



Influence of Principals' Financial Management Competencies on Academic Performance in Public Secondary Schools in Kwale County, Kenya

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Abstract: *Principals' financial management competencies contribute towards the performance of secondary schools. However, in Kwale County, academic performance is low. This study sought to assess the influence of principals' financial management competency on the academic performance in public secondary schools. This study adopted a mixed methodology and applied a descriptive survey and phenomenological research designs. Target population was 4327 respondents which comprised 92 principals, 1564 members of the School Board of Management (BoM), 832 teachers, 10 Sub- County Directors of Education (SCDEs) and 1834 student leaders from which a sample of 365 respondents was determined using Yamane's Formula. Stratified sampling was used to create five (5) strata based on the number of sub-counties in Kwale County. From each sub-county, three principals and four (4) members of school BoM were selected using purposive sampling. All the 10 SCDEs were purposely sampled. However, from each sub-county, 40 teachers and 16 student leaders were selected using simple random sampling. This procedure realized a sample of 15 principals, 200 teachers, 60 members of school BoM, 10 SCDEs and 80 student leaders. Qualitative data were analyzed thematically and presented in narrative form. Quantitative data were analyzed descriptively using frequencies and percentages and inferentially using Pearson's Product Moment Correlation Analysis in Statistical Package for Social Sciences (SPSS Version 25) and presented using tables. The study found that academic performance in public secondary schools in Kwale County has been low and is attributed to principals' inadequate financial management competencies. Thus, the MoE should continue equipping principals with financial management skills.*

Keywords: *Principals' financial management competency, Academic performance, Public secondary schools, Board of Management, Kwale*

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1. Introduction

The concept of the acquisition of financial literacy skills includes the ability to undertake an accounting system to provide prudent management and proper accountability of all funds received. Bird and Brush (2018) posit that the acquisition of financial literacy skills entails being equipped with the ability to provide accurate, current and complete disclosure of the financial literacy status of their secondary schools. In line with those assertions,

Shaffer (2017), in a study undertaken in Paris, observed that some of the important information in such records consists of the allocation of finances to the diverse needs of different secondary schools. There are also books of accounts in which daily transactions of the group are posted. They include cash flow management, book-keeping, ledgers and budgeting. These skills can be acquired by principals through training and thus, be aware of all the financial literacy records.

In a study carried out in Punjab, Khan (2016) found out that, in the process of discharging their responsibilities, if all the books are inadequately prepared and monitored, the principals may sign in negative useful resource utilization because of making use of insufficient accounting competencies that preserve bad facts and who fail to adhere to accounting strategies. In other words, principals participate in financial literacy management in such duties as tracking and evaluation, credit score management and auditing of financial literacy information. This indicates that the components of financial literacy skills critical for the success of principals' business include financial literacy planning, budgeting, investment, cash flow management, e-financing, and pricing and costing projections.

In a study carried out in the United States, Allan (2016) opines that systems of accounting offer a source of information to principals in any enterprise to be used within the measurement of financial literacy performance. Principals' accounting practices must supply the entire and applicable financial literacy statistics needed to enhance financial literacy decision-making made by using principals. Accounting information is key in assisting organizations to plan the activities of their enterprises (ibid). Cook and Nixon (2016) also observe that principals' enterprises' inability to access capital and loan are partially due to incomplete or no accounting information, and the inefficient use of accounting information. Poor record-keeping and accounting information make it difficult for microfinance institutions to risk assessment and returns, making them unwilling to lend to schools. In a study carried out in the United Kingdom, Chasten and Mangles (2015) noted that planning as well as budgeting activities positively affect the performance of small organizations.

Principals engaged in specific strategic planning are much more likely to use formal budgeting methods which incorporate the internet present value technique. This indicates that training is key to accomplishing investment, planning, and record-keeping abilities among principals. In Africa, Richardson, Howarth and Finnegan (2015) posit that principals manifest inadequate competencies in financial literacy skills. For example, a study carried out by Okpara and Wynn (2016) among Nigerian principals in the small and medium enterprises sector revealed that the majority of principals lack effective financial literacy skills that range from record-keeping, stock taking, financial literacy accounts' management and debts' follow-up which are expected to promote effective decision-making, performance evaluation and business reporting of any principals-owned enterprises. According to Okpara and Wynn (2016), 60.3% of principals cannot easily convince and inspire financiers to offer them loans to invest in their schools and manage these funds effectively.

