



Effect of Head of Public Secondary School Financial Management Practice on Handling Inter-conflicts among Stakeholders in Mkuranga District, Pwani Region

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Abstract : schools in Mkuranga District, Tanzania, focusing on transparency, accountability, and stakeholder participation. Using a mixed-methods design, data were collected from teachers, students, and education officers through questionnaires, interviews, and document reviews. The findings revealed that most schools rely heavily on development funds and capitation grants, with minimal support from donations. Financial decision-making was found to be highly centralized, as teachers and students reported limited involvement in budgeting and financial planning processes. Transparency in financial communication was weak, with most schools relying on verbal updates during staff meetings rather than written reports. Despite this, many teachers still perceived their school heads as transparent, largely due to trust and visible outcomes rather than formal reporting systems. Interviews with school heads showed variations in practice, with some adopting structured, participatory systems using financial committees and digital monitoring tools such as FFARS, while others lacked consistency and inclusivity. The study concludes that financial management in Mkuranga's public secondary schools is characterized by procedural compliance but weak inclusivity and inconsistent transparency. It recommends institutionalizing participatory budgeting, strengthening communication mechanisms, diversifying income sources, and enhancing leadership capacity to foster transparent, accountable, and sustainable financial management systems.

Keyword : Financial management; Transparency; Accountability; Stakeholder participation

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INTRODUCTION

Financial management and accountability have increasingly become central concerns in global education policy, with effective systems seen as vital for improving access and quality in education (World Bank, 2020). Financial transparency ensures that resources reach intended beneficiaries and are used efficiently. Without proper systems, schools struggle with resource mismanagement that undermines educational quality and student performance. Globally, poor financial practices have been associated with inequities and inefficiencies in education, prompting initiatives such as the International Aid Transparency Initiative (IATI) and the Open Government Partnership (OGP) to promote accountability and transparency in education spending (UNESCO, 2020).

In Tanzania, several reforms have been implemented to strengthen financial management in schools, including the Tanzania Education and Training Policy (2014), the Education Sector Development Plan (ESDP), and the Public Financial Management Act (2016). These initiatives were designed to enhance financial accountability and ensure effective resource utilization in public institutions. However, their implementation at the school level remains inconsistent, particularly in public secondary schools where school heads manage large budgets from government and donor sources. Studies indicate that limited financial skills, inadequate planning, and weak oversight mechanisms have hindered effective management, generating dissatisfaction among stakeholders such as parents and teachers who feel excluded from financial decisions (Kikula & Mvula, 2021).

Mkuranga District in Pwani Region provides a critical setting for examining these issues due to its socio-economic constraints, including poverty, resource scarcity, and poor infrastructure. These factors intensify tensions over financial management between stakeholders—school administrators, parents, teachers, and local officials who often hold conflicting views on fund allocation. Research shows that weak budgeting and limited financial training among school heads contribute to stakeholder disputes, particularly when funds intended for infrastructure or materials are diverted (Shayo, 2020). The absence of transparency leads parents to question spending priorities, while teachers and local authorities express frustration when financial decisions appear unaccountable or misaligned with educational goals.

The financial management practices of school heads thus play a decisive role in shaping stakeholder relations and the prevalence of conflicts. Poor financial governance tends to marginalize key actors and foster mistrust (Mwakiluma, 2024), while inclusive and transparent financial decision-making can reduce tensions and promote collaboration (Mosha, 2015). Ineffective communication and lack of clear reporting systems exacerbate misunderstandings, fueling suspicion among stakeholders (Nsubuga, 2016). This study therefore seeks to examine how the financial management practices of school heads in Mkuranga District contribute to or mitigate conflicts among stakeholders, focusing on the role of communication, transparency, and participatory approaches in promoting accountability and harmony within school communities.

