



Effective Utilization of Capitation Grants and Its Influence in Improving Educational Facilities in Public Secondary Schools in Arusha City, Tanzania

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Abstract: *This study investigated the effectiveness of utilization of capitation grants and its influence in improving educational facilities in public secondary schools in Arusha city. Specifically, the study examined the shortcomings on the effective utilisation of capitation grants in public secondary schools and the possible measures to address shortcomings on the effective utilisation of capitation grants in improving educational facilities in secondary schools. This study was built on Contingency Theory. Descriptive research design and a mixed research approach were employed. The target population consisted of 963 teachers and 29 heads of school. Stratified sampling was used to select 96 teachers, and purposive sampling was used to select 8 head of schools. Questionnaires and interviews were used for data collection. Validity of research instruments was ensured by research experts. Reliability was ensured by Cronbach Alpha method which gave $r=0.922$. Trustworthiness was observed to ensure reliability of qualitative instruments. The findings revealed inadequate capitation grants, poor management, political interference, and lack of accountability as the shortcomings that hinder effective utilization of capitation grants allocated leading to dissatisfaction in management, teaching facilities and infrastructure. The study suggests increasing capitation grants, enhancing management, accountability, securing political support, improving transparency and monitoring as the necessary measures. In conclusion, schools should struggle to effectively manage inadequate capitation grants to improve educational facilities in public secondary schools. The study recommended that the government through MoEST should increase the amount of capitation grants to enhance financial management in order to maximize the provision of educational facilities in public secondary schools.*

Keywords: *Effectiveness, Capitation, Grants, Schools, Tanzania*

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1. Introduction

Capitation grants refer to annual funds provided by the government to schools, calculated based on the number of

students enrolled (Twaweza, 2021). According to UNESCO (2018), these grants are intended to support the effective running of the schools by providing funds for various needs, such as teaching and learning materials, administrative resources, and other school-related

expenses. According to Deffous et al. (2021), the grants are aimed at eliminating financial barriers to education, improving school accessibility, and increasing student enrolment. They are part of the government's efforts to ensure free and quality education in secondary schools. They are often distributed on a per-student basis, to ensure equitable funding across different schools regardless of their location or socioeconomic status.

According to Wario and Aduda (2022), the effective utilization of capitation grants in secondary schools globally involves ensuring that the funds are efficiently and transparently managed to support the schools' needs. This includes using the grants for the purchase of teaching and learning materials, minor repairs, and other school improvement activities. In the views of Msoka et al. (2020), effective management of capitation grants has been shown to contribute to increased student enrolment and improved academic performance. However, challenges such as inadequate funds and poor management practices have been reported, highlighting the need for transparent and accountable utilization, strategic planning, monitoring, and evaluation to ensure funds contribute meaningfully to student learning outcomes and school development (Yizengaw et al., 2021). Therefore, effective utilization is key to ensuring that the intended benefits of these grants are realized.

Vinod (2022) in Punjab, India, found that capitation grants were associated with improved infrastructure and facilities in schools, as well as increased enrolment and reduced dropout rates. Similarly, Sarker, et al. (2020) in Bangladesh found that capitation grants were associated with improved educational facilities such as better-equipped classrooms, enhanced teaching resources, and infrastructure development, thus positively impacting the quality of education in secondary schools. However, in Bangladesh, the study has revealed that capitation grants provided for public secondary education remain low in comparison with other developing countries and are insufficient to ensure acceptable quality education (World Bank, 2021). This indicates that while capitation grants can be beneficial, their adequacy and management are critical factors in their effectiveness.

In East African countries, capitation grants have been shown to play a significant role in improving educational facilities in countries such as Uganda and Kenya. In Uganda, Nkutire (2022) found that capitation grants were associated with improved infrastructure and facilities in schools, as well as increased enrolment and reduced dropout rates. In Kenya, the choice to replace school fees with capitation grants has had a beneficial impact on enrolment in education. The Kenya, Education Equity in Learning Programme, aims to facilitate equitable access to education resources and enhance efficiency in education

financing by providing capitation grants to students (Wario and Aduda, 2022). However, challenges such as inadequate funds, poor management, and corruption have been identified as obstacles to the effective use of capitation grants. Also, the study in Arusha city by Mbuti (2023) shows that schools face financial obligations beyond what capitation grants cover, such as maintenance costs and teacher salaries, which strain resources and affect grant utilization. The issue of concern here is whether these grants are being effectively utilized to improve educational facilities, which is crucial for achieving the intended outcomes. Consequently, this background supported the need to carry out this study on the effective utilization of capitation grants and their influence in improving educational facilities in public secondary schools in Arusha city.

