

Fiscal Administration and Accountability for Enhanced Educational System in a Developing Economy

Ebirim, Philip U.

and

Nwogu, Uzoma J.

and

Abraham, Nath M.

Abstract

This paper focused on fiscal administration and accountability for enhanced educational system in a developing economy. The paper specifically discussed fiscal administration, accountability; importance of fiscal administration and accountability in educational institutions in a developing economy. Also discussed in this paper are problems of fiscal administration and accountability in educational institutions in a developing economy and the way forward. This paper argued that fiscal administration and accountability in educational institutions are the foundations for enhancing the educational systems in a developing economy. This paper therefore concluded that when fiscal managers accept responsibilities and their officers become accountable for the administration of fiscal resources in various educational institutions, this will bring about enhanced educational system in a developing economy.

Key Words: Fiscal, Administration, Accountability, Economy

Introduction

Education is acknowledged as an instrument of growth and development. No economy can record any meaningful growth and development without her educational system being enhanced through fiscal administration and accountability. For any economy such as a developing one to achieve the aim for which its educational system operates, such economy requires not only the administration of resources in terms of human capital and their development, materials, finances and their mobilization, allocation, utilization, maintenance and improvement but being accountable for the resources in the educational institutions of such economy. Economy refers to wealth and resources of a country in terms of natural endowments, technological advancement and human capital (Ebirim, 2023).

Developing economy is an economy that has not optimally developed in terms of its wealth and resources not fully tapped, harnessed and managed to compare with the advanced regions of the world. Meanwhile, fiscal relates to financial matters as it concerns income and expenditures of an identified system in a given economy. It relates to revenue and expenditures. Oxford Dictionary (2015) describes fiscal as relating to government revenue, especially taxes.

Fiscal relates to public revenues (taxation), public spending, debt and finance (Business Dictionary, 2015). In other words, fiscal is a concept that relates to financial activities of a system in an economy. It relates to public treasury or financial matters in general. It connotes money and other liquid assets an educational system earns, spends and owns for enhanced results in a developing economy.

Fiscal administration is an important aspect of the educational system in any given economy. It is an area of economics that deals with the revenue generation and expenditures of an organization and their impact on the economy. Administration seems to mean different things to different people. However, administration continues to evolve in theory, practice and meaning. The evolution was influenced by certain forces and changes, which may include technology, knowledge explosion, population explosion, and demands for educational reform and implementation. However, the meaning of administration differs from one person to another person. Administration relates to those activities that involve overseeing the affairs of an identified system in order to ensure the progress of such system. It is a process of managing the affairs of a system in a given economy.

Administration entails taking care of the activities going on in an institutional system of a given economy. It involves running the affairs of an identified system in a given developing economy for purpose of gearing towards its enhancement. It is the process of co-ordinating and controlling the activities of an educational system putting into considerations the available scarce resources in terms of finance and others required resources to enhance the educational system in a developing economy. As maintained by Ogbonnaya (2004), administration is a way of coordinating and controlling the scarce resources of an educational institution namely manpower, finance and capital equipment so as to achieve desired educational objectives. Administration is a way of working with; not only humans but financial resources to enhance the educational system of a developing economy.

There is no educational system in any developing economy without fiscal administration as such, accountability becomes inevitably onerous. There must be inflow and out flow of resources and financial assets and these flows have to be accounted for, for the system to be enhanced. Fiscal administration as a scope of economics deals with the oversight of financial resources management of a system and their impact on the economy. On the other hand, accountability is a function of being answerable to actions relating to management of a system's resources in a given economy. Fiscal administration and accountability connote the state of being answerable for the performance of financial functions and actions according to predetermined standards. These standards as opined by Abraham, Meenyinikor and Ebirim (2021) are usually in the form of clearly specified objectives that provide the expectations for actions.

Fiscal administration and accountability are very important aspect of the educational system in a developing economy. The fiscal administration and accountability cannot in any way be jeopardized for educational system to be enhanced in a developing economy. In order to

maximally enhance the educational system in an economy such as the developing one and derive from its contributions to the national economy, all necessary measures including fiscal administration and accountability need to be effective. Therefore, it becomes apposite that this paper looks into fiscal administration and accountability for enhanced educational system in a developing economy.