In Kenya, the scenario is the same with many principals in the informal sector of the economy showing inadequate mastery of financial literacy skills (Murage, 2014). For example, a study carried out in Murang'a East Sub-County by Njoroge and Gathungu (2017) found that growth of small and micro enterprises (SMEs) owned by principals suffers from a considerable high rate of non-growth in terms of expansion, increased sales volume and income generation due to lack of business management and planning skills. In Kwale County, most secondary schools have registered dismal performance despite the numerous professional development competencies secondary school principals have undergone in the past. For example, a report by the Ministry of Education (2023) shows that public secondary schools in Kwale County have registered low grades in national examinations (KCSE) compared to the national statistics as shown in Table 1:

Table 1: KCSE Performance in Public Secondary Schools in Kenya and Kwale County from 2018 to 2022

Year	Meanpoints for KCSE Results	
	National Results	Kwale County
2018	7.412	2.882
2019	7.209	3.267
2020	7.034	3.384
2021	7.913	3.118
2022	8.128	3.175

Source: Ministry of Education (2025)

Table 1 shows that there is a decreasing trend in the performance of students in Kenya Certificate of Secondary Education (KCSE). The report also notes that cases of 59.5% of the principals show inability to meet deadlines with approximately 34.9% of public secondary schools experiencing instances of students' indiscipline. Despite this situation, few empirical studies have interrogated the extent to which principals' financial management competency influences academic

performance in public secondary schools, hence the study.

1.2 Research Objective

To examine the influence of principals' financial management competencies on academic performance in public secondary schools in Kwale County.

2. Literature Review

The role of a school principal is integral to the educational outcomes of a school and one aspect of school leadership that has garnered increasing attention in recent years is the financial competency of principals, particularly regarding its impact on academic performance in secondary schools. According to Leithwood, Louis, Anderson and Wahlstrom (2014), effective principals combine their financial literacy with strong leadership skills to create environments that foster high academic achievement. Financial competencies, thus, are not limited to managing budgets but extend to ensuring that financial decisions align with the long-term goals of improving educational quality and equity. In the context of secondary schools, financial competencies include the ability to develop and implement school budgets, allocate resources effectively, navigate government funding mechanisms, and building partnerships with external donors. Principals must also manage the operational costs of the school, from teaching materials to technological integration, while maintaining or improving the quality of education. The capacity to balance financial constraints with academic priorities is central to the role of the principal.

In the United States, financial management has become a crucial part of school leadership, especially in the context of funding disparities between public schools. The U.S. Department of Education (2015) reports that principals in many states are increasingly required to manage tight budgets while striving to maintain high academic standards. In the same token, research carried out by Leithwood and Riehl (2022) demonstrates that principals who are proficient in managing school finances tend to make better long-term decisions regarding curriculum development, professional development for teachers, and student support programs, all of which positively influence academic performance. The study further found that principals' financial competencies impact resource distribution within schools, with effective financial managers ensuring equitable access to educational resources. For example, principals who make strategic investments in technology or after-school programs have been shown to improve student outcomes. In the Netherlands, financial management within schools is somewhat decentralized, with schools receiving substantial autonomy in budget decisions. Research undertaken by Creemers, Kyriakides and Sammons (2021) emphasizes that principals' financial literacy is crucial in aligning the school's financial resources with the country's broader educational policy goals, such as reducing educational inequalities and ensuring that funds are allocated where they are most needed. Financially competent principals in Dutch secondary schools tend to make decisions that support the development of personalized learning environments, which contribute to better academic outcomes. Moreover, financial competencies in Dutch schools are increasingly linked to accountability

measures, with principals required to report on the effective use of resources. This creates a direct relationship between financial decision-making and student performance outcomes. However, some studies suggest that the pressure to manage finances and academic achievement simultaneously can be overwhelming for principals, particularly in schools serving disadvantaged communities.

In Mexico, the role of financial competency is compounded by the challenges posed by socio-economic inequality and underfunded public education systems. According to a study carried out by Jiménez, García and Hernández (2023), principals in Mexico face significant barriers to improving academic outcomes due to budget constraints and a lack of professional development in financial management. However, there is evidence that schools with principals who demonstrate effective financial management, such as allocating resources to professional development and student support, tend to experience higher student performance. In rural and marginalized urban areas, financial competencies are also linked to the ability of principals to engage with external funding sources, such as government grants and private donations. As financial management skills improve, principals can better address the resource gaps in their schools, leading to more favorable academic outcomes.