1.1 Research Questions

The following research questions guided the study:

1. What are the shortcomings on the effective utilization of capitation grants in public secondary schools in Arusha city?
2. What are the possible measures to address the shortcomings on the effective utilization of capitation grants in improving educational facilities in public secondary schools in Arusha city?

2. Literature Review

The theoretical and empirical literature was reviewed with reference to themes created from research questions. The study was anchored on contingency theory propounded by Fred Fiedler in the 1960s.

2.1 Contingency Theory

Contingency theory is a management approach that emphasizes the importance of adapting organizational strategies and structures to fit the specific circumstances and environment in which an organization operates (Asana, 2022). It posits that there is no one-size-fits-all solution for managing organizations and that the most effective management practices depend on various internal and external factors (Sosa, 2017). In the context of studying the effective utilization of capitation grants on improving educational facilities, contingency theory can serve as a guiding framework by acknowledging that the influence of these grants varies depending on the specific context of each school. Factors such as the school's size, location, available resources, and the socio-economic background of the students may all influence how capitation grants are utilized and their subsequent influence on educational

resources (Miles, 2022). Therefore, by considering the unique circumstances and variables at play in each school, school administrators can better understand how capitation grants influence the utilisation practices and outcomes (Quak, 2020). For example, the availability of financial resources, human resources, and environmental resources in schools are all examples of contingency variables that can determine the most effective utilisation approaches for each school and determine how capitation grants may influence the improvement of education resources.

2.1.1 Strengths of Contingency Theory

It broadens the scope of leadership and management understanding by emphasizing the importance of a leader's style and the demands of different situations, rather than focusing on a single, best type of leadership. Contingency theory also has predictive powers in determining the type of management skills and styles that are most likely to be effective in managing different types of resources including financial utilization. This is to say that, leadership style is crucial for effective utilization of capitation grants and proper allocation to different departments including for management, for teaching/learning facilities, sports & games and for infrastructure.

2.1.2 Application of the Theory to the Current Study

By applying contingency theory to this study, this study examined how different schools adapt their effective utilization practices in response to the receipt of capitation grants. This may involve identifying the strategies employed to ensure grants are used for the improvement of educational facilities. Therefore, using contingency theory helped this study to develop an understanding of the relationship between the effective utilization of capitation grants and their influence in improving educational facilities in public secondary schools in Arusha city.

2.2 Empirical Review

This section critically presents the empirical studies related to this current study.

2.2.1 The Shortcomings on the Effective Utilization of Capitation Grants in Public Secondary Schools

In the Philippines, Lacs (2022) focused on the practices and challenges in school financial resource management implementation in the public secondary schools in Laguna. The study used a descriptive research design in a

quantitative approach. The respondents were sixty-eight (68) school heads and ninety-seven (97) finance officers. The study revealed that the practices have a significant effect on school performance, Programmes, Projects, and Activities implementation, liquidation, transparency, and school facilities. Hence, the null hypothesis is rejected. Lastly, it was concluded that there is no significant difference between the responses of school heads and finance officers when it comes to practices and financial resource management implementation. However, there is a significant difference between their responses to challenges. Hence, the null hypothesis is partially rejected.

In Ethiopia, Yizengaw et al. (2021) investigated the practice and challenges of school financial resource management implementation in Bahir Dar city administration. The study employed mixed methods with descriptive survey research design from a comparative perspective. To analyse the collected data, frequency, percentages, one sample t-test, independent t-test, one-way ANOVA and post-hoc multiple comparisons were applied. Findings showed that there is a statistically significant mean score difference between government and private secondary schools in financial resource management. A study by Tomusange et al. (2021) researched on the effective financial resources management for school improvement and development in Uganda. The study used a qualitative approach. The study population included secondary schools in Uganda, both rural and urban-based. The study revealed that, despite the decline in the annual percentage share of the national budget expenditure on education, there has been a relative increment in the absolute amount allocated to the sector. To complement the funding of education, the private sector has contributed immensely through the payment of school fees in Uganda.