Developing Economy

Developing economy is a term used to describe nations that are less developed or even underdeveloped with regard to general standard of living in all ramifications. It relates to nations with an underdeveloped industrial base and a low Human Development Index (HDI) relative to other countries (<https://www.igi-global.com>). A developing economy is one whose resources in terms of natural deposit, technological knowhow, infrastructural and industrial base as well as agricultural based operations are not fully harnessed to ensure continuous economic growth and sustainable development. Developing economy represents any nation with a low Human Development Index (HDI), deficit balance of payment, poor per capita income, less growth in its industrialization, extreme wealth inequality and low per capita income. A developing economy has not attained full level of development in its infrastructural base, wealth creation, human capital development, agro-based operations, industrialization, commercial activities and standard of education. Such an economy is still in the process of industrialization and modernization. It is yet to be developed when compared with the advanced nations of the world. The economy is bewildered with greater number of citizens living below poverty line, unemployment, no better resources and lack of opportunities to do exploit in various aspects of life within the geographical setting of such economy.

Fiscal Administration in Educational System

Fiscal administration is the process of organizing and coordinating the financial resources of educational institutions so as to accomplish the purpose for which the educational institutions operate in the economy. It involves coordinating and controlling the revenue educational institutions earn, spend and owe for accomplishing the goals of education in general. As explained by Slideshare.net (2015), fiscal administration is the act of managing the incoming and outgoing monetary transactions and budgets for government, educational institutions, non-profit organizations and other public service entitles. It is the process of ensuring that educational institutions keep running efficiently within its allocated budgets. It is a process of ensuring that funds are spent and managed according to specific objectives and goals of educational institutions. It entails receipt and payments, budgeting, allocation, maintenance and utilization of financial resources to enhance educational system in a developing economy. Fiscal administration relates to activities affecting the planning, approval and controlling of budgets as it regards to income and expenditure in educational institutions.

The educational system needs funds to fulfil its policies, goals and objectives. Funds available for educational system to be enhanced need to be efficiently managed and accounted

for. Hence, fiscal administration makes it possible for financial activities and matters going on in educational institutions in a developing economy to be taken proper care of. It makes a system, structure processes and policies affecting the generation, allocation, disbursement and utilization of funds in the educational institutions to be enhanced in the economy. Through Fiscal administration, fiscal administrators in the educational system have the duties and roles of providing daily oversight on the management of financial resources in the educational institutions. As pointed by Norwich University Online (2019), fiscal administrators create internal financial control to identify and prevent fraudulent activities of staff and outsiders. Fiscal administrators frequently review the expenditure of funds available for education sector to ensure that they are being made in the most efficient manner and properly documented for the sake of accountability (Johnson, 2015).

Accountability in Educational System

Accountability is a term which is not unfamiliar to any establishment working towards attainment of goals on which the establishment stands for. Accountability is a watch-word for many establishments whether such establishments are individual households, government firms, religious organizations or educational establishments. Accountability entails an obligation of an individual or organization to account for its activities, accept responsibility for them, and to disclose the results in a transparent manner (Business Dictionary, 2015). It includes the responsibility for money or other entrusted assets. Accountability is the acceptance and responsibility for actions, decision and policies including the administration, management, and implementation within the jurisdiction of the role of employment position and encompassing the obligation to report and be answerable for resulting effects. Similarly, Okunamiri and Ajoku (2010) describe accountability in education as involving responsibility, answerability, control, productivity, performance, responsiveness, evaluation and specified goals.

In educational system, accountability implies responsibility and acceptances towards attainment of institutional objectives and achievement of educational goals. In education, accountability involves the expectation that each member of the educational institutions is willing to accept advice or criticism and to modify its practices in the light of that advice and criticism to accomplish the specific objectives of the institutions and general goals of education. Therefore, it presupposes that educational institutions need to have a clear policy on who is accountable to whom and for what. This implies that the fiscal officers in educational institutions have to accept responsibility and account to the education system, the inflow and outflow of all the financial transaction in terms of receipts and payments made in the institutions to accomplish the specific objectives of the institutions and goals of education in general. For the fiscal officers to achieve this purpose through accountability, they need to specify responsibility and authority, provide guidance and support, monitor and assess exercise of responsibility and authority as well as take appropriate action that require attention (www.gdrc.org).

Importance of Fiscal administration and Accountability in Educational System of a developing economy

Fiscal administration and accountability is very important in the accomplishment of organization's goals. In educational system, fiscal administration and accountability ensures the accomplishment of educational goals and objectives. The main focus of accountability is on the benefits from educational expenditure on the learner (Okunamiri and Ajoku, 2010). Fiscal administration and accountability helps in the systematic assessment of the extent to which educational goals and objectives have been attained. In educational system, fiscal administration is very necessary due to the fact that no education system can be operated without resources in terms of finance and other fiscal assets. It is the responsibility of the fiscal administrators in educational institutions to accept responsibilities and be in-charge in maintaining effective financial management and leadership as well as be answerable to fiscal transactions and outcomes in the educational system. Fiscal administration and accountability examines the conditions to which educational goals are achieved.