In India, financial competency in school leadership is an emerging field of study. With a rapidly growing population and a diverse educational landscape, Indian principals often face the challenge of managing limited resources across large, under-resourced schools. According to the National University of Educational Planning and Administration (2023), principals' financial competencies are critical to managing government-funded initiatives, such as the Right to Education Act, which mandates free education for all children. These findings affirm the fact that principals who are financially literate can better allocate resources toward improving infrastructure, teacher training, and student welfare, all of which contribute to improved academic performance. In African countries, financial competencies among principals are equally vital but often face systemic challenges. In South Africa, where inequality in education funding persists, research carried out by Van der Westhuizen (2016) indicates that financial literacy is a significant factor in ensuring that schools in disadvantaged areas make optimal use of available resources. This, in turn, can lead to better academic results despite the broader challenges posed by socio-economic inequality. In other words, principals' financial decision-making can positively affect educational outcomes by ensuring that resources are channeled into areas with the highest potential impact on student learning, such as teacher training and infrastructure development. A study by Okumbe (2022) in Kenya suggests that school principals with financial management skills are better able to navigate the

complex funding structures in place, which often require balancing public funds with community contributions.

In Kwale County, Kenya, the role of financial competency is particularly pronounced. Principals who possess strong financial management skills are more successful at negotiating with local communities and securing funding from various sources to support academic programs. Research by Njiru (2015) suggests that financially competent principals in Kwale County are better at aligning financial resources with the needs of the curriculum, which results in improved academic performance in the region. However, much still needed to be done to interrogate how specific financial competencies manifested by principals influence academic performance, thus, the study.

2.1 Theoretical Framework

The study was guided by the Professional Development Theory which was postulated by Krumboltz (1979) and was grounded in social learning theory and classical behaviorism. This theory also incorporates more recent ideas from self-efficacy theory and cognitive-behavioral theory. This theory incorporates many factors, each of which has a different impact on the person in his or her professional decision-making. This theory specifically addresses the need for people to deal with change within the rapidly changing labor market. In this study, this theory recognizes that principals are major resources in school management and thus, their professional competency plays a major role in improving the performance of secondary schools. Through training, the principal brings into the continuing education arena a rich array of experiences that affect the learning styles and assimilation of knowledge. This study was also guided by the theory of educational productivity which was postulated by Walberg (2012). One of the premises of this theory is that performance of students in any learning institution is impacted by changes in school and human resources. This theory associates diverse inputs affecting a student's performance such as schools, structures, facilities, textbooks, teachers and learning environments with measured outputs including subsequent labour market success, transit from one level of education to the next, class attendance, graduation rates, and, most commonly, standardized examination results. The resources in public secondary schools which include teaching and non-teaching staff, physical facilities and curriculum support materials are all inputs that are expected to make positive returns as outputs. The

rationale of using this theory is that human capital is an input in education that is expected to bring change in behaviour, knowledge and skills as an output. These theories recognize the fact that secondary schools, like any other firm or company, use resources to achieve set curriculum goals and objectives.

3. Methodology

This study adopted a mixed methodology and applied a descriptive survey and phenomenological research designs. Target population was 4327 respondents which comprised 92 principals, 1564 members of the School Board of Management (BoM), 832 teachers, 10 Sub-County Directors of Education (SCDEs) and 1834 student leaders from which a sample of 365 respondents was determined using Yamane's Formula. Stratified sampling was used to create five (5) different strata based on the number of sub-counties in Kwale County. From each sub-county, three principals and four (4) members of school BoM were selected using purposive sampling. All the 10 SCDEs were purposely sampled. However, from each sub-county, 40 teachers and 16 student leaders were selected using simple random sampling. This procedure realized a sample of 15 principals, 200 teachers, 60 members of school BoM, 10 SCDEs and 80 student leaders. A questionnaire was used to collect data from teachers, interview guides from principals, members of school BoM and SCDEs and a focus group discussion guide for student leaders. Qualitative data were analyzed thematically based on objectives and presented in narrative form. Quantitative data were analyzed inferentially using Pearson's Product Moment Correlation Analysis in Statistical Package for Social Sciences (SPSS Version 25) and presented using tables.

4. Results and Discussion

This section presents the findings of the study based on the objective. It also outlines the methods of presentation of the study findings and discussions.

