

# Impact of Budget Strategy on Academic and Operational Outcomes in One State University

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## **Abstract**

This study investigates the relationship between budget strategy and the academic and operational standing of Laguna State Polytechnic University (LSPU). Utilizing a descriptive-correlational research design, the study explores how financial strategies—particularly in fund allocation, financial planning, resource management, and expenditure monitoring—affect institutional outcomes such as academic performance, operational efficiency, and stakeholder satisfaction. Data were gathered from students, faculty, and administrative personnel through structured surveys, and analyzed using descriptive statistics and Pearson correlation.

Findings revealed that LSPU's budget strategies are positively correlated with academic and operational outcomes. Allocation of funds emerged as a key factor, showing moderately high correlations with student achievement, faculty satisfaction, and service delivery. Financial planning was strongly linked to operational efficiency and faculty development, while resource management played a significant role in maximizing institutional resources. Expenditure monitoring, though slightly less impactful, demonstrated meaningful contributions to transparency and fiscal discipline. Collectively, these strategies reinforced stakeholder trust, improved institutional processes, and enhanced the learning environment.

The study concludes that LSPU's financial strategies significantly influence its performance and sustainability. Recommendations include adopting adaptive planning mechanisms, strengthening internal audit systems, enhancing physical and digital infrastructure, and engaging stakeholders in budget planning. The research provides insights valuable to university administrators and policymakers aiming to align budget practices with institutional goals in public higher education.

**KEYWORDS:** Financial Planning, Academic Achievement, Operational Effectiveness, Budget Approach, Budget Limitation.

## **INTRODUCTION**

State universities and colleges are acknowledged as very crucial to national development for they produce knowledge, foster development, and create skilled labor. Among those educational institutions is Laguna State Polytechnic University (LSPU), serving as a center for learning in the area with quality academic programs and community needs. However, for LSPU to be both effective and efficient in these two roles, a strategic management of budget resources is mandated.

Back then in that fast-changing education world, financing was a crucial determinant for institutional success. Due to a set of government aid and other financial restrictions, public universities like LSPU often suffer from these problems. Hence, budget planning becomes a policy of institutional strategy. Its

successful control of budgets did not only mean better quality of academic programs and student output but also improved the efficiency of university services, such as infrastructure development, faculty support, and student services.

The relationship between LSPU's budget process and its academic and operational performance was investigated. It specifically tried to determine how financial resources were allocated and used in the university's attainment of its goals in educational attainments, research, public service, and administrative competence. The study examined the interplay between budget planning and institutional performance to yield insights for policy recommendations on financial management improvement in state universities and colleges.

This research bears special significance at a time when public higher education institutions are presented more adamantly with calls for accountability, transparency, and sustainability. The study evaluated LSPU's budget plan concerning national and international strength and competitiveness within the academic landscape, considering global movements for high quality education and dynamic socio-economic conditions.

Understandably, these financial systems underpinned the performance missions and operations of LSPU and were relevant to institutional leaders, policymakers, and stakeholders who would want to make evidence-based decisions that would benefit the overall position of the university. This master's study adds an important perspective on the way budget strategies impact achievement and long-term sustainability in public higher education institutions in the Philippines.

## **OBJECTIVES**

This study aimed to examine the impact of budget strategy on the academic and operational outcomes of Laguna State Polytechnic University. Specifically, it sought to Assess the level or status of LSPU's budget strategy in terms of: Allocation of funds, financial planning, Resource management and Expenditure monitoring. To evaluate the academic and operational outcomes in relation to: Academic performance, Operational efficiency, Faculty and staff satisfaction and Student satisfaction and to determine the significant relationships between budget strategies and academic and operational outcomes.

## **METHODS**

The study employed a quantitative, descriptive-correlational design to assess the relationship between budget strategy and institutional performance at LSPU.

The population consisted of 435 individuals from LSPU, including administrators, faculty, and students. Stratified random sampling ensured proportional representation across key sectors. Data were collected using validated Likert-scale questionnaires.

A structured survey instrument measured four dimensions of budget strategy—allocation of funds, financial planning, resource management, and expenditure monitoring—and their influence on academic and operational outcomes.

Descriptive statistics (mean, standard deviation) were used to assess perceptions of financial strategies. Pearson's correlation coefficient tested the relationships between budgetary practices and institutional performance indicators. All analyses were conducted with a 0.05 level of significance.