Statement of the Problem

In Tanzania, the management of public finances, including within the education sector, is governed by a set of financial rules and policies to promote transparency, accountability, and stakeholder participation. The Public Finance Act (Cap. 348, R.E. 2020) and the Local Government Finance Act (Cap. 290) provide a legal framework for the control and use of public funds, requiring school heads, as accounting officers, to maintain proper books of accounts, prepare annual budgets, and submit financial reports for auditing. The Education and Training Policy (2014) and the Standing Orders for the Public Service (2009) further emphasize ethical financial conduct and inclusive decision-making processes involving teachers and school boards. Regardless of these frameworks, reports from the Controller and Auditor General (CAG) between 2015 and 2025 have consistently highlighted numerous audit queries in public secondary schools, including unaccounted-for funds, abandoned projects, and procurement irregularities.

For instance, the CAG 2023/2024 report revealed that only 45% of 20 planned educational projects were completed, attributing the shortfall to fund mismanagement and lack of stakeholder engagement. The reports also expose a pattern of unilateral decision-making by head teachers, who often bypass school boards, leading to mistrust, conflicts, and strained relationships within the school community. Financial statements such as budgets, cash books, and expenditure reports are poorly maintained or manipulated, further compounding the problem. The lack of financial literacy among school leaders and disregard for public procurement regulations have

exacerbated these issues, causing the diversion of funds and misalignment of priorities. These financial irregularities have disrupted the teaching and learning environment and have been a major source of internal school conflicts, particularly in underserved districts like Mkuranga. Therefore, a thorough investigation is required to explore the relationship between financial management practices and stakeholder conflicts in public secondary schools and to develop strategies for promoting inclusive and transparent financial leadership.

Study Objective

To examine the financial management practices of school heads in public secondary schools in Mkuranga District

LITERATURE REVIEW

Theoretical Framework

This study guided by Stakeholder Theory. The theory developed by R. Edward Freeman in 1984, provides a framework for managing organizations by considering the interests of all stakeholders rather than focusing solely on shareholders. Its main pillars include identifying relevant stakeholders, engaging them in decision-making, balancing competing interests, and upholding ethical responsibility through transparency and fairness. In the context of education, the theory encourages a collaborative environment where the needs of students, parents, teachers, and local authorities harmonized, fostering ethical financial practices, and accountability to maintain trust and cooperation.

In educational settings, Stakeholder Theory applied to enhance participation in

financial decision-making and resource management. By involving parents and teachers in budgeting and financial reporting, schools can minimize suspicion, prevent conflicts, and ensure equitable use of resources. This inclusive approach not only aligns stakeholder goals but also improves education quality through shared responsibility and transparency. It supports the idea that when stakeholders actively participate in financial discussions, they are more likely to support institutional policies and initiatives, reducing tensions and promoting effective governance.

The theory's relevance to this study lies in its focus on balancing stakeholder interests to prevent conflicts arising from poor financial management. Schools, as multi-stakeholder institutions, must ensure that all groups—parents, teachers, students, local authorities, and donors—are engaged in financial decisions to avoid mistrust and disputes. When stakeholders perceive exclusion or mismanagement, conflicts emerge, undermining collaboration and performance. Applying Stakeholder Theory, this study explores how inclusive engagement mechanisms, such as representative school committees, regular audits, and transparent financial disclosures, can build trust, promote accountability, and enhance harmony among educational stakeholders.

Empirical Literature Review

The study of Pont et al. (2008) examined school leadership practices in OECD countries and found that strong financial management, characterized by transparent budgeting and effective resource allocation, significantly improved teaching quality and student outcomes. However, they also noted that inadequate

training in financial management often hampered school leaders' effectiveness. Similarly, Bush and Glover (2014) analyzed financial management practices in South African schools, revealing that principals often struggled with budget preparation, monitoring, and accountability due to limited financial literacy. The study emphasized the need for targeted training programs to equip school leaders with the skills to manage resources efficiently.

In Nigeria, Ogbonnaya (2023) found that principals' mismanagement resulted in insufficient teaching and learning materials, negatively affecting the quality of education. The study highlighted poor accountability mechanisms and collusion with external stakeholders as key contributors to financial mismanagement.