4.1 Response Rates

In this study, 200 questionnaires were administered to teachers and, in return, 197 questionnaires were filled and returned. The researcher also interviewed 13 principals, 49 members of school BoM and the 10 Sub-County Directors of Education as well as focus group discussions with 67 student leaders. This yielded response rates shown in Table 2;

Table 2: Response Rates

Respondents	Sampled Respondents	Those Who Participated	Achieved Return Rate (%)
Principals	15	13	86.7
Teachers	200	197	98.5
Members of school BoM	60	49	81.7
Student Leaders	80	67	83.8
Sub-county Directors of Education (MoE & TSC)	10	10	100.0
Total	365	336	92.1

Source: Field Data (2025)

Table 2 shows that principals registered a response rate of 86.7%, teachers registered 98.5%, members of school BoM registered 81.7% whereas student leaders registered a response rate of 83.8%. However, all the ten (100.0%) Sub- County Directors of Education (MoE & TSC) took part in the study. This yielded an average response rate of 92.1%, which is consistent with the assertions of Creswell (2018) that a response rate above 75.0% is adequate. This information was important since it allowed the researcher to generalize the study outcomes to the target population.

4.2 Principals' Financial Management Competencies and Academic Performance

The study sought to assess how principals' financial management competency influences academic performance in public secondary schools. Descriptive data were collected from teachers, organized and summarized into specific thoughts. Results are shown in Table 3;

Table 3: Teachers' Views on the Influence of Principals' Financial Management Competencies on Academic performance in Public Secondary Schools

Test Items	Ratings				
	SA	A	U	D	SD
	%	%	%	%	%
In public secondary schools, principals manifest excellent budgeting skills as a way of improving performance	29.4	13.6	7.2	38.1	11.5
To ensure improved performance of public secondary schools, principals have undertaken training on procurement concepts	50.4	14.4	5.8	20.1	9.3
Principals usually manifest excellent competency in allocating resources for different activities at school thus improving performance of public secondary schools	48.2	6.5	4.3	14.4	26.6
In public secondary schools, principals usually face difficulties in preparing financial reports to improve performance	63.3	12.9	7.2	13.7	2.9
Despite undergoing training on principals' financial management, principals still manifest a lack of financial competencies while undertaking school activities	50.4	10.8	3.6	33.1	2.1

Source: Field Data (2025)

Table 3 shows that 58(29.4%) of the teachers strongly agreed with the view that, in public secondary schools, principals manifest excellent budgeting skills as a way of improving performance while 27(13.6%) agreed, 14(7.2%) were undecided, 75(38.1%) disagreed whereas 23(11.5%) strongly disagreed. These findings corroborate the findings of a study carried out in the United Kingdom in which Chasten and Mangles (2015) established that planning as well as budgeting activities positively affect the performance of small organizations.

According to Chasten and Mangles (2015), principals engaged in specific strategic planning are much more likely to use formal budgeting methods which incorporate the internet present value technique. This implies that the ability of principals to draw good budgets, though not always the case in many public secondary schools, is crucial in providing key learning materials and other school operations. More than half, 99(50.4%), of the teachers strongly agreed with the view that, to ensure improved performance of public

secondary schools, principals have undertaken training on procurement concepts while 28(14.4%) agreed, 11(5.8%) were undecided, 40(20.1%) disagreed whereas 19(9.3%) strongly disagreed. These findings lend credence to the assertions of Bird and Brush (2018) that the acquisition of financial literacy skills entails being equipped with the ability to provide accurate, current and complete disclosure of the financial literacy status of their secondary schools. This indicates that training equips school heads with financial management skills and is significant in ensuring that they understand how to allocate for provision of teaching and learning materials. The study found that 95(48.2%) of the teachers strongly agreed with the view that principals usually manifest excellent competency in allocating resources for different activities at school thus improving performance of public secondary schools while 13(6.5%) agreed, 8(4.3%) were undecided, 28(14.4%) disagreed whereas 53(26.6%) strongly disagreed. These findings lend credence to the findings of a study conducted in Paris in which Shaffer (2017) revealed that some of the important information in such records consists of the allocation of finances to the diverse needs of different secondary schools. This implies that the ability of principals to allocate resources for different activities is key in that they are able to understand the adequacy of teaching and learning materials which crucial for improving academic performance in public secondary schools.

Majority, 125(63.3%), of the teachers strongly agreed with the view that, in public secondary schools, principals usually face difficulties in preparing financial reports to improve performance whereas 25(12.9%) agreed, 14(7.2%) were undecided, 27(13.7%) disagreed whereas 6(2.9%) strongly disagreed. These findings are consistent with the findings of a study carried out by Okpara and Wynn (2016) among Nigerian principals which revealed that the majority of principals lack effective financial literacy skills that range from record-keeping, stock-taking, financial reporting as well as debts' follow-up which are expected to promote effective decision-making, performance evaluation and business reporting of any principals-owned enterprises. This implies that the failure of financial literacy institutions to loan many public secondary schools is attributed to a

lack of financial literacy and reporting skills and acumen among school heads.