Ling'hwa and Mhagama (2022) evaluated the effectiveness of the facility financial accounting and reporting system (FFARS) in managing public secondary schools' funds in Nyamagana District, Tanzania. FFARS is an electronic system used in planning and budgeting as well as expenditure tracking. Mixed research approach was applied with an exploratory case study design. Data were collected through questionnaires and interview schedules. The study involved 5 heads of schools, 4 ward education officers, 1 district education officer and 171 teachers. The study revealed that although the ICT infrastructure for FFARS was available to all public secondary schools, their accessibility was still unreliable. Also, it was discovered that there were shortage of ICT infrastructure and IT experts. Moreover, it was observed that sufficient distribution of ICT infrastructure for FFARS and raising awareness of technology users were seen to be important strategies to reduce the observed challenges of the system. The study therefore recommended the continued use of the system because it had made a significant contribution in

managing the disbursed funds. The study recommends continued training programmes for School Management Teams (SMT) and bursars to boost ICT literacy, deploying proper ICT infrastructure for the system and raising awareness of the system's usefulness.

The study by Msoka et al. (2020) examined the effectiveness of Heads of School management of Capitation grants for service delivery in public secondary schools in Hai District. The study employed both quantitative and qualitative approaches whereby Cross-sectional survey design was used to collect quantitative data and phenomenology design was used to collect qualitative data. Instruments for data collection were questionnaires, interview guide and document analysis schedule. The major study finding revealed that heads of schools implemented the capitation grants guideline for support services with little adjustments to suit specific needs of the school. However, major challenges that heads of school faced in management of capitation grants was inadequacy of the grants disbursed by the government. The null hypothesis was tested using Chi-square which showed that there was no statistically significant association between service delivery of heads of schools and the capitation grants management. The study concluded that heads of school were not effective in managing capitation grants due to the presence of many challenges hampering their management of the grants. The study recommends that the government should timely disburse enough capitation grants to specific school equivalent to the number of students' enrollments.

2.2.2 Utilization of Capitation Grants in Public Secondary Schools

Akhter et al. (2018) researched on the efficient management of financial resources and constraints in the implementation of budget at secondary schools in Punjab, Pakistan. A qualitative research method was employed in which semi-structured interviews were conducted with 40 head teachers working in secondary schools. The result from the interview data shows that the majority of the head teachers were not satisfied with the budgets and funds provided to the schools and found aspects of the procedures employed to be unhelpful. There was a tendency to expect more of schools on diminishing budgets and difficulties in being able to spend allocations efficiently and effectively for the maximum benefit of learners.

The study by Nwosu and Ozioko (2020) researched on the accountability in the management of financial resources for secondary education in Nigeria. The study used a literature review approach. It was found that for a school to achieve the purpose for which it is established, the school head must perform their roles of putting both human and material resources under their control in the right direction

for effectiveness and efficiency in service delivery. The study concluded that public perception of effectiveness depends on financial accountability. However, educational stakeholders should be accurate and transparent with monies, record keeping of school accounts as well as showing receipts for revenue and expenditure. The study by Evershine and Kangai (2023) was undertaken in the form of mixed method exploratory pragmatic research to determine from an accounting perspective the specific extent of the financial challenge that budgeting poses on school heads. Findings from the study have proved that budgeting remains a challenge for primary school heads. This was particularly the case for primary schools in Mudzi District. The inadequate funding forced most school heads to cut down on their budgets and adopt short cut measures. In some schools, there was a shortage of finances to effectively undertake meaningful budgeting. Going into the future, recommendations have been made on the need to diversify the sources of funding of schools and train school heads.

