



INFLUENCE OF COST REDUCTION APPROACHES ON PRINCIPALS ADMINISTRATIVE EFFECTIVENESS IN PUBLIC SECONDARY SCHOOLS IN GOMBE STATE, NIGERIA

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Abstract

The study aimed to assess the Influence of Cost Reduction Approaches on Principals Administrative Effectiveness in Public Secondary Schools in Gombe State, Nigeria. Two objectives and two research questions were raised in the study. Correlation research design was adopted for the study. The population of the study consisted of all the 154 principals in 154 public secondary schools in the 11 local Government areas (LGAs) in Gombe state. Proportionate stratified sampling technique was used by dividing the population into meaningful subgroups and selecting samples proportionally from each stratum. 123 principals represent the 80 percent of the entire population of the study. The questionnaire was used as an instrument for data collection titled "Principals' Cost Reduction Approaches and Administrative Effectiveness Questionnaire (PCRAAEQ)" the instrument used four-point Likert scale of Strongly Agree (SA), Agree (A), Disagree (D) and Strongly Disagree (SD) respectively. The questionnaire was validated by a team of experts in the Department of Educational Foundations, Faculty of Education, Federal University of Kashere, for content validity assessment. The data collected was analyzed using mean and standard deviation were used for research questions while inferential statistics such as One-way Analysis of variance (ANOVA) was used to test the two null hypotheses at 0.05 level of significance. The study revealed that budgeting approach has strong positive relationship between the scores in budgeting approach and principals' administrative effectiveness in public secondary schools in Gombe State equally the finding of this study shows that there was strong positive relationship between scores labour cost control approach and Principals' administrative effectiveness in public secondary schools in Gombe State. It is recommended that Gombe State Secondary Education Management Board should develop budgetary manual for guiding and serving as benchmark for the principals in estimating, monitoring and evaluating income and expenditure of school funds for attainment of administrative effectiveness.

Keywords: Influence, Cost Reduction, Approach, Administration and Principals



Introduction

Education has been recognized as the bedrock of development all over the world. It is believed that the way out of the series of problems plaguing nations and individuals is through education (Olurunsola & Belo, 2018). This is because it helps individuals to acquire useful knowledge and economically viable skills. Perhaps, this is why education has been designated as a right to every child under Universal Declaration of Human Rights in 1948 (Brown, 2016). It is therefore of no wonder that many African countries had since their independence invested heavily in basic, secondary and higher education as part of alleviating the adversities ignorance, and underdevelopment.

Cost reduction refers to deliberate and effective financial management strategies aimed at decreasing operational costs for schools without compromising the standard of instruction and learning. It can also be seen as a methodical way to reduce educational spending without sacrificing the standard of the delivered instruction and learning (Egbide, Adegbola, Bamidele, Sunday, Olufemi, & Ruth, 2019). The systematic identification and classification of costs could lead to cost reduction. It could also be done by taking a logical strategy that lowers costs. Principals of secondary schools must use proper cost-saving strategies to find alternate ways to complete tasks within their institutions in order to do this.

Budget is a blueprint of revenue and expenditures plan of organizations. It guides the organization in financial management and control. Budgeting ensures that limited resources are judiciously used (Kinuthia, 2020). Kimani (2014) asserted that budgeting approach entails predetermined goals versus actual performance results are

duly evaluated to highlight any variation for actions. Budgeting approach requires that a principal monitors the task performances activities and applies control mechanism in order to achieve set targets. It could aid in cost reduction, future projections, control expenses, assists in planning both short term and long term cash flow. Effectively, the principal could use budgeting approach to plan, coordinate, direct and control school resources towards the attainment of set targets and objectives. The principal however, makes effective use of Budgeting approach to provide comprehensive management platform for efficient and effective allocation of resources. Effectively, budgeting approach could help to keep the school in check by enabling the principal to spend based on available income in order to achieve the objectives of secondary school. Several budgeting approaches that can be used in secondary schools include; zero budgeting and out-come based budgeting. However, the types of budgeting approach applied by principals may also give them insight on how to control the costs of labour in the school (Ogbo, Obiekwe. & Emere, 2020).