In East Africa, Musaaazi (1982) examined financial management in Ugandan secondary schools. The study found that while some school heads implemented effective practices like participatory budgeting, many schools faced challenges such as corruption and inadequate government oversight. Musaaazi recommended strengthening community involvement in financial monitoring to ensure accountability. A study by Oduro and MacBeath (2003) in Ghana revealed that principals often lacked the autonomy to make financial decisions due to bureaucratic constraints, leading to inefficiencies in resource allocation. The researchers advocated decentralizing financial management to empower school leaders while ensuring accountability.

In Kenya, Wango and Gatere (2016) explored financial management challenges in secondary schools, noting that delayed government disbursements and lack of

financial training for school heads were major obstacles. The study recommended integrating financial management courses into teacher training programs to enhance their capacity for resource management. In addition, several studies have documented the challenges and practices of financial management in schools in Tanzania. Masue (2014) investigated the accountability of school committees in managing capitation grants and found that limited community involvement and lack of transparency often led to financial mismanagement. The study emphasized the importance of empowering school committees to monitor fund utilization effectively.

Similarly, Komba and Mkumbo (2020) examined how school principals manage resources in Tanzanian secondary schools. The findings revealed that while some principals employed effective budgeting and reporting practices, others misused funds due to weak oversight mechanisms. The study recommended establishing independent audit systems to enhance financial accountability. Moreover, Ndibalema (2020) studied the financial practices of school heads in Dodoma Region, finding that poor financial reporting practices and lack of stakeholder involvement contributed to resource mismanagement. The study proposed regular financial audits and community engagement to address these challenges.

A recent study by Kimaro and Machumu (2021) highlighted the relationship between financial management and stakeholder trust in secondary schools in Dar es Salaam. The study found that transparent practices such as regular financial disclosures and stakeholder consultations significantly

reduced conflicts and improved school performance. Lastly, Mlowe and Mkonda (2022) focused on the influence of financial management practices on teacher motivation in rural Tanzanian schools. The study revealed that mismanagement of funds allocated for professional development and teaching materials demotivated teachers, ultimately affecting student outcomes. Recommendations included capacity-building initiatives for school heads and enhanced government monitoring.

METHODOLOGY

This study adopted a mixed-methods approach that integrated both quantitative and qualitative data to gain a comprehensive understanding of the research problem. Quantitative data were collected through structured questionnaires administered to teachers and students, while qualitative data were gathered using interview guides. The research followed an exploratory sequential mixed-methods design, where qualitative findings informed the development of quantitative instruments (Creswell & Creswell, 2018). This approach allowed for triangulation, enhancing the validity and depth of the results. The study was conducted in Mkuranga District in Tanzania's Coast Region, an area chosen due to persistent issues of financial accountability and stakeholder conflict in public secondary schools. The district's diversity and accessibility provided an ideal setting for examining how financial management practices affect stakeholder relations.

The target population included school heads, teachers, students, and education officers who were directly involved in or affected by financial

management practices. Using both probability and non-probability sampling techniques, the study selected 127 participants: 4 school heads, 40 teachers, 80 students, 2 Ward Education Officers (WEOs), and 1 District Education Officer (DEO). Data collection employed various instruments; structured questionnaires, interviews, observation schedules, and document reviews to ensure comprehensive coverage. The study also emphasized validity and reliability through pilot testing, triangulation, content validation, and member checking to ensure accuracy and credibility. Reliability testing was conducted to determine the internal consistency of the instruments, particularly the questionnaires, ensuring the data collected were dependable and replicable.

Data analysis involved both quantitative and qualitative techniques. Quantitative data from questionnaires were coded and analyzed using descriptive statistics, with SPSS Version 20 and Microsoft Excel used for data management (Landau & Everitt, 2004). Qualitative data from interviews and document reviews were analyzed thematically to identify recurring patterns and insights (Creswell & Creswell, 2018). Ethical considerations were strictly observed throughout the study. Research permissions were obtained from relevant authorities, and participants were informed of their rights and the study's purpose. Participation was voluntary, confidentiality was maintained, and all information sources were properly acknowledged to avoid plagiarism. These measures ensured that the research adhered to ethical and academic standards while producing credible and trustworthy findings.

RESULT AND DISCUSSION

Sources of Income

The purpose of this study was to find out the practices of the school head in managing financial matters. The study begins with teachers, and first they asked on the funding sources in their school. The response of visited teachers to this specific objective is presented in Table 1.

