At Adekunle Ajasin University, Akungba Akoko, the total budget variation was ₦4,067,592,330 in the period. The variation was 33.39% (₦1,358,371,195) in 2017. It then increased to 37.24% (₦1,514,842,378) in 2018 and then decreased to 29.36% (₦1,194,378,757) in 2019. There was oscillating variation between the proposed and actual budgets in the institution in the year under review, which shows unstable budget practices.

At Olusegun Agagu University of Science and Technology, the total budget variation was ₦3,227,000,000. The variation was 38.95% (₦1,096,000,000) in 2017. It decreased to 27.08% (₦874,000,000) in 2018, and increased to 33.96% (₦1,096,000,000) in 2019. The variation also shows an inconsistent practice of budgeting.

The general variation in the proposed and the actual budgets in the tertiary institutions might be due to the practices that occurred between the agent and the principal. As revealed, budget variations among the three tertiary institutions for three years in Ondo State was highest at Rufus Giwa Polytechnic, Owo; this is followed by Adekunle Ajasin University, Akungba Akoko. The variation is least at Olusegun Agagu University of Science and Technology.

The result of analysis in hypothesis one on the table 11 shows that there is a significant relationship ($R=0.27$) between budgeting practices and management effectiveness at 0.05 level of significance. The implication of this is that budget planning, budget implementation, and budget control jointly contributed to the management effectiveness at the tertiary institutions, though at different proportion. This corroborates the study carried out by Chukwuemeka, Ijeoma, Ogunji, Igba, and Ngozi (2019) on impact of budget preparation and implementation on school administration.

The result also conforms with the findings by Ugoani (2019) who examined the relationship between budget management and organisational effectiveness and concluded that budget management influences organisational effectiveness. This implies that effectiveness of institutions depends to a large extent on the nature of its budget practices among other factors. The finding also agrees with Omole (2012) who assessed strategic budgeting system and management of public resources in Nigeria and reported that there is a significant relationship between budgeting practices and management effectiveness of public resources in Nigeria.

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

Hypothesis two revealed that there is no significant relationship between planning of budget and management effectiveness. This is saying that the panning of budget in the tertiary institutions in Ondo state has a poor congruence with the basic needs such as welfare and other needs of workers for effective service delivery. If the planning in the institutions continues in that manner, it may lead to the collapse of the system.

It is incumbent on the members of academia to strategise and rejig the budget planning that will enhance management effectiveness. However, the finding is in contrary to the study by Otley and Pollanen (2000) who found that budgeting planning increases management effectiveness. Institutions in Ondo State should, therefore, devise a good planning of budget that will engender effectiveness.

Hypothesis three revealed that there is no significant relationship between budget implementation and management effectiveness in tertiary institutions in Ondo State. Implementation in terms of supervision, due process, transparency, coordination of activities. This means that there has not been thorough supervision of projects; no due process; no transparency, and coordination of activities which in turn have affected management effectiveness. Management can only be effective if there is a proper implementation of budget. This finding disagrees with the study carried out by Chukwuemeka, Ijeoma, Ogunji, Igba and Ngozi (2019) on impact of budget preparation

and implementation on school administration in Southeast States in Nigeria that budget implementation has a significant relationship with school effectiveness. Also, the finding disagrees with the study carried out by Omosidi, Oguntunde, Oluwalola, and Ajao (2019) on budget implementation strategies and organisational effectiveness in colleges of education in Nigeria who examined the relationship between budget implementation strategies and organizational effectiveness. The study found that there is a significant relationship between budget implementation strategies and organisational effectiveness in the colleges of education in Nigeria. Managements are to be concerned with supervision, due process, transparency, proper coordination of activities so that optimum performance can be attained.

Hypothesis four revealed that there is a significant relationship between budget control and management effectiveness in tertiary institutions in Ondo State. This finding corroborates the study of Obi (2015) who examined budgeting and budgetary control as the metric for corporate performance in Nigeria and asserted that good budgeting and budgetary control is the key to achieving organisational objectives. Budget control in terms of monitoring, effective communication, accountability, auditing, controlling cost.