## RESULTS AND DISCUSSION

### Level or Status of Budget Strategy in Academic and Operational Outcomes

In this study, on the level or status of budget strategy in academic and operational outcomes, allocation of funds, financial planning, resource management, and expenditure monitoring were determined.

**Table 1. Level or status of budget strategy in the Academic and Operational outcomes in terms of allocation of funds.**

Statement	Mean	Std. Deviation	Verbal Interpretation
<i>1. Budget allocation supports the improvement of academic programs at LSPU.</i>	3.3862	.54965	Very High
<i>2. The budget allocation supports seamless campus operations and administrative functions</i>	3.3862	.53693	Very High
<i>3. Sufficient funds are allocated to support the enhancement of academic programs.</i>	3.3057	.63015	Very High
<i>4. Critical operational needs, such as utilities, maintenance, and safety, are adequately funded.</i>	3.2000	.58711	High
<i>5. Budget allocation supports faculty and staff development programs, such as training and continuing education.</i>	3.2644	.54856	Very High
Allocation of Funds	<b>3.3085</b>	<b>.46894</b>	Very High

Legend: 3.26–4.00 – Very High; 2.51–3.25- High; 1.76– 2.50 - Low; 1:00–1.75- Very Low.

As shown in Table 1, a sufficiently comprehensive body of information concerning the status of budget strategies with respect to both academic and operational outcomes in LSPU provides an academic perspective on the distribution of funds among numerous competing institutional needs. The data indicates that there is considerable agreement among the respondents concerning the effectiveness of budget allocation to the university in supporting the enhancement of academic programs and in ensuring that the functioning of campus and administration proceeds unhampered. This consensus is seen in the highest-rated statement, "Budget allocation supports the smooth functioning of campus and administrative operations," which scored a mean of 3.39 with a verbal interpretation of strongly agree.

The second rank is the statement, "There are sufficient funds to support the enhancement of academic programs," which garners a mean score of 3.31 and is likewise interpreted as strongly agree. This shows the institution's position on academic development as one of the key aspects of its budget strategy. Conversely, the statement with the lowest rating, "Critical operational needs, such as utilities, maintenance, and safety, are adequately funded," has a mean of 3.20 and a verbal interpretation of agree. Although still positive, this means that respondents feel that improvements can be made with regard to some very important yet often-neglected operational needs.

On the whole, the result of a grand mean of 3.31 with a standard deviation of 0.469 indicates a fairly high level of agreement on the perceived effectiveness of the university's allocation of budget resources. This relatively low standard deviation also indicates a consistent perception of the respondents along the lines of a commingled view that such budgeting approaches of LSPU are an advantage in terms of academic

quality and operational efficiency. These findings highlight the importance of strategic financial planning in the accomplishment of institutional goals and smooth operations of the university.

**Table 2. Level or status of budget strategy in the Academic and Operational outcomes in terms of financial planning.**

Statement	Mean	Std. Deviation	Verbal Interpretation
<i>1. Adequate funds are allocated to innovation and growth initiatives through financial planning.</i>	3.3379	.52872	Very High
<i>2. The budget allocation supports seamless campus operations and administrative functions</i>	3.1885	.61574	High
<i>3. Stakeholders are well-informed about how financial resources are planned and allocated.</i>	3.2391	.60553	High
<i>4. Financial planning under the budget strategy builds trust and confidence among stakeholders</i>	3.2713	.55564	Very High
<i>5. Financial planning under the budget strategy is flexible enough to adapt to unforeseen challenges.</i>	3.1655	.55167	High
<b>Financial Planning</b>	<b>3.2405</b>	<b>.47210</b>	<b>High</b>

Legend: 3.26–4.00 – Very High; 2.51–3.25- High; 1.76– 2.50 - Low; 1:00–1.75- Very Low.

Table 2 indicates the state or level of budget strategies in the Academic and Operational outcomes in the approach to financial planning. The statement, as shown in the table, means that adequate funds allocated to innovation and growth initiatives through financial planning, has the peak mean of 3.34 and a verbal interpretation of strongly agree.