Table 1.

Sources of Income

What are the common sources of income in your school?	Frequency	Percent
Capitation grants	13	34.2
Development funds	24	63.2
Donations	1	2.6
Total	38	100.0

Source: Field Data, 2025

Based on the provided data in Table 1, the analysis of common sources of income in the surveyed schools offers significant insights into financial management practices, which directly relate to the first objective: "The financial management practices of school heads in public secondary schools." The findings reveal that development funds constitute the most significant source of income for these schools, with 24 respondents (63.2%) identifying it as a primary source. Capitation grants, reported by 13 respondents (34.2%), serve as the second most common source of income, while donations are the least common, mentioned by only one respondent (2.6%). This distribution highlights a heavy reliance on development funds and capitation grants, underscoring the importance of these streams in sustaining school operations.

The interpretation of this pattern indicates that development funds typically

originate from government projects, community initiatives, or donor-supported programs represent the largest share of the schools' financial resources. This implies that school heads play a critical role in securing and managing project-based funding, which often requires compliance with strict guidelines and accountability measures. Capitation grants, being government allocations determined by student enrollment, offer a relatively stable but smaller revenue stream. Conversely, the minimal presence of donations demonstrates that schools do not depend on private or philanthropic contributions, which are often inconsistent and unpredictable.

These findings have several implications for the financial management practices of school heads. First, the predominance of development funds necessitates strong grant and project management skills. School leaders must be proficient in writing proposals, applying for grants, and ensuring the transparent use of funds. This ability reflects technical financial skills and strategic leadership in mobilizing resources. Second, reliance on development funds suggests that successful school heads actively seek opportunities to supplement their budgets, moving beyond passive receipt of government grants to proactive resource mobilization efforts. Third, managing substantial development funds and government grants places a significant responsibility on school leaders to maintain accountability and transparency. Clear reporting mechanisms and prudent financial controls are essential to prevent mismanagement and avoid stakeholder conflicts. Lastly, given the balance of predictable income from capitation grants and variable income from development

projects, strategic financial planning becomes a cornerstone of effective management. School heads must harmonize these revenue streams to meet immediate operational requirements and long-term development objectives, ensuring financial stability and sustainability for their institutions.

Involvement of Staff in Financial Planning and Budgeting

In addition, the teachers asked if their head involved staff in financial planning and budget. The responses of teachers are recorded and presented in Table 2.

Table 2.
Involvement of Staff in Financial Planning and Budgeting by Head of School

Does your head of school involve staff in financial planning and budgeting?		
	Frequency	Percent
YES	14	36.8
NO	24	63.2
Total	38	100.0

Source: Field Data, 2025

Focused on Table 2, the analysis of staff involvement in financial planning and budgeting provides important insights into the study's first objective: "The financial management practices of school heads in public secondary schools." The data indicate that a majority of respondents, 24 (63.2%), reported that their school heads do not involve staff in financial planning and budgeting, while only 14 (36.8%) confirmed that they are involved. This significant disparity highlights many schools' predominant top-down approach to financial management.

The findings suggested that financial decision-making is largely centralized, with minimal teacher

participation in budget preparation and planning. Such a practice stands in contrast to contemporary best practices, which emphasize participatory approaches to foster transparency, trust, and stakeholder engagement. By excluding staff from these critical processes, schools risk creating an environment where financial decisions lack inclusivity, resulting in staff feeling disempowered and disengaged. Furthermore, this limited involvement may contribute to misconceptions, perceived bias, and dissatisfaction, ultimately undermining collaboration and harmony within the school community. The implications for financial management practices are profound. First, the lack of participatory management suggests that the collective expertise of staff is underutilized, reducing opportunities for innovative and comprehensive budgeting that addresses the school's real needs. Second, such exclusion can lead to a breakdown of trust between school heads and their staff, as transparency and accountability, key principles of ethical leadership compromised.