Hypothesis five revealed no significant difference in the budget variations among tertiary institutions in Ondo State between 2017 and 2019. From table 16, the value of F-calculated is 1.104, *p-value* is .391. Since *p-value* is greater than 0.05, the hypothesis showing no significant difference in the variation among tertiary institutions in Ondo State. This means that variations in the preparation and implementation of budget in the tertiary institutions are non-significant. Heads of tertiary institutions in the state are to be alive to their responsibility to ensure that the gap noticed in the planning and implementation of budgets is reduced if not bridged.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

This chapter presents the summary of findings, conclusion and implication of the findings, recommendations and suggestions for further studies.

Summary

The study investigated the budgeting practices and management effectiveness of tertiary institutions in Ondo State, Nigeria. The aspects of the study included budget planning, budget implementation, budget control, and the relationships of these variables with the management effectiveness.

Descriptive research design of the survey type and expo-facto were used in this study. The target population for this study comprised 347 staff drawn from senior staff of Audit unit, Senior staff of Bursary unit, Heads of Departments, and Deans/Directors of state-owned tertiary institutions in Ondo State.

Specifically, the sample of this study comprised two hundred and four (204) senior members of staff of three state-owned tertiary institutions in Ondo State. Purposive and proportionate samplings were used in the selection of the sample.

The institutions included Adekunle Ajasin University, Akungba-Akoko (AAUA); Olusegun Agagu University of Science and Technology, Okitipupa (OAUSTECH) and Rufus Giwa Polytechnic, Owo (RUGIPO). Proportionate sampling was used in the selection of sixty percent of heads of departments from each of the three institutions making fifty-eight (58) heads of departments. Also, proportionate sampling was used to select sixty percent senior staff from the bursary and the audit units of the three tertiary institutions making a total of ninety-four (94) and fifteen (15), respectively. Sixty percent of deans/directors in each of the institutions were selected making a total of thirty-seven (37) Deans/Directors.

Six research questions were raised and answered, and five hypotheses were formulated and tested in the study. Data collected were analyzed using frequency counts, percentage, mean and standard deviation. Regression analysis, Pearson Product Moment correlation and One-way Analysis of Variance (ANOVA) were used to analyse the hypotheses. The results of the findings are as follows:

1. The level of budget practices in tertiary institutions in Ondo State was moderate.
2. The level of budget planning in tertiary institutions in Ondo State was moderate.
3. The level of compliance with budget guidelines in budget implementation in tertiary institutions in Ondo State was moderate.
4. The level of budget control in Ondo State tertiary institutions was moderate.
5. The level of management effectiveness in tertiary institutions in Ondo State was moderate.
6. The budget variations among the three tertiary institutions for three years in Ondo State was highest at Rufus Giwa Polytechnic, Owo, followed by Adekunle Ajasin University and was least at Olusegun Agagun University of Science and Technology, Okitipupa.
7. There was significant and positive relationship between budgeting practices and management effectiveness in tertiary institutions in Ondo State.
8. There was no significant relationship between budget planning and management effectiveness in tertiary institutions in Ondo State.
9. There was no significant relationship between budget implementation and management effectiveness in tertiary institutions in Ondo State.
10. There was significant relationship between budget control and management effectiveness in tertiary institutions in Ondo State.

11. There was no significant difference in the variations among tertiary institutions in Ondo State.

Conclusion

The study was undertaken to examine the budgeting practices and management effectiveness in tertiary institutions in Ondo State. The study has shown that budget practices determine management effectiveness. The higher the level of budget practices, the higher the level of management effectiveness.

Management effectiveness depends on effective budget planning, budget implementation, and budget control. The prevailing level of moderate budget practices still needs to be improved upon because of the noticeable gap between budget planning and budget implementation.