Kabelele and Machumu (2022) studied the determinants of School Management Teams (SMTs) effectiveness in managing capitation grants in community secondary schools. The study was carried out in four selected community secondary schools in Mvomero district, Morogoro, Tanzania. The study employed quantitative research design. Data were collected through a questionnaire method whereby simple random sampling and purposive sampling techniques were used to select 160 respondents including SMTs, school board members, ward education officers, teachers and students. Multiple regression analysis was used to analyse determinants of factors (education, individual characteristics, government roles, school leadership practices) on SMTs effectiveness in the management of capitation grants (CG) in community secondary schools. The study findings indicate that there is a significant positive effect between three factors (education, individual characteristics and school leadership practices) and SMTs effectiveness. However, the government role was found to have less effect than other variables.

3. Methodology

This study employed descriptive survey research design with mixed methods approach. It is a type of research design that combines both quantitative and qualitative research elements to gain a conclusion for a study (Shalonda and Devin, 2022). This approach therefore involved collecting and analysing both numerical and descriptive data to provide a comprehensive understanding of the research question. The target population consisted of 963 teachers and 29 heads of schools (TAMISEMI, 2022). Stratified sampling was used to select 96 teachers in public

secondary schools and purposive sampling was used to select 8 head of schools. Stratified sampling was used to ensure that each subgroup was represented in the sample, which helped to reduce sampling error and increase the accuracy of the results. In the purposive sampling technique, the researcher identified the members of the population who possess knowledge and experience in the management of capitation grants in secondary schools. The study employed a combination of questionnaires and interview guides as data collection instruments. Questionnaires were utilized to gather quantitative data from teachers. These tools featured 5-point Likert scale of 12 items each designed to investigate shortcomings on the effective utilization of capitation grants in public secondary schools and the possible measures to address the shortcomings on the effective utilization of capitation grants in improving educational facilities in public secondary schools. Validity of research instruments were ensured by research experts. Reliability was ensured by Cronbach Alpha method & $r=0.922$ was obtained. Trustworthiness was observed to ensure reliability of qualitative instruments. Ethical guidelines were followed by ensuring informed consent, maintaining confidentiality, and treating all participants fairly. Quantitative data was analyzed using descriptive statistics in the SPSS version 23 and results were presented in tables of frequencies, percentages and mean rating. Qualitative data was analyzed thematically alongside research questions. The study prioritized the protection of participants' rights and

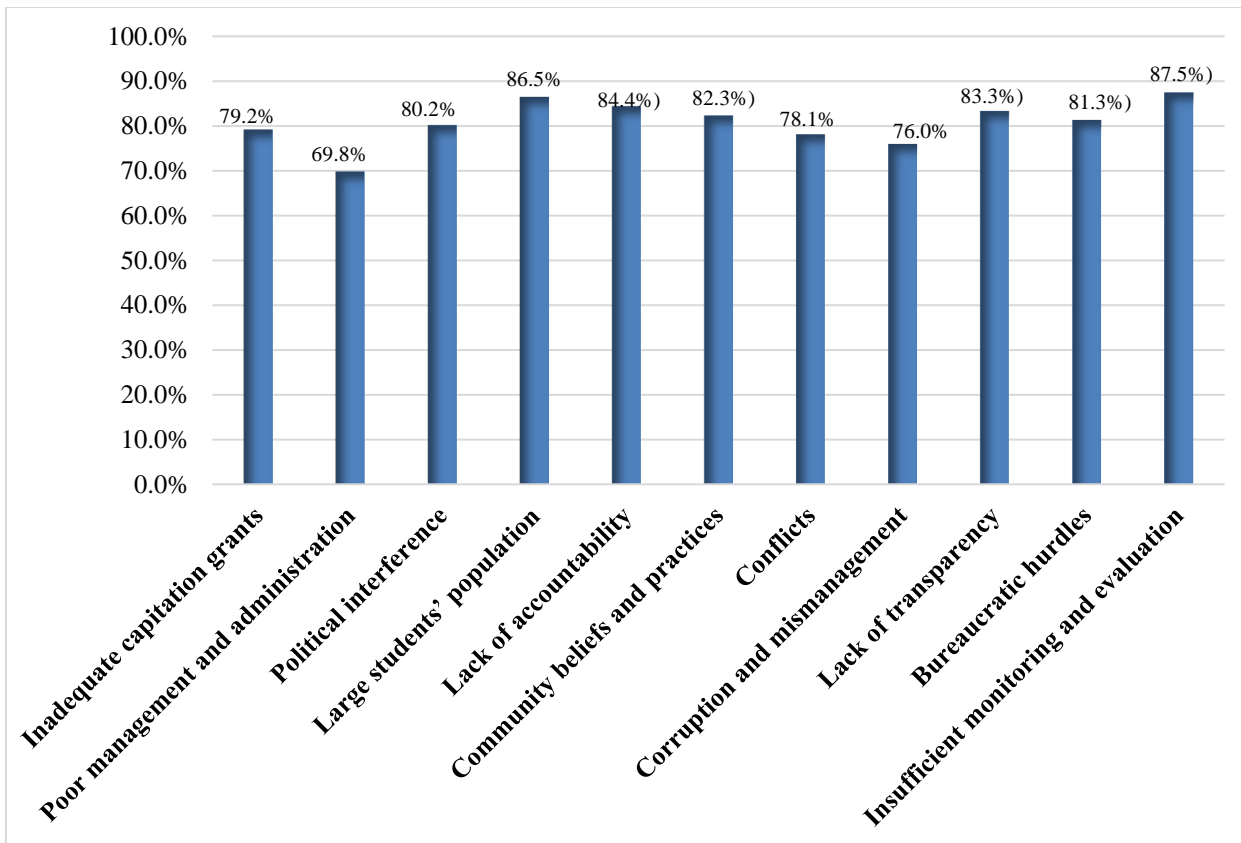
dignity throughout the research. Plagiarism was avoided by acknowledging the sources.

