

### Organization Strategies on Efficacy in the Administration of Finances in Public Early Childhood Development Education Centers in Kenya

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#### Abstract

Early Childhood Development Education (ECDE) refers to the education that children receive during the early stage of their childhood. It aims at the holistic development of a child's social, emotional, cognitive and physical needs in order to build a solid and broad foundation for lifelong learning and wellbeing. This study was designed to examine the effects of organizational strategies on efficacy in the administration of finances in public ECDE centers in Kenya. The study target population was 1728 ECDE teachers, 422 Head teachers and 422 School Management Committee (SMC) chairpersons in Uasin-Gishu in Kenya. The sample size for this study was based on a sample size determination formula by Krejcie and Morgan. Schools were stratified to their quotas. A sample size of 224 ECDE teachers, 55 Head teachers and 55 SMC chairpersons responded to the questionnaires. The data obtained was analyzed using frequencies, percentages, means and Pearson Product Moment Correlation Coefficient. The study findings indicate that there was no budget preparation in pre- schools based on schools' vision. The study found a significant correlation between planning strategies and financial management efficacies. It also emerged that signatories to the pre-school accounts had questionable integrity. It is recommended that ministry of education should establish that communication mechanisms be put in place to lobby for financial support of ECDE programs from different stakeholders. It is hoped that the findings of this study will be of great importance to policy makers on understanding the best strategies that if implemented would promote efficacies in the administration of ECDE funds.

Key words: ECDE, communication, organization, efficacy, administration

## Introduction

Financial resources are important organizational resources since no organization has ever succeeded without these resources (Allis, 2004). It is therefore imperative for institutions, firms, organizations and business entities to consider financial management in order to enhance their performance and more so, to mitigate exposure to financial risks. According to Fox and Bartholomae (2008), the rationale for financial management is raising funds for both short-term and long-term use and enhancing proper utilization of the funds. The finances for learning institutions are used for daily operations and activities of concerned institutions. In the case of public early childhood development education centers, the head teachers and administrators are charged with the responsibility of planning the school budget in order to achieve the objectives of the school and effective financial management (Fox & Bartholomae, 2008).

Many countries have therefore, decentralized the management of financial resources to schools in a bid to enhance their management. This was eminent in a study carried out in France. Nevertheless, despite the essence placed on financial resources in bringing about the much needed change and delivery of services, it is noted sometimes the resource is mismanaged and misappropriated by those in charge (Olembo, 2005). The author argues that resources are scarce and therefore it is the duty of educational administrators to optimally and prudently use available resources for the attainment of institutional objectives. Poor management of available funds leads to embezzlement, diversion of funds from prioritized projects and misappropriations

In relation to the above the Ministry of Education expects the school heads to be responsible for efficient and effective management of school finances in order to promote delivery of services, an issue that is still faced by many challenges (Olembo, 2005). It was however further noted that the heads of schools, more than often underperform in financial management. This is due to employing less qualified staff that is inefficient and inadequately equipped in maintaining financial records and financial controls, and fail to adhere to accounting procedures (Ministry of Education, 2005). According to Otieno (2013), the government of Kenya has been influencing financial management in schools and institutions. This is through financial regulations such as financial management policies that involve imprest management, financial auditing among others, credit management policy and inventory management policy. It is noted that a considerable number of schools especially in Gucha district followed recommended government financial management practices.

The financial management role of principals in schools in South Durban in South Africa was investigated (Otieno, 2013). The study also noted that school principals and school governing bodies were entrusted with the responsibility of ensuring funds were well managed in the school. This was through proper and adequate budgeting, procurement of items and purchases and ensuring high levels of accountability and transparency in all activities. The study emphasized on prudent financial management on schools in order to ensure resources are allocated adequately and to enhance achievement of school objectives. Efficiencies in the administration of finances in learning institutions especially ECDE centers is crucial owing to the fact that public resources if not well utilized, may discourage donors from supporting ECDE programmes (World Bank, 2010).