The second highest rank is the statement 'Financial planning under budget strategy builds trust and confidence among stakeholders', which has a mean of 3.27 and a verbal interpretation of strongly agree. Financial planning under budget strategy, which is flexible enough to adapt to unforeseen challenges, is the least-ranked item with a mean of 3.17. The grand average is 3.24 with a verbal interpretation of agree and a standard deviation of .472.

In fact, Zhao and Luan (2020) proved the efficacy of financial planning in achieving operational potential in a university. A double-edged sword, effective budget strategies enhance administrative processes, reduce operational delays, and realize financial resources best utilization among universities.

Likewise, the study of De la Rosa and Tang (2019), which concentrated on public universities across Southeast Asia, reiterates the importance of well-planned financial management to bring better academic standing. It further reveals that the universities which have structured and strategic financial management practices show a considerable difference in important academic indicators. Among others, it established a relationship between effective financial planning and research output, in which the allocation of research funds to satisfy faculty and students' participation in scholarly activities was productive. The study also revealed better student performance, meaning that prudent investments in academic resources, programs for support, and physical infrastructures likely lead to better educational outcomes. These findings finally

strengthen the argument on good financial governance to facilitate research productivity and academic excellence in public higher education institutions.

These findings relate to LSPU because it can lead to stronger operations through better and sound financial planning and monitoring of expenditures. With the implementation of those strategies, LSPU can ensure that the funds allocated are used properly, are kept to a minimum on unnecessary expenses, and improve performance for the whole institution. At the same time, it can create transparency and accountancy, develop greater trust by stakeholders, and ensure sustainability in the long run.

**Table 3. Level or status of budget strategy in the Academic and Operational outcomes in terms of resource management.**

Statement	Mean	Std. Deviation	Verbal Interpretation
<i>1. The budget strategy helps minimize unnecessary expenditures while maximizing resource effectiveness.</i>	3.3770	.56014	Very High
<i>2. Resource management planning considers future growth and expansion needs.</i>	3.3908	.55889	Very High
<i>3. Mechanisms are in place to monitor and evaluate the impact of budget allocations on resource management.</i>	3.2506	.53385	High
<i>4. The budget strategy has significantly improved resource management efficiency.</i>	3.3195	.62694	Very High
<i>5. The budget strategy effectively supports the university's resource management goals.</i>	3.2851	.66279	Very High
<b>Resource Management</b>	<b>3.3246</b>	<b>.50144</b>	<b>Very High</b>

Legend: 3.26–4.00 – Very High; 2.51–3.25- High; 1.76– 2.50 - Low; 1:00–1.75- Very Low.

The assessment given in Table 3 deals with the budget strategy's level or status concerning academic and operational outputs, especially in terms of resource management. The results show that considerations for future growth and expansion requirements scored highest in mean, at 3.39 (strongly agree), with a standard deviation of 0.559. This indicates the respondents' belief that, among resource planning, the institution is active in forecasting for, and planning for, the long-term development and eventual means requirements. Coming very close is the budget strategy that aims to minimize unnecessary expenditures while maximizing resource effectiveness, scoring a mean of 3.38 (strongly agree) with a standard deviation of 0.560. There is, therefore, a sound consensus that cost-effectiveness and optimization are effectively prioritized in the financial plan of the university. On the other hand, the last item to be evaluated, although rated reasonably well, is for the mechanisms available for monitoring and evaluating the effects of budget allocation on resource management. This area scored 3.25 mean value with a verbal interpretation of agree. This means that monitoring and evaluation systems are in place but may promote strengthening these mechanisms further to ensure that budget allocations are aligned with intended outcomes in resource management continually.

In summary, results indicate a generally positive perception of the institution's budget strategy towards resource management, academics, and operations. It shows strengths in planning with an eye toward the



future and efficiency in utilizing resources, although monitoring-the-evaluation processes may require further development. The overall mean, therefore, is 3.32 with a verbal interpretation of strongly agree and a standard deviation of .501.