Labour cost is amount of expenditure incurred by the schools for hiring or employing personnel in exchange of services for the attainment of school goals (Young & Shields, in Vambe, 2018). It forms a significant portion of expenditures in most schools (Owolabi, Ajao & Victory, 2021). Labour cost constitutes an important element of the total cost of production because human contribution is represented by labour. Increased labour cost increases the cost of managing a school and this cost is transferred to users. Labour cost control helps to obtain better quality output with the effort and time of works. Principal however, makes effective use of labour cost control to reduce cost of education by scheduling the



appropriate staff to serve the school needs and demands through delegation of duties. Principal being knowledgeable enough to know the staff that will accomplish a given task determines to a great extent the successful achievement of educational objectives, Donley (2019). Principal's ability to motivate and rally teachers and non-teaching staff to maximize their productivity is an integral part of administrative responsibility of the principal. Young and Shields cited in Vambe (2018) posited that the best way school reduces labour cost is by using strategic cost control measures or strategies. Cost control measures that could be applied by principal in order to control labour cost includes; contract services or outsourcing, cooperative purchasing, adopting a school programme for business, collective use of facility, adopting technology as a means of communication, and time keeping. However, Principal's inability to control labour cost could have a lot of implications on overhead costs.

Statement of the Problem

The principal is the chief executive of school who has multifarious tasks to accomplish for administrative effectiveness of the school. One of the responsibilities of the Principal is to apply different cost reduction approaches to reduce accruing costs that may rise in the management and administration of educational resources, projects and programs. These approaches range from applying budgeting and labour cost control which are geared towards administrative effectiveness. There are increasing number of school problems that have to do with principals' incompetency in sorting for alternative ways of managing insufficient or small funds released by government in managing school resources, projects and program in Gombe State. This ranges from misappropriation and

mismanagement of funds, poor infrastructure, and neglects of budgetary procedures and unaccountability of funds expended in schools. Cost reduction approach could help principals to prudently manage, utilize and maintain school facilities, keep school records and other things that augment conducive teaching and learning process. Also principals cannot play their role effectively if not adequately equipped with essential cost reduction approaches because the process of effective utilization of available resources needs management procedure. Some principals charged with the task of administrative functions to attain the secondary school objectives seem not to be competent in using cost reduction approach. Some seem to neglect the adoption of cost reduction approach in carrying out their administrative duties. These may account for cases of negligence of budgetary procedures, misappropriation and mismanagement of funds, poor infrastructural development, and unaccountability of funds expended in the school.

It becomes necessary to investigate principals cost reduction approaches as correlate of their administrative effectiveness in public secondary schools in Gombe State. It is beyond reasonable doubt that schools in Gombe face with insufficient funding released by government to schools in Gombe State, which jeopardize the administrative effectiveness of the schools. No meaningful organization can achieve administrative effectiveness without adopting approaches of managing the available resources released by its stakeholders because resources are scarce. Hence, administrative effectiveness is considered to be very crucial in the achievement of educational goals and objectives. Cost reduction approaches could contribute to prudent or judicious use of



insufficient or small funds released by government thereby curtailing the issues of insufficient funds. It becomes necessary to investigate principals cost reduction approach as correlates of their administrative effectiveness in public secondary schools in Gombe State.

Objectives of the Study

The objectives of this study are:

1. Access the relationship between principals budgeting approach and their administrative effectiveness in public secondary schools in Gombe State, Nigeria
2. Ascertain the relationship between principals' labour cost control approach and their administrative effectiveness in public secondary schools in Gombe State.

Research Questions

The following research questions guided the study.

1. What is the relationship between principals budgeting approach and their administrative effectiveness in public secondary schools in Gombe State?
2. What is the relationship between principals' labour cost control approach and their administrative effectiveness in public secondary schools in Gombe State?

Hypotheses

The following hypotheses were tested at 0.05 level of significance.

1. There is no significant relationship between principals' budgeting approach and their administrative effectiveness in public secondary schools in Gombe State.
2. There is no significant relationship between principals' labours cost

control approach and their administrative effectiveness in public secondary schools in Gombe State.

Methodology

Correlation research design was adopted for the study. The population of the study consisted of all the 154 principals in 154 public secondary schools in the 11 local Government areas (LGAs) in Gombe state. Proportionate stratified sampling technique was used by dividing the population into meaningful subgroups and selecting samples proportionally from each stratum, 123 principals represent the 80 percent of the entire population of the study. This is in line with Nworgu (2015) who advocated that a sample size of 30 to 80 percent of a population of few hundreds is adequate for a research work. Eighty (80%) is within the range of Nworgu's suggestion and that percentage is what the researcher has managed. The questionnaire was used as an instrument for data collection titled "Principals' Cost Reduction Approaches and Administrative Effectiveness Questionnaire (PCRAAEQ)" the instrument used four-point Likert scale of Strongly Agree (SA), Agree (A), Disagree (D) and Strongly Disagree (SD) respectively. the questionnaire was validated by a team of experts in the Department of Educational Foundations, Faculty of Education, Federal University of Kashere, for content validity assessment. The data collected was analyzed using mean and standard deviation were used for research questions, a mean score of 2.50 and above stand as criterion level for agreement while a mean score below 2.50 stand as criterion level of disagreement. Similarly, in testing the hypothesis inferential statistics; one-way Analysis of variance (ANOVA) was used to test the five null hypotheses at 0.05 level of significance.