Quality of education in Kenya has received a lot of attention with the introduction of supported county ECD programmes (RoK, 2005). It can be noted that successful implementation of this programme has been centralized to the actualization of construction/renovation of physical facilities/equipment in public ECD learning institutions in disadvantaged areas particularly in arid and semi-arid lands (ASALs) and urban slums like Kibera slums. The report indicates that there are two school infrastructural programmes with components which include; School improvement grants, new school construction, management and capacity building; and Monitoring and Evaluation (UNESCO, 2012). These two types of funds were found to have increased the ECD infrastructure development in Kibera for example from almost an average of 106 classrooms, 302 pit latrines in 2008 to over 156 and 610 respectively. In this argument therefore, the research intends to find the current situation as per the infrastructural development in the slum in relation to financial resources availability.

In connection with the infrastructural development, EFA goal number one obligated state governments to expand and enhance comprehensive Early Childhood Development programmes which are essential to the achievement of basic education goals. Similarly, the World Fit for Children Conference in 2002 called for every child to have a good start to life through promoting quality nurturing, care and self- environment (UNICEF, 2002). Moreover, there has been tremendous effort by the government of Kenya and collaborating partners to improve the welfare of the Kenyan child. Nevertheless, these efforts have been fragmented and have had very little impact on the lives of the learners. The realization that an effective ECDE programme enhances a country's social economic growth and political stability, the government through the Sessional Paper No 1 of 2005, a policy framework on education and research (GoK, 2005), recommended the development of a comprehensive ECD policy framework and service guidelines for management bodies of public learning institutions. This policy framework provides a co-ordination mechanism and explicitly defines the roles of parents, communities, various government ministries and departments, the development partners and other stakeholders in the provision of ECD services. The service standard guideline has been developed as a separate document aimed at operationalizing the ECD policy framework (RoK, 2006). The development of this policy document has taken into cognizance the critical role of investing in young children in order to achieve the Millennium Development Goal of poverty reduction, universal school enrolment, reduction of child mortality and morbidity and creation of gender equality. To achieve this, the policy framework emphasizes on child survival, growth and development. This is also in line with the African Union (AU) declaration to strengthen and support families in their responsibility as primary caregivers of their children to ensure children's survival, growth and development (RoK, 2006). In addition, ECD in Kenya, as defined in the legal and policy documents, provides for the holistic development of children from conception to age eight. It involves learning experiences in pre-schools, psychosocial stimulation, community and parental education and mobilization, transition from pre-school to primary school, and health and nutrition surveillance (UNESCO/ OECD, 2005).

On the same note, the Early Childhood Education in Kenya and Africa has institutionalized pre-school education and is relatively perceived as a new phenomenon. Generally, before institutionalization, Early Childhood Education (ECDE) in itself was not a new phenomenon in our society since it was enshrined within the traditional curriculum. Moreover, in the Kenyan traditional societies, children in ECD received adequate care, stimulation and socialization from parents and other community members. Intellectual needs were also met through stories, riddles and games. It can therefore be deduced that institutionalization of preschool education is a by-product of colonization (Kenya Institute of Education, 2009). As a matter of fact, with the emergence of colonies in Africa, many changes happened in the social, cultural and economic set of communities that affected the way children were socialized giving birth to institutionalized pre-school education. The forces that influenced the commencement and development of ECDE in Kenya to its current status trace its roots in the colonial era. Moreover, missionaries played a big role in the development of ECDE prior to and after independence. However, in the 1950's Churches Welfare Associations in conjunction with the local communities started feeding centres in arid and semi-arid areas With feeding programmes in place children were provided with food and milk for lunch in school and as they waited for the food to be ready, there was need to involve them in play and other activities and this eventually led to the development of permanent pre-school centres (RoK, 2009).