Slightly more than half, 99(50.4%), of the teachers strongly agreed that, despite undergoing training on principals' financial management, principals still manifest a lack of financial competencies while undertaking school activities whereas 21(10.8%) agreed, 7(3.6%) were undecided, 65(33.1%) disagreed whereas 5(2.1%) strongly disagreed. These findings are in line with the findings of a study carried out in Punjab in which Khan (2016) established that, in the process of discharging their responsibilities, if all the books are inadequately prepared and monitored, the principals may sign in negative useful resource utilization because of making use of insufficient accounting competencies that preserve bad facts and who fail to adhere to accounting strategies.

In other words, principals participate in financial literacy management in such duties as tracking and evaluation, credit score management and auditing of financial literacy information. This indicates that the components of financial literacy skills critical for the success of principals' management activities include financial literacy planning, budgeting, investment, cash flow management, e-financing, and pricing and costing projections. In other words, with advanced financial acumen and competency, principals are able to provide necessary resources aimed at improving academic performance in schools.

4.3 Inferential Analysis

To verify the influence of principals' financial management competency on academic performance in public secondary schools, data were collected from principals of the 13 sampled public secondary schools on how often (Very Often = 5, Often = 4, Sometimes = 3, Rarely = 2 and Never = 1) they manifest financial management competencies such as undertaking budgeting activities, procurement processes as well as the ability to allocate resources for activities and prepare financial reports in relation to performance in KCSE (2018-2022). Results are shown in Table 4:

Table 4: How Often Principals Manifest Financial Management Competencies and Performance in KCSE in Public Secondary Schools (2018-2022)

How Often Principals Manifest Financial Management Competencies	KCSE Performance				
	2018	2019	2020	2021	2022
5	4.723	4.724	4.643	4.175	4.524
1	2.505	2.681	2.805	2.241	2.349
2	2.003	2.245	2.179	2.274	2.307
1	3.109	3.15	3.118	2.772	2.293
3	3.140	4.320	3.710	4.010	4.020
2	4.660	4.750	6.090	5.286	6.030
4	8.320	7.700	7.670	8.409	7.913
3	4.706	5.700	5.316	5.534	5.500
4	5.162	5.928	6.757	5.150	5.566
2	3.720	3.485	3.420	3.615	3.424
3	3.877	4.642	4.464	4.104	5.200
3	3.954	4.066	4.0984	3.092	3.097
4	7.789	8.031	8.7588	8.261	8.363

Source: Field Data (2025)

Table 4 shows that, in public secondary schools where principals frequently manifest financial competencies and skills such as undertaking budgeting activities, procurement processes, allocating resources for

activities as well as preparing financial reports, academic performance in KCSE is high. The results in Table 4 were subjected to Pearson’s Product Moment Correlation Analysis and the results are shown in Table 5:

Table 5: Relationship between Principals’ Financial Management Competency and Academic Performance in Public Secondary Schools

		X1	B	C	D	E	F
X1	Pearson Correlation	1	.666*	.718**	.646*	.620*	.652*
	Sig. (2-tailed)		.013	.006	.017	.024	.016
	N	13	13	13	13	13	13
B	Pearson Correlation	.666*	1	.962**	.945**	.966**	.929**
	Sig. (2-tailed)	.013		.000	.000	.000	.000
	N	13	13	13	13	13	13
C	Pearson Correlation	.718**	.962**	1	.966**	.973**	.961**
	Sig. (2-tailed)	.006	.000		.000	.000	.000
	N	13	13	13	13	13	13
D	Pearson Correlation	.646*	.945**	.966**	1	.950**	.961**
	Sig. (2-tailed)	.017	.000	.000		.000	.000
	N	13	13	13	13	13	13
E	Pearson Correlation	.620*	.966**	.973**	.950**	1	.976**
	Sig. (2-tailed)	.024	.000	.000	.000		.000
	N	13	13	13	13	13	13
F	Pearson Correlation	.652*	.929**	.961**	.961**	.976**	1
	Sig. (2-tailed)	.016	.000	.000	.000	.000	
	N	13	13	13	13	13	13

*. Correlation is significant at the 0.05 level (2-tailed).