**Table 4. Level or status of budget strategy in the Academic and Operational outcomes in terms of expenditure monitoring.**

Statement	Mean	Std. Deviation	Verbal Interpretation
<i>1.The budget strategy ensures that expenditure monitoring is a key priority.</i>	3.3701	.55858	Very High
<i>2. Budget allocations are consistently monitored to prevent overspending.</i>	3.3149	.59152	Very High
<i>3. The organization effectively tracks variances between planned and actual expenditures.</i>	3.3241	.51987	Very High
<i>4. Expenditure monitoring helps in ensuring compliance with financial policies and regulations.</i>	3.4161	.57938	Very High
<i>5. Budget monitoring practices help in maintaining financial stability and security.</i>	3.4276	.53553	Very High
<b>Expenditure Monitoring</b>	<b>3.3706</b>	<b>.47018</b>	<b>Very High</b>

Legend: 3.26–4.00 – Very High; 2.51–3.25- High; 1.76– 2.50 - Low; 1:00–1.75- Very Low.

The budget strategy's assessment level or status concerning its academic and operational objectives, particularly regarding expenditure monitoring, is presented in Table 4. The findings indicate a high score of 3.43 with a strong agreement verbal interpretation and standard deviation of 0.536 for budget monitoring practices that maintain financial stability and security. This reveals that almost all of the respondents agree that good budget monitoring practices assist in the protection of the financial well-being of the university.

Next is the function of expenditure monitoring in ensuring compliance with financial policies and regulations, which gained a 3.42 mean score, interpreted as strongly agree, with a standard deviation of 0.579. This portrays a sound perception that financial oversight mechanisms are truly nothing in upholding institutional and regulatory compliance. The lowest-ranked statement is that budget allocation is consistently monitored to avert overspending, with a mean of 3.31 and a verbal description of agree, having a standard deviation of 0.592. This means that there is some recognition of the practice of monitoring to prevent overspending, but it can be further entrenched.

The overall mean for the indicators under expenditure monitoring is found to be 3.37, which is verbally interpreted as strongly agree, with a standard deviation of 0.470. This indicates that, overall, the respondents perceive the university's expenditure monitoring and management to be favorably; hence, the institution has effective mechanisms for tracking expenditures and thus enhances financial accountability and prevention against possible mismanagement of resources. The strong agreement also indicates confidence regarding the university's commitment to ensuring that such financial activities are being undertaken in a responsible manner that is in line with the organization policy and objectives.

Such positive perceptions on expenditure monitoring are critical, as they indicate not only whether current financial management strategies are effective, but also whether the university has the capacity to sustain

efficiency, allocate resources prudently, and ensure transparency in financial transactions. An institution wins its credibility and thereby achieves the set academic and operational goals through prudent financial management by consistently performing strong in this area.

Supporting this finding, Adams and Walker (2020) noted that the effective expenditure monitoring mechanisms, biennial financial audits, systematic performance evaluations, and compliance checks are tremendous components of universities in optimizing their operational efficiency. The authors argue that from these mechanisms, institutions can minimize financial wastage, timeliness in detecting and correcting inefficiencies, and develop a culture of transparency and accountability.

Operationalized relative to structured monitoring processes, universities ensure the security of their financial resources and also ascertain that allocations are in line with institutional objectives, which can be viewed as contributions toward sustainable growth and improvement in service delivery. These compel relevance mostly for Laguna State Polytechnic University (LSPU) by justifying the need to uphold and reinforce practices of financial planning and expenditure monitoring.

By streamlining its operations, LSPU can reduce unnecessary complexity, making day-to-day tasks easier and more manageable. This would allow the university to make better use of its people, time, and funds. At the same time, it would help build trust and transparency by clearly showing how decisions are made and resources are used. Altogether, these changes can lead to better academic performance and smoother overall operations.

## Level of Academic and Operational Outcomes in Budget Strategy

This study examined the level of Academic and Operational outcomes in Budget Strategy in terms of Academic Performance.

**Table 5. Level of Academic and Operational outcomes in Budget Strategy in terms of academic performance.**

Statement	Mean	Std. Deviation	Verbal Interpretation
<i>1. The institution provides sufficient academic support services to help students achieve high academic performance.</i>	3.1862	.67188	Very High
<i>2. The institution's academic programs prepare students to perform well in standardized assessments and evaluations.</i>	3.2023	.63717	Very High
<i>3. The institution provides opportunities for students to excel in research, internships, and extracurricular academic activities.</i>	3.3793	.53541	Very High
<i>4. Faculty members are provided with training and professional development programs to improve their teaching effectiveness</i>	3.2989	.54972	Very High
<i>5. The institution provides well-equipped libraries, laboratories, and other learning resources to support academic excellence.</i>	3.1149	.80644	Very High
Academic Performance	<b>3.2363</b>	<b>.53129</b>	<b>Very High</b>

Legend: 3.26–4.00 – Very High; 2.51–3.25- High; 1.76– 2.50 - Low; 1:00–1.75- Very Low.