This erosion of trust increases the likelihood of misunderstandings, suspicion, and resistance to financial decisions, which can adversely affect the overall school climate. Third, the absence of staff consultation creates fertile ground for conflict, particularly if funds are allocated in ways that staff perceive as misaligned with educational priorities, such as teaching materials, infrastructure, or professional development. Finally, these findings indicate an urgent need for capacity building in participatory leadership and inclusive financial management. Training school heads to adopt collaborative budgeting practices could enhance trust, improve resource

allocation, and minimize conflicts, strengthening financial governance and school culture.

Transparency on Financial Matters

Moreover, to measure transparency the teachers asked if financial reports were shared regularly with teaching staff. The findings are presented in Table 3.

Table 3.
Share of Financial Reports with Teaching Staff

Are financial reports shared regularly with teaching staff?	Frequency	Percent
YES	8	21.1
NO	30	78.9
Total	38	100.0

Source: Field Data, 2025

The analysis of whether financial reports are shared regularly with teaching staff offers critical insights into the study's first objective: "The financial management practices of school heads in public secondary schools." The data presented in Table 3 revealed that a vast majority of respondents, 30 (78.9%), reported that financial reports are not shared regularly, while only 8 (21.1%) indicated that such reports are provided consistently. This significant gap indicates a serious financial communication and transparency within the schools studied.

The finding highlights a major weakness in the financial governance framework of the schools. Transparency is a cornerstone of ethical and effective financial management; however, the data suggests that teachers remain largely uninformed about how school funds are being allocated and utilized. This lack of openness prevents teachers from understanding the school's financial position and reinforces perceptions of

secrecy and potential mismanagement. When teachers are unaware of financial decisions that affect critical areas such as instructional materials, infrastructure maintenance, or professional development, it becomes difficult for them to appreciate the rationale behind certain decisions, leading to frustration and disengagement.

The implications for financial management practices are significant. First, the lack of transparency undermines accountability and ethical governance, both essential for building trust within the school community. Second, this absence of open communication increases the potential for stakeholder conflicts. Teachers may suspect favoritism, inequitable distribution of resources, or misuse of funds, leading to disputes and strained relationships. This finding directly links to the study's broader focus on how financial practices influence conflict within schools. Third, there is limited opportunity for stakeholder buy-in without regular sharing of financial reports. Fourth, these findings indicate an urgent need for formal accountability mechanisms that mandate the regular dissemination of financial reports to staff. Such mechanisms would enhance transparency and trust and transform financial management from a potential source of tension into a foundation for cooperation and mutual understanding, ultimately contributing to improved school governance and culture.

The teachers further asked about the method mainly used to communicate financial matters. Their response is presented in Table 4, followed by interpretation and discussion.

Table 4.
Communication of Financial Matters

What method is mostly used to communicate financial matters to teachers?	Frequency	Percent
Staff Meetings	31	81.6
Written Reports	7	18.4
Total	38	100.0

Source: Field Data, 2025

Analyzing the methods used to communicate financial matters to teachers provides important insight into the financial management practices of school heads. The findings in Table 4 revealed that most respondents, 31 (81.6%), stated that financial matters are communicated through staff meetings. In comparison, only 7 (18.4%) reported receiving written reports. This demonstrates that the dominant communication method is verbal, delivered during periodic meetings, with minimal reliance on formal written documentation. While staff meetings can serve as an effective platform for discussion and clarification, the absence of corresponding written records raises concerns about financial communication's accuracy, accountability, and transparency. Complex financial issues are often difficult to fully convey and retain verbally, making it challenging teachers to reference information later or verify what communicated. Moreover, this practice combined with earlier findings that financial reports rarely shared, suggests a lack of structured and formalized communication systems within the schools studied.

The implications for financial management practices are significant. First, relying on verbal communication reflects an informal communication style, undermining robust financial governance. While dialogue during meetings is

important for engagement, effective financial management requires formal documentation to ensure clarity and accountability. Second, this practice increases the risk of misinformation and conflict. Without written evidence, disputes may arise over what was said or how funds were allocated, creating suspicion and mistrust among teachers, a key area linked to the study's focus on conflict. Third, there is a clear need for formal documentation mechanisms in the financial communication process. Supplementing verbal updates with detailed, regularly issued written reports would significantly enhance transparency, build trust, and foster a culture of accountability. This adjustment would transform financial communication from an informal and potentially contentious process into a structured system that supports collaboration and reduces conflict.