4. Results and Discussion

The findings were discussed according to the research questions

4.1 Findings on the Shortcomings on the Effective Utilization of Capitation Grants in Public Secondary Schools in Arusha city

Regarding the first objective, this study examined the shortcomings on the effective utilization of capitation grants in public secondary schools in Arusha city. The respondents were required to indicate their level of agreement with the items in the questionnaire. Figure 1 shows the data on the shortcomings on the effective utilization of capitation grants in public secondary schools in Arusha city.



f = frequency, % = percentage of teachers who agreed with the statement. Those with contrary opinion to the statement are implied.

Figure 1: Responses from Teachers on the Shortcomings on the Effective Utilisation of Capitation Grants in Public Secondary Schools in Arusha City (n=96)

Source: Field Data (2024)

The study results in figure 1 show that 79.2% of the teachers reported that inadequate capitation grants are a significant shortcoming in the effective utilization of resources in public secondary schools in Arusha city. This finding show that a majority of teachers agreed that the financial resources allocated to schools are insufficient to meet the necessary educational needs and requirements. These are supported by Foli and Afriye (2019) who focused on head teachers' perceptions of the implementation of the capitation grant scheme. The study, among others, found that the main challenges confronting the smooth implementation of the scheme were delays in the release of funds and inadequate funds. It is recommended that the government should release an adequate amount of the grant in good time (thus, before the beginning of each quarter) so that school heads would avoid pre-financing of school activities. From the perspective of Contingency Theory, the effectiveness of capitation grant utilization depends on various internal and external factors, such as the school's size and socio-economic context. Schools must adapt their strategies to manage these limited resources effectively. The

implication of this finding is that schools are struggling to provide essential educational materials, infrastructure, and other resources, for ensuring that despite the insufficient capitation grants educational quality and student performance is taken into consideration.

Also, the data in figure 1 indicates that 69.8% of the public secondary school teachers indicated that poor management and administration are major issues affecting the effective use of capitation grants. This response reflects a prevalent perception of mismanagement and administrative inefficiencies within the schools. Thus, there is need for proper planning, organizing, and controlling resource management, highlighting the need for strategic financial allocation to maximize the limited funds. Correspondingly, in the views of Msoka et al. (2020) effective management of capitation grants has been shown to contribute to increased student enrolment and improved academic performance. Likewise, the Ministry of education should continue to train heads of schools in financial management and administration for the prudent use of funds. However, challenges such as inadequate funds and poor management

practices have been reported, highlighting the need for transparent and accountable utilization, strategic planning, monitoring, and evaluation to ensure funds contribute meaningfully to student learning outcomes and school development (Yizengaw et al., 2021). In this regard, Contingency Theory suggests that management practices must be tailored to the specific conditions of each school, which can vary widely. Effective management requires adaptability to these conditions.