Table 5 presents the evaluation scoring of the Academic and Operational Outcomes in Budget Strategy from an academic performance perspective. The data give meaning that the expression "the institution provides opportunities for students to excel in research, internships, and extracurricular academic activities" received a mean score of 3.38 along with a verbal interpretation of strongly agree and a standard deviation of 0.535. In short, the results indicate that the university has strong commitments in providing students with rich academic experiences outside the class as well as in research engagements, exposure to the industry, and attendance at various events associated with academics.

The second indicator, which is higher than the previous one, is on the support provided for education development of faculty, with "there are training and professional development programs provided to the faculty to enhance their effectiveness as teachers" receiving a mean score of 3.30, and an interpretation of strongly agree. This shows a positive perception of how the school ventures in investing in faculty competency, considering that educating is a continuous professional improvement that directly links to the quality of instruction and academic outputs.

Based on this modality, the overall grand mean of all indicators under it is 3.24, interpreted as agree, with a standard deviation of 0.531. This overall rating indicates that the university's budget strategy contributes positively for academic performance but is behind in many areas, specifically on enhancement of physical learning infrastructures, may require more investment and strategic prioritization. Improving these areas can further attain the purpose of the university to have academic excellence and quality improvement among students and faculty.

**Table 6. Level of Academic and Operational outcomes in Budget Strategy in terms of operational efficiency.**

Statement	Mean	Std. Deviation	Verbal Interpretation
<i>1. The institution regularly monitors and assesses operational performance for improvement.</i>	3.3885	.57470	Very High
<i>2. Proper mechanisms are in place to ensure efficient procurement and distribution of materials and supplies.</i>	3.2092	.56382	Very High
<i>3. The institution regularly evaluates and improves operational workflows to enhance efficiency.</i>	3.2805	.59912	Very High
<i>4. Faculty and staff receive adequate training and professional development to improve efficiency.</i>	3.2920	.58774	Very High
<i>5. Online learning and digital teaching resources effectively support academic operations.</i>	3.3149	.52551	Very High
<b>Operational Efficiency</b>	<b>3.2970</b>	<b>.48807</b>	<b>Very High</b>

Legend: 3.26–4.00 – Very High; 2.51–3.25- High; 1.76– 2.50 - Low; 1:00–1.75- Very Low.

The assessment of the various academic and operational outcomes of the budget strategy on operational efficiency has been represented in table 6. The statement "the institution regularly monitors and assesses operational performance for improvement" measured with the highest mean score of 3.39 with a verbal interpretation of strongly agree, corresponds to a standard deviation of 0.575. This indicates that there is



considerable commitment by the institution toward the continuous evaluation and improvement of operational processes in a manner that activities are aligned to meet strategic goals and resources are well utilized. The next statement ranked high by respondents is "online learning and digital teaching resources effectively support academic operations," with a mean score of 3.31 and a verbal interpretation of strongly agree.

**Table 7. Level of Academic and Operational outcomes in Budget Strategy in terms of faculty and staff satisfaction.**

Statement	Mean	Std. Deviation	Verbal Interpretation
<i>1. Faculty and staff can access adequate resources and facilities to perform their duties effectively.</i>	3.2598	.56317	Very High
<i>2. The institution provides opportunities for faculty and staff to participate in training and professional development.</i>	3.2782	.56663	Very High
<i>3. The institution supports faculty and staff in meeting job expectations.</i>	3.2966	.55305	Very High
<i>4. The institution effectively addresses faculty and staff concerns and feedback.</i>	3.2897	.58298	Very High
<i>5. Faculty and staff are motivated to contribute positively to the institution's academic and operational outcomes.</i>	3.3678	.52396	Very High
<b>Faculty and Staff Satisfaction</b>	<b>3.2984</b>	<b>.47545</b>	<b>Very High</b>

Legend: 3.26–4.00 – Very High; 2.51–3.25- High; 1.76– 2.50 - Low; 1:00–1.75- Very Low.