Fiscal administration and accountability helps to increase the rate of savings and investment in education. Shortage of financial resources is the main obstacle in the way of educational development of any developing nation (Smriti, 2015). There are certain forces operating in the developing nations which increase consumption and reduce savings. One of these forces is the population pressure. In every academic session in most developing nations, there is usually high increase of students' enrolment into schools due to the quest for development. This affects the level of revenue and spending in such economy. With effective fiscal administration and accountability, high rate of savings and investments could be maintained in the educational system of the nations with developing economy.

Fiscal administration and accountability helps in promoting high rate of educational stability in the economy. Developing economy such as the Nigerian economy is most at times susceptible to not only economic, social but educational instability. This instability results from deficiencies of effective demand in the short-run and fluctuations in demand for educational products in the labour market. Developing economy lacks adequate funding in her educational system which results to impromptu payment of staff salaries and wages, inadequate procurement of educational facilities, equipment and instructional materials. In these situations at times, the personnel of the educational institutions go on industrial action. With effective fiscal administration and adequate accountability, high level of stability is being maintained for achievement of educational goals in a developing economy.

In educational system, fiscal administration and accountability encourages efficiency in the utilization of educational resources. Educational resources are indispensable elements required to carry out activities of an educational institution. Educational resources are many and

of various categories as noted by Maduagwu and Nwogu (2006) as such; should be efficiently managed to enhance the educational system in a developing economy. Education sector competes for resources with other sectors of the economy and therefore requires efficiency in the utilization of available resources required for enhanced educational system in the economy. Through effective fiscal administration and accountability, the fiscal officers in education ensure that the available scarce resources required for operations of the educational institutions are efficiently utilized to accomplish the goals of education in the economy.

Problems of Fiscal administration and Accountability in Educational System of a developing economy

In educational system, the problem of fiscal administration and accountability is multi-dimensional with regard to the goals, objectives and evaluation of education; its activities, processes and outcome in the economy. Fiscal administration and accountability in educational system are shared efforts. Unfortunately, there is a gap between fiscal administration and accountability in the educational system. The reason is because, in some developing nations, education is highly politicized. This is evident in the case of Nigeria as lamented by Nwadiani (1998) in Okunamiri and Ajoku (2010). Politics has slowed the pace at which educational system achieves its goals in a developing economy. The activities of the fiscal administrators in the educational system are to a large extent influenced by the government and their agents in education system as well as other education stakeholders. Basically, all these agents involve in one form of fiscal administration and accountability or the other in the educational system exert one form of pressure or the other on the fiscal administrators and this results in their accountability being at stake.

Fiscal administration and accountability in education is meant to strengthen appropriate goals, evaluate level of achievement and conditions necessary for improvement of policy of action on education that had already been stated. The aim of fiscal administration and accountability in educational system is to improve the quality of educational activities in the system. However, this aim is hampered by the negative practices of some fiscal administrators in the educational system of some developing economies. In the education sector, some fiscal administrators fail to carry out their duties as appropriate while some indulge in fraudulent act by not keeping proper records of transactions in educational institutions. As emphasized by Durosaro (1998) in Okunamiri and Ajoku (2010), poor record keeping in the educational system and fraudulent practices coupled with the poor value system hinder accountability in educational system in some developing economies.

Another problem of fiscal administration and accountability in the educational system of some developing economies is the issue of inaccurate data. Ogbonnaya (2005) submitted that wrong information and figures make it difficult for the government to plan education effectively and the consequences of this is less funds for education. In the statistics division of the Nigerian Ministries of Education as a developing economy, inaccurate information about staff strength

and students enrolment exists. As upheld by Ogbonnaya, some heads of schools or institutions are in the habit of supplying wrong data to the ministry. Some give wrong information on the number of academic and administrative staff. This makes government send inadequate funds to the institutions. In some cases, government sends financial resources in excess to areas where they are not promptly needed and hence such funds, become misappropriated and inefficiently utilized.

Another issue that hampers effective fiscal administration and accountability in the educational system of a developing economy is instability in educational policies. A stable policy is a firmly established course of action adopted by an organization or nation to accomplish set objectives (Ogbonnaya, 2005). On the other hand, unstable policy is one that constantly changes. There are instances of unstable policies in the educational sector of a developing economy. The implication is that when new policies are created, financial resources are required in implementing the policies. Therefore, the former policy to which resources have been budgeted and allocated may no longer be adequately and, or properly be accounted for. This ultimately constitute a problem to fiscal administration and accountability in the educational system in a developing economy.