Recommendations

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

1. The institutions should endeavour to embrace best budget planning and implementation that will engender management effectiveness through workshop and seminars for the staff who involve in the budgets.
2. Tertiary institutions in Ondo state should review the budget process so that better performance can be achieved. This can be done by effective goal setting, identification and prioritisation of needs, value determination (separation of needs from wants), and involvement of stakeholders
3. Ondo State tertiary institutions should adhere to the principles of due process in the preparation and implementation of budgets. If the principles of due process are followed, the intended goals of budget planning will be achieved, and thus reduces the level of budget variations.

4. There should be an effective system of monitoring the implementation of budgets of the institutions to achieve management effectiveness. The audit staff should supervise all procurements of items for the institution.
5. The system of budget control in Ondo State tertiary institutions should be strengthened to enhance performance.
6. Management effectiveness should be improved through proper budgeting practices.

Suggestions for Further Studies

This study only examined budget practices and management of State-owned tertiary institutions in Ondo State. Other researchers may carry out research on:

1. Budgeting practices and management effectiveness of both state and federal tertiary institutions.
2. Comparative study on budgeting practices and institutional goals in Nigerian tertiary institutions.
3. Budget control and staff welfare in higher educational institutions.
4. Budget planning and implementation in Private and Public tertiary institutions

Limitations to the Study

The researcher encountered some challenges while carrying out the study. Unnecessary concealing information by members of the bursary and audit units was a constraint. Based on the content of the instrument which involved investigating financial practices, some declined to respond to question, believing that could be used against their institutions. However, the researcher was able to obtain adequate information for the study. Hence, he came up with good result which could be considered valid because the limitation did not in any way affect the method and result of the study.

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APPENDIX I

QUESTIONNAIRE ON BUDGET PRACTICES

ADEKUNLE AJASIN UNIVERSITY

DEPARTMENT OF EDUCATIONAL MANAGEMENT

AKUNGBA-AKOKO, ONDO STATE

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

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

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

Section A: Background information

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

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

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

Section B: Budget Planning

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

Section C: Budget Implementation

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

Section D: Budget control

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

Section E: Management Effectiveness

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

APPENDIX II
ADEKUNLE AJASIN UNIVERSITY
DEPARTMENT OF EDUCATIONAL MANAGEMENT
AKUNGBA-AKOKO, ONDO STATE

9th November, 2020.

.....
Dear Sir,

REQUEST FOR BUDGET INVENTORY

I am a postgraduate student of Adekunle Ajasin University pursuing a Doctoral degree in Economics of Education in the Department of Educational Management.

I am currently researching on "**Budgeting Practices and Management of Tertiary Institutions in Ondo State**". The study is critically examining the practices of budgeting on the management effectiveness and efficiency in the tertiary institutions.

To complete this study, your assistance is hereby sought to fill the Checklist below. Information provided will be treated with utmost confidentiality and used for research purposes only.

Thank you.

Temidayo Allen
Ph.D Student

Budget Inventory

Year	Proposed budget	Actual Budget	Variation
2017			
2018			
2019			

APPENDIX III

Reliability Result

Scale: ALL VARIABLES

Case Processing Summary

		N	%
Cases	Valid	20	100.0
	Excluded ^a	0	.0
	Total	20	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.844	.853	2

Inter-Item Correlation Matrix

	X	Y
X	1.000	.743
Y	.743	1.000

APPENDIX IV

Reliability Result Using PPMC

S/N	X	Y	XY	X ²	Y ²
1	85	86	7310	7225	7396
2	95	96	9120	9025	9216
3	86	90	7740	7396	8100
4	83	82	6806	6889	6724
5	87	75	6525	7569	5625
6	95	92	8740	9025	8464
7	86	80	6880	7396	6400
8	83	81	6723	6889	6561
9	87	86	7482	7569	7396
10	86	86	7396	7396	7396
11	83	80	6640	6889	6400
12	87	80	6960	7569	6400
13	86	85	7310	7396	7225
14	83	86	7138	6889	7396
15	97	96	9312	9409	9216
16	95	90	8550	9025	8100
17	83	85	7055	6889	7225
18	87	80	6960	7569	6400
19	94	93	8742	8836	8649
20	84	84	7056	7056	7056
Total	1752	1713	150445	153906	147345