Table 7 contains the evaluation of the Academic and Operational outcomes under the Budget Strategy as related to faculty and staff satisfaction. It reveals that the statement "faculty and staff are motivated to contribute positively to the institution's academic and operational outcomes" scored the highest, with a mean of 3.37, and verbal interpretation of strongly agree and a standard deviation of 0.524. This shows that respondents are fairly convinced that the budgeting strategies being practiced by the university assist in creating an environment that is conducive and motivating, thus encouraging the engagement and motivation of the faculty and staff members.

On the other hand, the statement "faculty and staff can access adequate resources and facilities to perform their duties effectively," with a mean of 3.26, though still rated positively, has been ranked lower. This too was interpreted as strongly agree. Although the result is still considered positive, it may imply slight concern or areas of improvement in regard to the adequacy and quality of resources and facilities available to its employees.

With a grand mean computed across all indicators in this dimension of 3.30, the overall verbal interpretation is "strongly agree". Such overall findings increase the likelihood that the perception of the budgeting approach in that institution has an impact on satisfaction and/or performance amongst its faculty and staff. Hence, the continuous investment in motivational actions and resource provision will be imperative for maintaining and boosting the engagement of faculty and staff, which, in turn, helps promote the general academic and operational objectives of the university.

**Table 8. Level of Academic and Operational outcomes in Budget Strategy in terms of students' satisfaction.**

Statement	Mean	Std. Deviation	Verbal Interpretation
<i>1. The institution provides diverse and relevant learning opportunities, including research, internships, and extracurricular activities.</i>	3.2529	.56427	Very High
<i>2. The institution provides well-equipped libraries, laboratories, and classrooms that enhance learning. Digital learning tools and online resources are also accessible and useful for academic success.</i>	3.1747	.78100	Very High
<i>3. The institution provides adequate academic advising, counseling, and mentorship services.</i>	3.2897	.51140	Very High
<i>4. The institution effectively communicates important announcements, policies, and deadlines. Enrollment, grading, and other administrative processes are also efficient and student friendly.</i>	3.4000	.53538	Very High
<i>5. Overall, this institution's academic and student life experience has been positive.</i>	3.3287	.61844	Very High
<b>Student Satisfaction</b>	<b>3.2892</b>	<b>.51659</b>	<b>Very High</b>

Legend: 3.26–4.00 – Very High; 2.51–3.25- High; 1.76– 2.50 - Low; 1:00–1.75- Very Low.

Table 8 describes the level of Academic and Operational outcomes with respect to students' satisfaction on the Budget Strategy. The table states that the institution communicates relevant announcements, policies, and deadlines effectively. Another advantage is that enrollment, grading, and other administrative processes generally work for students, with a mean of 3.40 and a verbal interpretation strongly agree. The second-highest is that, in general, this institution's experience in the academics and student life has been a positive one, having a mean of 3.33 and a verbal interpretation of strongly agree. The least ranked item is the institution providing libraries, laboratories, and classrooms that are conducive to learning. Digital learning tools and online resources characterizing academic success are at a mean of 3.17 and a verbal interpretation of agree. In summary, the Grand mean obtained is 3.28, with a verbal interpretation of strongly agree, and a standard deviation of .516.

Strategies concerning budgets that embrace the academic and extracurricular needs of students play a vital role in enhancing overall student satisfaction. Tinto (2022) stated that institutions whose budgets provide comprehensive engagement with student services, campus beautification, and academic support programs greatly increase student engagement and satisfaction and, consequently, increase retention and graduation attainment. Investments of that sort forge a supportive learning environment signifying students are valued and, consequently, compelled to persist in their academic journey.

Furthermore, Taylor and Lopez (2021) stated that institutions that have huge allocations for research grants, modern laboratory equipment, and intensive faculty development programs tend to show higher levels of publication output, research productivity, and ratings. This reinforces the need for carefully targeted budgeting that puts students at the center of planning and decision-making. By directing funds

toward programs and activities that directly support student learning and success, the university can continue to raise its academic standards and overall institutional performance.