It is also important to note that early Childhood Development Education (ECDE) programmes play a crucial role in laying the foundation for further education and character formation. They provide children with fairer and better start into the life long process that is characterized by unforeseen twists that come with life. According to the Kenya Institute of Education (KIE, 2009), Early Childhood Care, Development and Education (ECCDE) seek to develop the whole child. There is need to point out that, Pre-school plays a central role in establishing quality development of an individual (Mwaura, 2009). Education therefore seen as a process that starts with the care and education of young children and continues through lifelong process where learning is central to individual empowerment, the elimination of poverty at household and community level, and broader social and economic development. It is therefore paramount that all young children be nurtured in safe and caring environments that allow them to become healthy, alert, and secure and be able to learn with minimal disturbances (RoK, 2005a).

Early Childhood Development Education interventions are significant in the social and economic development of a country. As argued in the Kenya's Sessional Paper no 1 of 2005, given the biological, intellectual and psychosocial significance of early childhood on children and the potential economic and social benefits at family, community and national levels, quality early childhood interventions are a mark of hope to health development of the country's citizens (Republic of Kenya,

2006b). Notably, in the wake of Education for All (EFA) (UNESCO, 2009) and later declarations such as Millennium Development Goals, Kenya's Vision 2030 notwithstanding, children from low-income households who access ECDE services was more likely to enroll in primary school at the right age and they were less likely to drop out of school or repeat grades. There is also a high probability that these children will have improved school performance and cognitive abilities than those who do not attend ECDE.

It is also evident that, basic social values and skills are also developed within this time frame. In Kenya ECDE is offered by institutions bearing various names. The most commonly used terms include: Early childhood development, children's homes, ECDE pre-primary, pre-school education, pre-unit, nursery, baby care, day

care centres, baby class/infant class, kindergarten and home care. However, the Ministry of Education Science and Technology (MOEST) in collaboration with the National Centre for Early Childhood Education (NACECE) has harmonized these names. Currently the following terms are used to refer to pre-schools: pre-primary 1, pre-primary 11 and day care in place of all the above names. Pre-primary 1 refers to learning for children 4 years of age; Pre-primary 11 refers to learning for children 5 years of age. Day Care refers to care for children 3 years and below (Kenya Institute of Education, 2009). The main objective of pre-primary school is to ensure the total development of a child's physical, spiritual, social and mental is brought about through an informal mode of interaction with the parents and community taking a leading role on issues including health, nutrition, care and education are the major focus in pre-primary education (KIE, 1987). With such great emphasis laid on the importance of ECDE education, there is need for management board to adhere to the required practices of management so as to make ECDE centers thrive.

In relation, Kindiki (2009), indicated that in financial management and budgeting age and experience is also mentioned as another challenge considered alongside academic qualifications that face members of most BOMs. Data showed that many BOGs were new in the school hence need to familiarize themselves with the tradition of the school and the management task expected of them (Otieno, 2013).

## **Statement of the Problem**

Policy Framework for Education and Training in Kenya sessional paper number 14 (RoK, 2012) recognizes that devolution of ECDE education came with a myriad of challenges ranging from unclear policy framework on issues of management, underfunding of ECDE programmes (Elimu-Yetu Coalition, 2014). To this end, World Bank report (2010) indicate that most public ECDE centers in Kenya have stalled programmes marked by irregular and delay of teachers' salaries, inconsistent feeding programmes, poor infrastructure and unclear policy guidelines. It is therefore clear that children in ECDE Centers will continue to operate under dilapidated conditions for longer periods against the Education Policy (2006) and the Education Act, (RoK, 2012) which demands that children of school age going have a right to education in safe and conducive environments. This study explored existence of the effects of organization strategies on efficacy in the administration of finances in public ECDE centers in Kenya.

## **Objective of the Study**

The objective of the study was to determine effect of organization strategies on administration of finances in Public ECDE centers

## Hypothesis of the Study

**Ho**: There is no significant relationship between organization strategies and efficacy in the administration of finances in public ECDE centers in Kenya.