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

Key: **X1**- How Often Principals Manifest Financial Management Competencies; **B, C, D, E** and **F**-Students’ Academic Performance from 2018 to 2022.

Table 5 displays the outcomes of a Pearson Product Moment Correlation Test Analysis, which showed a statistically significant correlation between principals’ financial management competencies and students’ academic performance in public secondary schools. The analysis generated correlation coefficients, $r_1 = 0.666$, $r_2 = 0.718$, $r_3 = 0.646$, $r_4 = 0.620$ and $r_5 = 0.652$, with corresponding p-values, 0.013, 0.006, 0.017, 0.024 and 0.016, which were less than the predetermined level of significance of 0.05. This implies that financial

management competencies which principals manifest often tend to lead to improved academic performance.

4.4 Thematic Analysis

During the interviews, the principals and members of school BoM, however, responded in favour of the view that secondary school principals manifest excellent

budgeting skills as a way of improving performance. Principal, P1, noted;

I understand how to prepare a school budget and balance both the projected incomes and expenditures in line with the Government's Capitation.

On their part, however, the student leaders and sub-county directors of education (TSC & MoE) stated that many principals do not manifest excellent budgeting competencies. During the focus group discussions, student leaders observed;

On many occasions, our principal rarely factors in the proposals we make on key areas such as sports and other co-curricular activities.

On their part, the sub-county directors of education stated that, on many occasions, the budgets prepared are sometimes reviewed for errors before being submitted to the Ministry of Education. Despite these contradictions, these views point to the crucial role of effective budgeting competencies of principals in enhancing academic performance. Just like in quantitative findings, these views further affirm the fact that the ability of principals to draw good budgets, though not always the case in many public secondary schools, is crucial in providing key learning materials and other school operations. On the question of training on procurement concepts, the principals, the members of school BoM and sub-county directors of education (MoE & TSC) concurred with most of the teachers that, to ensure improved performance of public secondary schools, principals have undertaken training on procurement concepts. Principal, P2, stated,

I have been trained on procurement processes. This has enabled me to save a lot of resources for my secondary school.

Just like in quantitative findings, these views expressed by Bird and Brush (2018) that the training school heads on financial management involves equipping them with the ability to provide accurate, current and complete disclosure of the financial literacy status of their secondary schools. This indicates that training equips school heads with financial management skills is significant in ensuring that they understand how to allocate for provision of teaching and learning materials. On allocation of resources, the principals, however, disagreed with teachers and stated that, having undergone financial management training, they manifest excellent competency in allocating resources for different activities at school thus improving performance of public secondary schools. Principal, P3, noted;

I have been equipped with financial management skills and thus, understand how to allocate

resources to different activities which are aimed at improving academic performance in my secondary school.

These views were supported by the members of school BoM and sub-county directors of education who stated that principals are often re-trained on management courses including financial competency. Just like quantitative findings, these qualitative views also affirm the fact that the ability of principals to allocate resources for different activities is key in that they are able to understand the adequacy of teaching and learning materials which crucial for improving academic performance in public secondary schools. On the question of financial reports, the principals refuted claims by majority of the teachers that are always unable to prepare financial reports to improve performance. Principal, P4, noted;

I have been equipped with financial competencies and I understand how report on financial operations in my secondary school.

On their part, however, the members of school BoM as well as the sub-county directors of education (MoE & TSC) stated that some principals have challenges on preparing financial reports of their secondary schools. As noted earlier, these views further attest to the fact that the failure of financial literacy institutions to loan many public secondary schools is attributed to a lack of financial literacy and reporting skills and acumen among school heads. In summary, these findings are indicative of the fact that the components of financial literacy skills critical for the success of principals' management activities include financial literacy planning, budgeting, investment, cash flow management, e-financing, and pricing and costing projections. In other words, with advanced financial acumen and competency, principals are able to provide necessary resources aimed at improving academic performance in schools.

5. Conclusion and Recommendations

5.1 Conclusion

The study also established that, despite undergoing financial management training, many secondary school principals still show inadequate budgeting skills. The research findings, both quantitative and qualitative, suggest that principals have received training on procurement processes, resulting in significant savings of resources for academic activities in public secondary schools.

5.2 Recommendations

Principals should ensure that there is prudent use of financial resources aimed at improving academic activities. The Ministry of Education should continue equipping principals with financial management skills as a way of improving financial operations in public secondary schools so that they may have an inkling on how to allocate resources for academic programmes and other voteheads.

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