## Significant relationship between the budget strategy and the academic and operational outcomes of Laguna State Polytechnic University

**Table 9. Relationship between the budget strategy and the academic and operational outcomes of Laguna State Polytechnic University**

Budget Strategy	Academic and Operational Outcomes	p value	R value	Strength of Correlation	Analysis
1. Allocation of Funds	Academic Performance	0.01	0.73	Moderately High Correlation	Significant
	Operational Efficiency	0.01	0.68	Moderately High Correlation	Significant
	Faculty and Staff Satisfaction	0.01	0.72	Moderately High Correlation	Significant
	Student Satisfaction	0.01	0.69	Moderately High Correlation	Significant
2. Financial Planning	Academic Performance	0.01	0.70	Moderately High Correlation	Significant
	Operational Efficiency	0.01	0.76	Moderately High Correlation	Significant
	Faculty and Staff Satisfaction	0.01	0.76	Moderately High Correlation	Significant
	Student Satisfaction	0.01	0.70	Moderately High Correlation	Significant
3. Resource Management	Academic Performance	0.01	0.75	Moderately High Correlation	Significant
	Operational Efficiency	0.01	0.69	Moderately High Correlation	Significant
	Faculty and Staff Satisfaction	0.01	0.72	Moderately High Correlation	Significant
	Student Satisfaction	0.01	0.75	Moderately High Correlation	Significant
4. Expenditure Monitoring	Academic Performance	0.01	0.62	Moderately High Correlation	Significant
	Operational Efficiency	0.01	0.73	Moderately High Correlation	Significant
	Faculty and Staff Satisfaction	0.01	0.71	Moderately High Correlation	Significant
	Student Satisfaction	0.01	0.60	Moderately High Correlation	Significant

Correlation Coefficient (r) Value	Indication
Between $\pm 0.8$ to $\pm 1.0$	High correlation
Between $\pm 0.6$ to $\pm 0.79$	Moderately high correlation
Between $\pm 0.4$ to $\pm 0.59$	Moderate correlation
Between $\pm 0.2$ to $\pm 0.39$	Low correlation
Between $\pm 0.1$ to $\pm 0.19$	Negligible correlation

As shown in Table 9, the association between budgeting policies and academic and operational achievements of Laguna State Polytechnic University was tested. Allocation of Funds has a highly significant relationship with academic performance, operational efficiency, faculty and staff satisfaction, and student satisfaction, with all p-values equal to .000, which are all less than the alpha level of significance (0.05), thus leading to the rejection of the null hypothesis. Similarly, Financial Planning, Resource Management, and Expenditure Monitoring all exhibit significant correlations with the academic and operational outcome variables of the university with p-values that are all .000, which are less than 0.05, leading to the rejection of the null hypothesis.

LSPU's budget strategy analysis has shown that the financial decisions have significant impacts on the institutional outcomes like academic performance, operational efficiency, satisfaction of faculty and staff, and the satisfaction of students. Among all the strategies analyzed, allocation of funds was always proven to be with significant and consistent correlation with all the four outcomes. This means that the way the university allocates supplementary budget to different sectors really matters in the overall success of the institution. If one can really allocate properly, an excellent range of key areas include academics, student services, infrastructure, and administrative operations where adequate support provision results in the enhancement of performance and satisfaction at various levels. The current fund distribution adopted by LSPU seems well corrugated with their stakeholders; thus, it is likely that such future improvements will yield greater institutional advantages.

Equally significant is the strategy of financial planning, which demonstrates particularly strong correlations with operational efficiency and faculty and staff satisfaction. These findings may reflect the extent to which the practice of structured, forward-looking budgeting helps with smooth operations and a positive work environment: financial flexibility along with clarity and direction for future scenarios would render possible for the institution the anticipated challenges; spending in sync with strategic priorities; and predictability for the institution now and in the future. Indeed, the high satisfaction of faculty and staff seems to indicate that university financial management has been understood by these constituents in terms of reliability and transparency, thus contributing to institutional morale and productivity.

Resource management also emerged to be another very potent strategy that is closely associated with students' academic performance and satisfaction. This indicates that space, laboratory equipment, learning materials, and faculty time - properly utilized resources would have given a date. Facilities and services would be available and accessible, optimizing educational delivery and bettering the student experience. For example, a public university like LSPU, where resources are limited, maximizing the current assets would have a very strong effect on the institution's effectiveness.