## Methodology

Creswell (2009) defines research designs as plans and the procedures for research that span the decisions from broad assumptions to detailed methods of data collection and analysis. This study adopted a descriptive survey design. Descriptive survey design enables the researcher to describe the state of affairs as they are and report the findings. According to Kothari (2008), such design is efficient method of collecting descriptive data regarding the characteristics of populations to justify current conditions and practices. Moreover descriptive surveys allow rapid collection of data from a large sample within the shortest time possible by use of questionnaires. This data collection instrument was used mainly to establish the effects of organization strategies on efficacy in the administration of finances in public ECDE Centers in Kenya. The study targeted all public ECDE centres in Uasin-Gishu County. The region has 576 public ECDE centres. All the 1728 ECDE teachers, 422 head teachers and 422 SMC chairpersons, one county quality assurance and standards officer, 1 County chief education officer and one county auditor form the study population of 2575. Schools were stratified to their quotas. A sample size of 224 ECDE teachers, 55 Head teachers and 55 SMC chairpersons responded to the questionnaires. With and aid of data collected using questionnaires, the study attempted to determine effect of organization strategies utilized by public ECDE centers in the administration of finances.

## **Findings and Discussion**

The study sought to determine the effect of organization strategies on public ECDE centers schools in the administration of finances. The findings are presented below.

#### Effect of Organization Strategies on Public ECDE Centers Schools

To achieve the study's objective, respondents were asked to rate their level of agreement on a three point likert scale items in the questionnaire. Their responses were tabulated and the results are presented in Table 1.

**Table 1** Effects of Organization Strategies on Public ECDE Centers in theAdministration of Finacnes

Statement		D		UD		Α
	F	%	F	%	F	%
Signatories to the pre-school fund account are of good integrity	185	59.9	5 3	17.1	71	23
Financial policies and control measures are adhered to by the SMCs	180	58.2	5 1	16.5	78	25.3
Procurement procedures are highly followed	246	79.6	3	11.3	28	9.1
The financial reports presented to SMCS are interpreted well and therefore the SMCs make highly informed choices on financial management	198	64.1	2 2	7.1	89	28.8

Table 1 shows that 185 (59.9%) respondents disagreed with the statement that signatories to the pre-school fund account were of good integrity, 53 (17.1%) respondents were undecided on the statement, 71(23%) respondents agreed with the statement. The study showed that a majority of 59.9% of the respondents believed that signatories to the pre-school accounts were not people with good integrity. This implies that members to the pre-school accounts were not trusted by the stakeholders in the financial management of ECDE centers. This is an issue that is likely to jeopardize financing of programs since parents are the most dependent financiers and maybe discouraged to support ECDE projects. Kindiki (2009) in his study noted that integrity increases transparency and accountability in financial management procedures and enhances public confidence.

Further, 180 (58.2%) respondents disagreed that financial policies and control measures are adhered to by the SMCs, 78 (25.3%) respondents agreed with the statement and 51 (16.5%) respondents were undecided on the statement. The study findings suggested that the majority of the respondents believed that the SMCs in pre- schools did not adhere to financial policies and control measures guiding financial management in pre-schools. This was found to be consistent with the findings of Mestry (2006) which revealed that in schools in South Africa, finance policies and control measures were non-existent.

In addition, 246 (79.6%) respondents disagreed that procurement procedures were highly followed, and 35 (11.3%) respondents were undecided on the statement while 28 (9.1%) respondents were in agreement with the statement. From the responses, it emerged that majority (79.6%) respondents believed that procurement procedures were not followed by SMCs while procuring ECDE goods and services. This implies that the management committees of ECDE centres undertake procurement procedures which are highly questionable. When this happens, it may create loopholes for misappropriation, compromises on quality and quantity of procured works, in addition to delay in service delivery at the expense of the learners' programs. This supports an earlier investigation by Jane et al., (2014) on challenges of implementing the procurement policy in public primary schools which indicated that compliance was still low and many schools still flawed procurement guidelines.