Moreover, the teacher asked if the head of school is transparent in financial management. Using a 5-point Likert scale, their response are presented in Table 5.

Table 5.
Head of School Transparent in Financial Management

The head of school is transparent in financial management.		
	Frequency	Percent
Strong Disagree	2	5.3
Disagree	1	2.6
Neutral	7	18.4
Agree	10	26.3
Strong Agree	18	47.4
Total	38	100.0

Source: Field Data, 2025

The findings in Table 5 present the analysis of the perception of school heads' financial transparency, revealing important insights into the financial management practices of school heads in

public secondary schools. According to the data, a significant majority of respondents, 28 (73.7%), either agreed (26.3%) or strongly agreed (47.4%) that their head of school is transparent in financial management. A smaller group, 7 (18.4%), remained neutral, while only a minority of 3 (7.9%) disagreed or strongly disagreed with the statement.

This finding appears contradictory compared to earlier results, which highlighted the limited involvement of staff in financial planning and the infrequent sharing of financial reports. Despite these gaps, most teachers still perceive their head of school as transparent. This suggests that teachers may interpret "transparency" differently than formal definitions, focusing less on procedural openness and more on trust and outcomes. Possible reasons for this perception include a strong level of trust in the school heads, confidence that funds are used for intended purposes, the adequacy of discussions during staff meetings, and the presence of visible results such as school improvements or the timely provision of resources. These elements may compensate for the lack of formal documentation and inclusive decision-making processes.

The implications for financial management practices are significant. First, trust emerges as a critical factor. Even without formal systems like written financial reports, trust in leadership can shape positive perceptions of transparency. This indicates that ethical behavior, integrity, and strong interpersonal relationships are vital to effective financial management. Second, the finding highlights the importance of visible results. Teachers may equate successful outcomes such as improved

infrastructure and availability of teaching materials with transparency and effective management, regardless of whether formal reporting exists. Third, the finding reveals a gap between communication and perception. While communication methods are largely informal and undocumented, teachers still perceive transparency, which reduces the likelihood of conflict and fosters cooperation.

Involvement of Students of Financial Matters

The study further involves the students' views on financial management practices among school leadership, the findings from the students presented in Tables 6 and 7.

Table 6.
Students' Awareness of how School Finances are used

Students informed about how school finances are used.		
	Frequency	Percent
Strong Disagree	22	36.7
Disagree	13	21.7
Neutral	8	13.3
Agree	10	16.7
Strong Agree	7	11.7
Total	60	100.0

Source: Field Data, 2025

Based on the responses from 60 students presented in Table 6, the findings reveal that most students feel they are not informed about how school finances are utilized. The data shows that 36.7% of respondents "Strongly Disagree" and 21.7% "Disagree" with the statement, resulting in a combined 58.4% who believe they lack information regarding financial matters. Only 16.7% of students "Agree" and 11.7% "Strongly Agree," making a total of 28.4% who feel informed, while 13.3% remain neutral. These figures highlight a clear perception among students that financial transparency within their schools is minimal.

The findings suggest that students perceive a significant gap in financial communication and accountability from school leadership. Most students expressing disagreement indicates that financial decisions and allocations are managed without adequately informing this stakeholder group. Given that transparency fosters trust and inclusivity, the lack of communication about financial matters may lead to feelings of exclusion and suspicion among students. Although a minority of students acknowledge being informed, the overall trend points to systemic shortcomings in involving students in financial matters.

In the context of the study's objective, which aims to examine the financial management practices of school heads in public secondary schools in Mkuranga District, these findings provide a critical insight. The results reveal that current financial management practices do not prioritize sharing information with students, even though they are key stakeholders in the school community. A truly transparent financial system would include mechanisms for regular updates to students about fund allocation and utilization, ensuring that all stakeholders feel a sense of ownership and accountability in the process. The implications of these findings are significant for improving financial governance in schools. The study established that school heads must adopt more inclusive and transparent financial management practices that extend beyond teachers and administrators to include students.