Political interference was identified as a shortcoming by 80.2% of the respondents. The respondents reported that political factors play a significant role in the decision-making processes for schools, in terms of fund allocation. However, political decisions potentially disrupt effective governance and resource allocation due to delay of allocation and bureaucratic. These are supported by the findings by Ochieng and Yeonsung (2021) in the study of political economy of education: assessing institutional and structural constraints to quality and access to education opportunities in Tanzania. The study indicated that, in Kenya and Tanzania, primary schools receive capitation funds from the central government to cover operating expenses. These funds are given on a per child basis because they cover items like text books and maintenance of schools. Further the study showed that, in Tanzania 40% of public funds is leaked in the flow of resources from central ministries to the front-line providers in schools. This implies that two-fifths of school capitation grants do not reach the schools because they are siphoned off by political interference and intermediate layers of education administration. Contingency Theory implies that political factors are external variables influencing school management, requiring adaptive strategies to mitigate negative impacts.

Moreover, figure 1 shows that 86.5% of public secondary school teachers agreed that a large number of students' population is among the shortcomings in the effective utilization of capitation grants. This finding indicates that the high number of students relative to the allocated grants puts a strain on the school's ability to effectively utilize the funds for improving educational facilities. This implies that the introduction of capitation grants and abolishment of school fees resulted into the increase of students' enrolment rate in most of the public secondary schools. Capitation grants in secondary schools focused on subsidizing the costs and enhancing access to quality education in Tanzania (Likuru and Mwila, 2022). Consequently, the provision of capitation grants to primary and secondary schools in Tanzania resulted in the achievement of almost universal literacy as almost all the eligible children in spite of their background, were able to access education. However, the capitation grants allocated were found to be inadequate due to high enrolment compared to the funds disbursed (Fidelis and Mwila,

2022). Contingency Theory highlights the need for adaptive strategies to handle the varying student-teacher ratios and resource demands.

During the interviews and while responding to the question on theme "the shortcomings on effective utilization of capitation grants in public secondary schools in Arusha city", the head of school A noted that:

Currently the utilization of capitation grants no longer requires proportional allocation, leaving the decisions on how much to allocate to each category at the discretion of the district councils and schools. However, removing the strict proportional allocation criteria had meant that the grant was spent entirely on instruction materials and extra-curricular activities, thus neglecting school administration and management costs (personal interview on 15th May, 2024).

The remark from the school head aligns with quantitative findings that schools should exercise responsible use of capitation grants. The negative opinions heard related to this relatively autonomous decision-making process. Nonetheless, the apprehension among respondents could be due to the fact that so much leeway has complicated their grant monitoring tasks. The implication is that unresolved misunderstandings create a toxic environment, reduce collaboration, and hinder the implementation of school programmes, thereby affecting the overall utilization of financial resources for educational improvement.

Lastly, data in figure 1 shows that insufficient monitoring and evaluation were reported by 87.5% of the public secondary school teachers as a critical shortcoming. Public secondary school teachers reported that the school administrators face this challenge of insufficient monitoring and evaluation of financial resources which results in misuse of funds. This is in agreement with Twaha (2018) who found out that there is a general dissatisfaction of the education stakeholders on the disbursed amount of capitation grants. School boards are normally excluded from the decisions concerning the amount disbursed and expenditure of capitation grants that makes it difficult for them to execute their supervisory role. It was found that there are management conflicts between school boards and School Management Teams. Furthermore, majority of school board members had insufficient knowledge on managing capitation grants. Contingency Theory emphasizes the importance of adapting monitoring and evaluation practices to fit the specific needs of each school. Moreover, the interviews revealed a crucial perception in monitoring and evaluation. One informant noted:

There are no strong rules and regulations that compel heads of schools to use capitation grants

in a participatory manner. Nowadays, parents are not much concerned with education matters including guiding their children to go to school that limited prudent management of capitation grants. Cognitive factors such as insufficient knowledge towards governance of capitation grants are also leading institutional factors limiting management of public funds released by the government (Personal interview on 18th May, 2024).