The Way Forward

Having explained some of the problems of fiscal administration and accountability in the education system, it is appropriate to find out the way forward to accomplish goals.

1. Educational issues especially matters relating to financial resources in education should not be politicized by not only the government and its educational agencies but every stakeholder in education. This will give room for fairness, acceptance, effectiveness and efficiency in the fiscal administration and accountability in the education system.
2. Fiscal officers in education should always imbibe positive attitude towards their duties. They should always endeavour to carry out their duties as appropriate, while desisting from some fraudulent act by keeping proper records of transactions in education. This will help to improve the quality of educational activities in the system.
3. There should always be accurate statistics of students' enrolment, the number, category and qualification of staff strength, number of facilities, equipment and staff-students' ratio. This will give room for effective fiscal administration and efficient accountability thereby leading to accomplishment of the goals of education.
4. There should be stable policies in education. Any policy on education taken should be completed and accounted for before a new similar one is embarked upon. This will maintain consistency and ensure effective fiscal administration and accountability in the education system thereby leading to accomplishment of the goals of education.

Conclusion

Fiscal administration and accountability in the education industry is the foundation for achievement of educational goals. No education system operates without inflow and outflow of financial resources. This therefore calls for effective fiscal administration and accountability in the education system. When fiscal officers accept responsibility and accountability in the education system, this will lead to achievement of educational goals in Nigeria.

References

- Abraham, N. M., Meenyinikor, J. N. D., & Ebirim, P. U. (2021). Financial accountability and management of university education for youth empowerment in the era of post covid 19 pandemic in Nigeria. *Nigerian Journal of Educational Administration and Planning*, 21(5), 410 – 427
- Business Dictionary (2015a). What is accountability? Definition and meaning. From Dictionary http://www.businessdictionary.com/definition_and_meaning_of_accountability
- Business Dictionary (2015). What is fiscal? Definition and meaning. From Dictionary http://www.businessdictionary.com/definition_and_meaning_of_fiscal
- Durosaro, D. O. (1998). Accountability in education: the case on Nigeria. In A. A. Olagboye & J. O. Fadipe (ed.), *Management of Nigerian education: Project monitoring and school plant maintenance*. NIEPA.
- Ebirim, P. U. (2023). Planning education for peace building and economic stability in a distressed economy. *Sapientia Foundation Journal of Education, Sciences and Gender Studies (SFJESGS)*, 5(1), 157 – 163 ISSN: 2734-2514 (online)
- Ezeocha, P. A. (1990). *Educational administration and planning*. Optimal Computer Solutions.
- Federal Republic of Nigeria (2013). *National policy on education* (6th ed). NERDC.
- GDRC.Org (2015). Accountability. From <http://www.gdrc.org/u-gov/accountability.html>
- <https://www.igi-global.com>
- <http://www.slideshare.net/daisybesing/fiscal-administration-history-overview-definitionlgubudget-process-by-daisy-t-besing-mpa>
- <http://www.slideshare.net/ruwasarag/fiscal-control-mechanismsmfderamos>
- Johnson, S. (2023). What is fiscal administration? From <https://www.historicalindex.org.what> is fiscal administration
- Maduagwu, S. N. & Nwogu, U. J. (2006). *Resource allocation and management in education*. Chadik Printing Press.
- Norwich university online (2019). What is fiscal management? A look at career options including public administration. From <https://online.norwich.edu>resources>
- Nwadiani, M. (1998). *Educational management for Sub-Sahara Africa*. Monose Amalgamates.
- <https://journals.journalsplace.org/index.php/JEDA>

- Ogbonnaya, N. (2004). Nature and scope of educational administration. In T. O. Mgbodile (Ed). *Fundamentals in educational administration and planning* (1-17). Magnet Business Enterprise.
- Ogbonnaya, N. O. (2005). *Foundations of education finance*. Second edition. Hallman Publishers.
- Okunamiri, P. O. & Ajoku, M. U. (2010). Accountability in education. In I. L. Anukam., P. O. Okunamiri, & R. N. O. Ogbonna (eds), *Basic text on educational management* (2nd.prnt). (299 - 323). EeHech Versatile.
- Oxford Dictionary (2015). Fiscal – Definition of fiscal in English. From <http://www.oxforddictionary.com/.../fiscal>
- Smriti, C. (2015). Importance of fiscal policy in the development of India. From <http://www.yourarticlelibrary.com/policies/importance-of-fiscal-policy-in-the-economic-development-of-india/23469/>