**Results**

RQ 1: What is the relationship between principals budgeting approach and their

administrative effectiveness in public secondary schools in Gombe State?

Table 1: Opinions of Respondents on the Principals Budgeting Approach and their Administrative Effectiveness in Public Secondary Schools in Gombe State, Nigeria

S/N	Item Statement	Agreed		Undecided				Disagreed		Total	
		F	%	F	%	F	%	F	%	Mean	Std. Dev.
1	Does the implementation of activity-based budgeting improve administrative effectiveness in public secondary school organizations?	92	75	6	5	25	20			3.34	..86
2	School organizations that utilize zero-based budgeting more administratively effective compared to those using traditional budgeting approaches?	84	69	9	7	30	24			3.52	.72
3	Do organizations that employ participatory budgeting approaches more administratively efficient than those that do not involve employees in the budgeting process?	99	80	00	0	24	20			3.69	.82
4	Does the use of cost-volume-profit analysis in budgeting result in improved administrative decision-making?	95	77	00	0	28	23			3.19	.83
9	Does principal budgetary approach, between capital budgeting and cash budgeting, is more effective in enhancing administrative control over financial resources?	52	42	00	0	71	58			1.45	.63
	Cluster									3.01	0.78

Source: Field work, 2024



Going through the opinions of the respondents on the effectiveness of cloud services, Table 1 shows that items 1, 2, 3 and 4 have mean score above 2.50. This indicate the respondent have agreed with those items. Its only item 5 that has mean score below 2.50 indicating that the respondent have disagreed with the item. The cluster mean score is 3.01. This implies that majority of the respondents strongly agreed that

principals budgeting approach are in line with administrative effectiveness in public secondary schools in Gombe States in Nigeria.

RQ 2: What is the relationship between principals' labour cost control approach and their administrative effectiveness in public secondary schools in Gombe State?

Table 2: Opinions of Respondents on the Principals' Labour Cost Control Approach and their Administrative Effectiveness in Public Secondary Schools in Gombe State

S/N	Item Statement	Agreed		Undecided		Disagreed		Total	
		F	%	F	%	F	%	Mean	Std. Dev.
1	Do organizations that implement time and attendance tracking systems experience greater administrative effectiveness in controlling labour costs compared to those that do not?	102	83	7	6	14	11	3.94	.92
2	Is the use of performance-based incentives for employees more effective in controlling labour costs than fixed salary structures?	111	90	00	0	12	10	3.86	.91
3	Does the implementation of workforce scheduling software lead to improved administrative effectiveness in managing labour costs?	67	54	00	0	56	46	2.42	.99
4	Are organizations that employ cross-training programs for employees more administratively effective in controlling labour costs compared to those that do not offer such programs?	95	77	00	0	28	23	3.62	.73
9	Does the adoption of job rotation strategies result in greater administrative effectiveness in managing labour costs within organizations?	87	71	00	0	52	29	3.38	.1.02
	Cluster							3.14	0.82

Source: Field work, 2024



Table 2 shows that items 1, 2, 4 and 5 have mean score above 2.50. This indicate the respondent have agreed with those items. Its only item 3 that has mean score below 2.50 indicating that the respondent have disagreed with the item. The cluster mean score is 3.14. This implies that majority of the respondents strongly agreed that labour cost control approach has strong effect on administrative

effectiveness in public secondary schools in Gombe State, Nigeria.

Ho₁: There is no significant relationship between principals' budgeting approach and their administrative effectiveness in public secondary schools in Gombe State, Nigeria

Table 3: Summary of the One Analysis of Variance (ANOVA) on the Principals' Budgeting Approach and their Administrative Effectiveness in Public Secondary Schools in Gombe State, Nigeria

Compromise	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	1.983	2	.661	0.413	0.736
Within Groups	583.873	372	1.613		
Total	585.856	374			

Source: Field work, 2024

From table 3, the F-value is 0.413 and the P-value is 0.736 at 0.05 levels of significance. Since the P-value is greater than the level of significance set for the study, the hypothesis is therefore retained, thus, there is no significant difference in the opinions of respondents on provision and management

of accommodation services in universities of Northwest Geographical Zone, Nigeria.