The implication is that without proper monitoring and evaluation mechanisms, it is challenging to measure the effectiveness of fund usage, identify areas for improvement, and ensure that resources are being used to achieve the desired educational outcomes. Contingency Theory concurs but further indicates that management practices must be adapted to prevent and address misuse of resources.

4.5 Findings on the Possible Measures to Address Shortcomings on the Effective Utilisation of Capitation Grants in Improving Educational Facilities in Secondary Schools in Arusha City

The last objective of this study was to determine the possible measures to address shortcomings on the effective utilization of capitation grants in improving educational facilities in public secondary schools in Arusha city. Similarly, the questionnaires were administered to 96 teachers in public secondary schools in Arusha city. The public secondary school teachers were required to indicate their level of agreement with the items in the questionnaire. Table 1 shows the results on possible measures to address shortcomings on the effective utilization of capitation grants in improving educational facilities in secondary schools in Arusha City.

Table 1: Responses from Teachers on the Possible Measures to Address Shortcomings on the Effective Utilization of Capitation Grants in Improving Educational Facilities in Secondary Schools in Arusha City (n=96)

Measures to address shortcomings on the effective utilization of capitation grants	f(%)
Increased capitation grants	96(100)
Improved management and administration	95(98.9)
Political support	87(90.6)
Increase of resources to support students' population	95(98.9)
Enhance accountability	92(95.8)
Community support	89(92.7)
Need for financial training	94(97.9)
Conflicts resolution	93(96.9)
Proper management	91(94.8)
Improved transparency	90(93.8)
Reduce bureaucratic hurdles	75(78.1)
Sufficient monitoring and evaluation	88(91.7)

f = frequency, % = percentages, values in brackets are percentage of teachers who agreed with the statement. Those with contrary opinion to the statement are implied.

Source: Field Data (2024)

The data in table 1 shows that all (100%) of the public secondary school teachers agreed on the need for increased capitation grants as a measure to address the shortcomings in the effective utilization of capitation grants for improving educational facilities. The public secondary school teachers reported that this can be done through high budget allocations from the government and ensuring that schools receive adequate funds to meet adequate educational facilities. Increased capitation grants will enable schools to enhance educational facilities, purchase

necessary teaching materials, and improve the overall learning environment. In line to these current findings, the findings by Boniphace and Ngusa (2022) show that capitation grants provided for renovating students' educational facilities were not sufficient to attain the required standards. Statistics indicate extreme deficits of classrooms in some schools. In addition, there was a scarcity of laboratories and libraries; one secondary school did not have even electricity. The article concludes that the process of improving students' learning facilities has not

been successful. Thus, the government should increase the amount of capitation grants for renovating and building students' learning facilities to ensure that public schools are able to accommodate the rising number of students who are taking the advantage of the fee-free secondary school education. Contingency Theory emphasizes that the effective utilization of these grants depends on various factors, such as school size and socio-economic context, requiring tailored management strategies.

Furthermore, the data in table 1 show that 93.8% of public secondary school teachers agreed on the need for improved transparency as among the measures in addressing the shortcoming of effective utilization of capitation grants in improving educational facilities. The public secondary school teachers reasoned that implementing this measure involves making financial information publicly accessible, conducting regular financial review, and involving stakeholders in financial decision-making processes. Parallel with these findings, Lacsá (2022) revealed that good practices on school financial resource management have a significant effect on school performance, programmes, projects, and activities implementation, liquidation, transparency, and school facilities. Another study (Yizengaw et al., 2021) reported the challenges such as inadequate funds and poor management practices have been reported, highlighting the need for transparent and accountable utilization, strategic planning, monitoring, and evaluation to ensure funds contribute meaningfully to students' learning outcomes and school development.

The findings also reported that 78.1% of the public secondary school teachers identified the need to reduce bureaucratic hurdles as a possible measure for addressing the shortcomings in the effective utilization of capitation grants. The public secondary school teachers agreed that this can be implemented by improving administrative procedures, reducing hierarchical procedure such that the grants can be allocated directly to the respective schools. According to Nachinguru and Mwila (2023) lack of proper financial management abilities, a lack of financial guidelines, political influence, bureaucracy restrictions and corruption among committee members were issues related to improper management of financial resources. To improve the management of financial resources and maximize the benefits from those resources, heads of schools should become fully versed in all financial resource management procedures and skills. Further reducing bureaucratic restrictions will ensure that the necessary funding is secured on time and that the schools are making the best use of their current financial resources, essential for improving educational quality. In this regard, Contingency Theory suggests that management practices must be adaptable to overcome bureaucratic challenges.