Table 7.
The School Head's Openness on how Money is Collected and Spent.

The school leadership is open about how money collected and spent	Frequency
Strong Disagree	16
Disagree	1
Neutral	17
Agree	5
Strong Agree	21
Total	60

Source: Field Data, 2025

Based on the responses from Table 7 with 60 students, the findings reveal a significant division in perception regarding the openness of school leadership on financial matters. The data shows that 35.0% of respondents “Strongly Agree” and 8.3% “Agree” that school leadership is transparent about finances, resulting in a combined 43.3% who view the leadership as open. Conversely, 26.7% of students “Strongly Disagree” and 1.7% “Disagree,” totaling 28.4%, indicating that a substantial proportion believe the leadership lacks transparency. In addition, 28.3% of respondents remain neutral, reflecting uncertainty or a lack of sufficient information about financial practices in their schools. The near balance between those who strongly agree and strongly disagree demonstrates a deep divide in student experiences and perceptions.

The interpretation of these findings suggests that financial transparency is not a consistent practice across schools in the district. While some students feel adequately informed about how funds are collected and spent, others experience the opposite, highlighting disparities in how different school heads approach financial communication. The large percentage of neutral responses further underscores the absence of a standardized system for informing students about financial matters. This inconsistency implies that

financial management practices vary significantly among schools, with no uniform policy guiding the disclosure of financial information to students.

When examined in relation to the study’s objective, which focuses on assessing financial management practices of school heads in public secondary schools in Mkuranga District, these findings point to a lack of institutionalized transparency mechanisms. The data clearly shows that while certain schools adopt inclusive and open financial practices, others fail to provide adequate information, leaving many students uninformed or uncertain. This uneven approach undermines efforts to build trust and accountability within the school community and creates the potential for misunderstandings and conflicts.

The implications of these findings are critical for improving school governance. The study concludes that financial management practices in the district are inconsistent and lack uniform transparency. To address this gap, school leaders must prioritize creating clear and consistent channels for communicating financial information to students. Institutionalizing practices such as regular financial briefings, posting summaries on notice boards, or integrating financial updates into student meetings could enhance transparency. By doing so, schools can foster trust, promote shared responsibility, and strengthen stakeholder relationships, ultimately contributing to a more positive and collaborative school culture.

The study further interviewed the head of schools on financial practices, and their response are presented in quotes, followed by interpretation and discussion.

Head of school 1 said that,

“At our school, we follow a structured financial process guided by the finance and procurement committee, which includes me, the deputy head, and selected teachers. We jointly prepare the budget, recommend expenditures, and confirm payments. Some committee members are signatories to the school bank account. We also use the FFARS system, which allows the secondary education department to monitor transactions. Payment procedures are clearly defined from committee approval to WEO endorsement and final district-level authorization.”

This statement illustrates that financial management in schools follows a well-organised process emphasising collective responsibility and compliance with external regulations. By integrating multiple approval layers and digital oversight systems, the head of school shows a strong commitment to structured financial governance. Such procedures reveal that financial management is not handled individually by the school head but through collaborative mechanisms that include committees, school-level approvals, and external district monitoring. Using FFARS ensures transparency to higher authorities, while having multiple signatories on the school account safeguards funds from misuse. This structured approach reduces risks of financial mismanagement and enhances trust between the school and regulatory bodies. In Mkuranga district, effective financial management depends on institutionalized procedures that balance internal participation and external oversight. The structured system ensures accountability, strengthens discipline in handling resources, and minimizes chances of misappropriation, thereby fostering financial stability within schools.

Head of school 2 added that,

“Transparency is central to our financial management. We display monthly bank statements on the school notice board and hold regular staff meetings to discuss fund utilization. Each academic or construction committee must approve spending within its domain. Our internal quality assurance team reviews expenditures, and we’ve installed a suggestion box to encourage feedback from students and staff. These practices ensure that everyone is informed and that accountability is not just a formality but a culture.”