$$r = 0.74$$

APPENDIX V

Descriptive table

	Budgeting Practices	SA	A	D	SD	SD	Mean
		%	%	%	%		
1	My institution always sets achievable goals at the beginning of academic year.	19	17	123	45	2.95	0.823
		9.3	8.3	60.3	22.1		
2	Needs of the institution are always identified by the management.	18	55	116	15	2.63	0.748
		8.8	27	56.9	7.4		
3	Budget guidelines are available with heads of departments/units.	12	27	136	29	2.89	0.708
		5.9	13.2	66.7	14.2		
4	The needs of my institution are always prioritized.	20	52	106	26	2.68	0.82
		9.8	25.5	52	12.7		
5	Stakeholders are involved in the financial decision making in my institution	21	93	56	34	2.5	0.891
		10.3	45.6	27.5	16.7		
6	Financial management decisions are always communicated effectively to all who are involved in the implementation.	10	68	97	29	2.71	0.769
		4.9	33.3	47.5	14.2		
7	Financial resources are linked to institution's programme during budget preparation.	16	42	126	20	2.74	0.742
		7.8	20.6	61.8	9.8		
8	Heads of departments do not always submit well-prepared budget estimates to the budget committee every year.	44	89	51	20	2.23	0.899
		21.6	43.6	25	9.8		
9	Allocation of resources is done according to the importance of the institution programme.	11	78	96	19	2.6	0.732
		5.4	38.2	47.1	9.3		
10	Consideration is given to anticipated revenue during budget preparation.	25	42	107	30	2.7	0.869
		12.3	20.6	52.5	14.7		
11	Thorough supervisions are given to those who are to implement management decisions in my institution.	13	65	98	28	2.69	0.786
		6.4	31.9	48	13.7		
12	Due processes are strictly adhered to during programme implementation in my institution.	15	52	116	21	2.7	0.752
		7.4	25.5	56.9	10.3		
13	Implementation of management decisions is very transparent in my institution.	32	82	79	11	2.43	1.591
		15.7	40.2	38.7	5.4		
14	Accomplishment of management goals are prioritized in my institution.	16	45	120	23	2.74	0.761
		7.8	22.1	58.8	11.3		
15	The Governing council often involves in the purchase of items in the institution.	42	89	53	20	2.25	0.894
		20.6	43.6	26	9.8		
16	Cost minimization is a top priority of the management in my institution.	15	56	99	34	2.75	0.821
		7.4	27.5	48.5	16.7		
17	Projects are well supervised by the heads of departments and units.	30	67	83	24	2.5	0.885
		14.7	32.8	40.7	11.8		
18	All those involved in the implementation of management decisions on financial matters are effectively monitored in my institution	20	39	124	21	2.72	0.78
		9.8	19.1	60.8	10.3		

19	Accountability is strictly maintained in my institution.	12	36	126	30	2.85	0.735
		5.9	17.6	61.8	14.7		
20	All departments/units are effectively coordinated in my institution.	3	49	135	17	2.81	0.591
		1.5	24	66.2	8.3		
21	There is no unnecessary spending by my institution.	20	94	64	26	2.47	0.839
		9.8	46.1	31.4	12.7		
22	Staff in each department are not more than necessary.	25	57	83	39	2.67	0.924
		12.3	27.9	40.7	19.1		
23	Periodic auditing of accounts is usually carried out in my institution.	7	41	122	34	2.9	0.705
		3.4	20.1	59.8	16.7		
24	Academic sessions are usually ended as planned at the beginning of the session.	59	77	59	9	2.09	0.866
		28.9	37.7	28.9	4.4		
25	There are no redundant staff members in my institution.	32	112	45	15	2.21	0.794
		15.7	54.9	22.1	7.4		
26	Funds are sufficient to attend to needs in the plan.	79	106	15	4	1.73	0.683
		38.7	52	7.4	2		
27	Contracts are properly bided for before award in my institution.	25	69	88	22	2.52	0.845
		12.3	33.8	43.1	10.8		