Ho₂: There is no significant relationship between principals' labours cost control approach and their administrative effectiveness in public secondary schools in Gombe State, Nigeria.

Table 4: Summary of the One Analysis of Variance (ANOVA) on Principals' Labours Cost Control Approach and their Administrative Effectiveness in Public Secondary Schools in Gombe State, Nigeria.

Collaboration	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	8.808	2	2.936	2.035	0.062
Within Groups	522.136	372	1.442		
Total	530.944	374			

Source: Field work, 2024

From table 4: The F-value is 2.035 and the P-value is 0.062 at 0.05 levels of significance. Since the P-value is greater than the level of significance set for the study, the hypothesis is therefore retained, thus, there is no significant difference

principals labour cost control approach and administrative effectiveness in senior secondary schools in Gombe State, Nigeria.



Discussions of the Findings

It was established by the findings of this study that budgeting approach has strong positive relationship between the scores in budgeting approach and principals' administrative effectiveness in public secondary schools in Gombe State. This is in line with the finding of Owolabi, Ajao, and Victory (2021) which revealed that there was strong positive relationship between budgeting measure and enhancement of principals' administrative effectiveness in secondary schools. This also agreed with the finding of Ugoani (2019) which reported that budgeting management has positive relationship with organizational effectiveness. The studies were conducted in different geographical location where similar budgeting practices are adopted in school system which may account for the agreement in the findings. The possible reason for this finding is that budgeting approach promotes rational allocation of resources to enhance administrative effectiveness. Budgeting approach is probably applied by principals to prevent reckless spending by compelling members of staff to follow the approved estimates of expending funds.

In addition, it was also reported that there was significant relationship between budgeting approach and principals' administrative effectiveness in public secondary schools in Gombe State. This also supported the finding of Owolabi, Ajao and Victory (2021) which revealed that there was significant relationship between budgeting measure and enhancement of principals' administrative effectiveness in secondary schools. This is also in consonance with the finding of Ugoani (2019) which reported that budgeting managerial approach has significant relationship with organizational effectiveness. Budgeting approach has

significant relationship with administrative effective probably due to it serves as an instrument of control and Coordination of school activities by giving financial direction for attainment of set objectives.

The finding of this study shows that there was strong positive relationship between scores labour cost control approach and Principals' administrative effectiveness in public secondary schools in Gombe State. This is in line with the finding of Akeern (2017) who revealed that labour cost Control moderate positively correlates organizational effectiveness. The similarity in findings is probably due to the fact that labour cost Control is probably geared toward setting limit in expenses incurred in formal operational of labour and also increase in efficiency of their services. The labour cost control approach probably correlates with administrative effectiveness probably due to the fact that it sets a standard for the services of some labourers to reduce expenditure in the school. The labour cost control approach is adopted by principals in Gombe State to ensure the cost of hiring labour for certain services like maintenance of school facilities does not go beyond a certain amount. Labour cost is controlled through hiring workers on a contract basis and thereby eliminating certain expenses from full-time staff.

However, it was also reported that there was significant relationship between labour cost control approach and principals' administrative effectiveness in public secondary schools in Gombe State. This also affirmed the finding of Akeern (2017) who revealed that labour cost control significantly correlates organization effectiveness. The labour cost control significantly correlates to administrative effectiveness probably due to the fact that it curbs necessary expenditure while ensuring



maximum use of scarce human resources to create conducive school environment.

Conclusions

Based on the findings of this study, it can be concluded that:

There was Positive and significant relationship between principals' cost reduction technique and their administrative effectiveness in public secondary schools Gombe State. The principals probably apply costs re-education techniques to regulate and reduce unwanted expenses which improve the administrative effectiveness in secondary schools. However, cases of negligence of budgetary procedures, misappropriation and mismanagement of funds, poor infrastructure development, and unaccountability of funds expended in the school may be as a result of other external factors.

Recommendations

In view of findings, the following recommendations were made:

1. Gombe State Secondary Education Management Board should develop budgetary manual for guiding and serving as benchmark for the principals in estimating, monitoring and evaluating income and expenditure of school funds for attainment of administrative effectiveness.
2. School principals should constitute and supervise the activities of labour cost control committee to ensure strict adherence to the budgetary guideline in spending the school funds with respect to hiring labour for administrative effectiveness

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