In addition, sufficient monitoring and evaluation were agreed by 91.7% of the public secondary school teachers

as the possible measure to address the shortcomings in the effective utilization of capitation grants in improving educational facilities. Teachers in public secondary school noted that implementing this measure involves setting up regular monitoring and evaluation to assess the impact of capitation grants on educational facilities. Schools can use performance indicators and feedback mechanisms to track progress and make necessary reconciliation. Additionally, the findings by Bore (2023) revealed that the challenges involved include lack of experience in managing and utilizing financial resources, poor and incorrect financial planning, insufficient monitoring and evaluation (auditing), improper purchases, inadequate financial management and utilization documents, misuse of school funds, and incompetence of administrative personnel when it came to managing and utilizing school funds. The study stresses the roles of controlling decision-making in ensuring that resources are utilized effectively and that educational outcomes are achieved through regular evaluation. Similarly, there is a need to adapt monitoring and evaluation practices to fit each school's specific needs.

On the possible measures to address shortcomings on the effective utilization of capitation grants in improving educational facilities in secondary schools in Arusha City, the head of school E observed that:

The authority should ensure that implementation, transparency, accountability, quarterly reports are prepared, on-going monitoring and evaluation and relevant stakeholders are involved in resource management activities. There is need to enhance communication and decision-making in maintaining transparency, thereby ensuring that stakeholders are well-informed and trust the management processes (personal interview on 20th May, 2024).

From this excerpt, the study established that school heads are encouraged to employ various strategies to address the challenges associated with financial resource management in their schools. These include planning, accounting, auditing, reporting, and recording. According to financial regulations, the administration's finance and economy development office should conduct school audits on a regular basis. This indicates that ongoing monitoring and evaluation may ensure that funds are used effectively and that educational facilities continuously improve to meet the needs of public secondary schools.

5. Conclusion and Recommendations

5.1 Conclusion

Based on the findings, the following conclusions were drawn:

According to the study's findings, effective utilization of capitation grants influence improvement of educational facilities in public secondary schools in Arusha city. This is because there was capitation grants allocated for ensuring that educational facilities are improved, constructed or renovated. However, there was dissatisfaction from the study findings that although the capitation grants are allocated, the grants were inadequate and insufficient as a result, schools struggle to manage their financial resources for education and find it challenging to improve educational facilities in public secondary schools. This situation results in shortcomings, especially regarding educational facilities due to inadequate funds. Therefore, this hampers the effective utilization of financial resources in schools in improving educational facilities in public secondary schools in Arusha city. This study further concludes that; there is a need to increase the amount of capitation grants to the public secondary schools in order to address the shortcomings on effective utilization of capitation in improving educational facilities in public secondary schools in Arusha city.

5.2 Recommendations

Based on the study conclusions the following recommendations were made:

1. Effective management and administrative practices are vital for the proper utilization of capitation grants. School administrators should be trained in modern management techniques and best practices for fund utilization. Additionally, reducing bureaucratic hurdles and streamlining processes can lead to more efficient use of resources. Establishing a system of regular monitoring and evaluation can help in identifying emerging issues early and making necessary adjustments.
2. Similarly, engaging the community and gaining their support is essential for the successful utilization of capitation grants. Schools should involve parents, local leaders, and other stakeholders in the planning and decision-making processes. Community support can also help in resolving conflicts, addressing local beliefs and practices that may hinder effective utilization, and fostering a sense of ownership and responsibility towards school improvement.
3. Establishing strong monitoring and evaluation systems is crucial for ensuring the effective utilization of capitation grants. Regular monitoring can help in identifying challenges and shortcomings in real-time thereby allowing for timely interventions. Evaluation of the impact of fund utilization on educational facilities and

student outcomes should be conducted periodically. This will provide valuable feedback and guide future decisions on fund allocation and utilization.

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