Here, the head of school underscores transparency as a deliberate practice that involves sharing financial information openly with the school community and maintaining accountability structures beyond routine reporting. The display of financial records, periodic staff consultations, and feedback systems illustrate participatory monitoring of school finances. Accountability is further reinforced by internal quality assurance checks and by granting committees authority over spending in their respective areas. This combination of openness and review mechanisms reflects a culture where financial management is visible, participatory, and continuously evaluated, reducing suspicions of mismanagement.

Unlike the current study, Ndibalema (2020) reported poor financial reporting practices and a lack of stakeholder involvement that contributed to resource mismanagement. The study proposed regular financial audits and community engagement to address these challenges. For public secondary schools in Mkuranga district, embedding transparency into financial management creates stakeholder confidence and ensures

funds are used effectively. It cultivates a culture of accountability that moves beyond compliance to become an everyday practice, strengthening trust and integrity in school governance.

Head of school 3 had the following to say,

"We involve stakeholders at every stage of financial planning. The school board participates in budget formulation and briefs parents during meetings. Teachers contribute through their roles in various committees, and students are represented in discussions about priorities. This inclusive approach ensures that financial decisions reflect the needs of the entire school community, not just the administration. It also builds trust and shared responsibility in how resources are managed."

This response emphasizes inclusivity in financial management, showing that making decisions is not restricted to the school leadership but extends to parents, teachers, students, and the school board. By inviting broad participation, financial planning becomes community-driven and responsive to the diverse needs of stakeholders. Teachers and committees influence operational spending, students contribute to priority-setting, and parents and board members help validate financial decisions. Such inclusivity not only ensures equitable allocation of resources but also creates a sense of shared ownership, strengthening commitment to proper financial practices. However, these findings contrast with those of Komba and Mkumbo (2020), who examined how school principals manage resources in Tanzanian secondary schools. Their findings revealed that some school heads employed effective budgeting and reporting practices. In contrast, others

misused funds due to weak oversight mechanisms. The study recommended establishing independent audit systems to enhance financial accountability.

In the context of Mkuranga district, stakeholder involvement in financial management promotes participatory governance and strengthens the school community relationship. School heads enhance trust, encourage accountability, and foster long-term sustainability of financial practices by ensuring that financial decisions are transparent and inclusive. Generally, these three perspectives highlight that the financial management practices of school heads in Mkuranga district are grounded in structured procedures, transparency, accountability, and stakeholder involvement. These elements collectively ensure that resources are safeguarded, decisions are participatory, and financial governance reflects government standards and community priorities.

CONCLUSION AND RECOMMENDATION

Conclusion

The study examined the financial management practices of school heads in public secondary schools in Mkuranga District and revealed that most schools rely heavily on development funds and capitation grants as their main sources of income, while donations play a minimal role. This dependence highlights the need for effective financial planning, accountability, and strategic management of project-based funds. The findings also indicated that staff involvement in financial planning and budgeting remains limited, with the majority of teachers reporting exclusion from these processes, suggesting that a centralized and top-

down approach undermines participatory management, reduces inclusivity, and weakens collaboration and trust among stakeholders. In terms of transparency, the study found that financial reports are rarely shared with teachers and that financial matters are primarily communicated verbally during staff meetings rather than through written documentation. Although most teachers perceive their school heads as transparent, this perception appears to be shaped more by trust, interpersonal relationships, and visible outcomes than by formal systems of reporting. From the students' perspective, many reported being inadequately informed about how school finances are used. Interviews with school heads further revealed that while some schools implement structured and accountable systems such as financial committees, the FFARS monitoring system and participatory oversight these practices not uniformly applied across all institutions.

Recommendations

Based on the findings, the study recommends that financial management in public secondary schools should become more participatory, transparent, and accountable. School heads should actively involve teachers and other staff members in financial planning and budgeting to encourage shared decision-making and foster a sense of collective responsibility. Transparency should be institutionalized through the regular sharing of financial reports with both staff and students, using notice boards, assemblies, and meetings to communicate key financial information clearly. To ensure sustainability, schools should diversify their sources of income beyond government allocations and development funds. In addition, verbal

updates should always be supported by written documentation to enhance clarity, accountability, and record keeping.

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