Similarly, 198(64.1%) respondents disagreed with the statement that the financial reports presented to SMCS are interpreted well and therefore the SMCs make highly informed choices on financial management, 89(28.8%) respondents strongly agreed with the statement while 22(7.1%) respondents were undecided on the statement. It emerged from the responses that the majority of the respondents believed that the financial reports presented to SMCS were not interpreted well and therefore the SMCs make uninformed choices on financial management. This implies that SMCs lacked basic financial management skills and therefore were not effective in managing ECDE finances and therefore needs to be trained on issues related to financial management. When this is the case, ECDE centers are likely to lose the little available finances hence kill/stall existing programmes.

# Correlation Coefficient between Organization Strategies and Efficacies in the Administration of Finances

The hypothesis stated that:

**Ho:** There is no significant relationship between Organization Strategies and Efficacies in the Administration of Finances in public ECDE centers in Kenya. Pearson Correlation analysis was used to test this hypothesis and the results are presented in Table 2.

**Table 2:** The Correlation Coefficient between Organization Strategies andEfficacies in the Administration of Finances

Organization	r=309*
	p=.000
	n=309

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

Table 2 shows that there is a significant but negative correlation (r = -.309; p = .000) between organization strategies employed and financial management efficacies in public ECDE centres in Kenya. The null hypothesis which stated that: "there is no significant relationship between organization strategies and efficacies in the administration of finances in public ECDE centers in Kenya was therefore rejected and the alternate accepted. This implies that there was a statistically significant but negative relationship between organization strategies and financial management efficacies. The negative correlation in this study could be attributed to lack of proper communication channels to link various ECDE programmes, weak or delay in decision making which hampers the implementation of programme plans, and low skills of strategizing the use of the limited resources thus rendering programmes to stall. According to Fleming (2009) strategic plans are tools that many organizations such as Early Childhood Education centers use to keep their programmes successful and efficient.

Further, Erwin & Garman (2010) in their study pointed out that there is great success when there is good communication about the future and developing personnel's abilities to boost confidence before taking a step in making things happen in an organization. According to them, new strategies in financial management are crucial tool as it can give more positive results.

#### Conclusion

The study showed that majority of the respondents believed that signatories to the pre-school accounts were not people with good integrity. Further, majority of the respondents believed that the SMCs in pre-schools in Kenya did not adhere to financial policies and control measures guiding financial management in pre-

schools. In addition, majority respondents believed that procurement procedures were not followed by SMCs while procuring ECDE goods and services. It implies that financial transactions made in public pre-schools do not follow the due process provided by the policy document regarding spending which may give leeway to fraud, misappropriations, waste and embezzlement of public resources. Similarly, majority of the respondents believed that financial reports presented to SMCS were not interpreted well and therefore the SMCs made uninformed decisions on financial spending. This implies that SMCs lacked basic financial management skills and therefore were not effective in managing ECDE finances and therefore need to be trained on issues related to financial management so as to curb waste. Lack of such vital skills is likely to create avenues of misappropriation from those committee members who have an upper hand on issues of financial management or ECDE committees would repeat the same mistakes while managing finances if they neither went through nor implemented the auditors' reports. The study further found a statistically significant but negative relationship between organizational strategies employed and efficacies in the administration of finances.

#### Recommendation

Based on the findings, the study recommends that: there is need to ensure that members of committee are people with good integrity; financial reports should be interpreted well by committee to avoid repeating the same mistakes; and finally committees should be keen on technical details of financial records. Moreover, there is need for the government to extend FPE programs to cover ECDE levels and increase funding to sustain various programmes in ECDE as well as improve on the existing infrastructure, and employ ECDE teachers so as to harmonize disparities in remunerations.

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