The strategy of expenditure monitoring has shown a statistically significant variation in results for all outcomes but is less correlated than any other strategy. This would seem to mean that regular reviews and tracking of expenditure promote transparency, build trust among stakeholders, and lead to better informed financial decisions. Satisfaction among students and staff is more likely, when they see that the university has accountability for its spending and that the activities budgeted are yielding visible results. Expenditure

monitoring conditions modest impact when compared with other strategies, but serves as a primary ground for maintenance of fiscal discipline and evidence-based decision-making.

All of these four financial strategies are part and parcel in achieving the institutional goals of LSPU. Their effects, in fact, had interactions; improvement in one component would redound to improvement in other areas. It was observed that every strategy would positively contribute toward student satisfaction and academic performance, thus reinforcing the fact that good financial management would serve the university's mission. Thus, together with fine-tuning these strategies, LSPU will enhance stakeholder engagement in financial planning processes and invest in tools and training that will help budget, monitor, and allocate resources more effectively.

Laguna State Polytechnic University (LSPU) has continually provided and opened multiple avenues for generating funds to take care of students and to energize support services in the fiscal years 2024 and 2025, as highly recommended in its available strategic plans. In the National Expenditure Program for FY 2025, LSPU's Higher Education Program has a budget allocation of ₱790 million, which consists of ₱350.7 million for Personnel Services, ₱317.3 million for Maintenance and Other Operating Expenses, and ₱122 million for Capital Outlays. The objective of these funds is to improve student services and expand access to quality higher education. Besides government allotments, it partnered with private institutions such as CBK Power Company Limited, a commitment to grant a monthly Php 7,000 allowance to 34 scholars for Academic Year 2024-2025.

LSPU further invests in research and development as covered by its 2024-2028 Research and Extension Agenda, which focuses on priority areas including poverty alleviation, sustainability, and institutional governance. To this end, the university has modernized its facilities through the ₱10 million investment from DOST-PCAARRD in 2017 for the Science Research Laboratory. In addition, LSPU approximately received ₱25 million from CHED in the year 2024 for the establishment of state-of-the-art kitchen facilities under the project funded by the Institutional Development and Innovation Grant (IDIG) to advance practical learning and research opportunities in the College of Tourism and Hospitality Management.

The LSPU has renewed its Memorandum of Understanding with Tan Trao University in Vietnam regarding student and faculty exchanges. Students are also undergoing internship programs at the Agricultural Machinery Testing and Evaluation Center (AMTEC) to gain hands-on experience, although financial details cannot be made public.

An appropriation of ₱349.9 million for Higher Education, ₱11.9 million for Research, and ₱8.8 million for Technical Advisory Extension Programs had been allocated to LSPU for FY 2024. The University President escorted all LSPU representatives at the national budget hearings to voice their efforts and accomplishments.

They assist students through the campus-based assistantship as implemented during June 2024 in the Siniloan Campus. Availing this program helps students gain invaluable working experience while studying and financial assistance to complement their tuition fees and develop their professional skills.

These activities validate LSPU's strong dedication to academic excellence in the development of students as they engage internationally.

## **CONCLUSIONS**

The study revealed that the LSPU budgeted efficiently for conducting academic programs and necessary operations financially while stakeholders affirmed that such budget allocation previously affected these



variables positively on teaching quality and campus services. Budgetary allocation shows significance with academic performance, faculty development, and student satisfaction; impact of budgetary allocation is substantial on all three. Financial planning was found to be the dominant character for LSPU concerning innovation and institution growth. However, it has raised certain areas related to flexibility in addressing unforeseen financial conditions that gave rise to a case for more adaptive planning mechanisms needed. The university did not only demonstrate wise resource management regarding waste minimization but also budget usage relative to current needs and future expansion, thus adding to operational efficiency plus improved systems of academic support. Expenditure monitoring obtained the highest satisfaction rating, with respondents acknowledging LSPU as embracing robust systems to ensure compliance and transparency. It would not, however, compromise the other affirmations associated with financial stability and overall institutional performance.

The budget orientation of LSPU had a direct bearing on academic performance in the areas of research, internship, and faculty development programs. Just like academic support programs and training for faculty fostering better student achievement, on the other hand, things that really matter very badly such as physical learning resources with respect to libraries and laboratories were lacking. Operational effectiveness was a result of constant performance evaluation, streamlined processes, and the introduction of technology, all underpinned by sound financial management. All these have facilitated unhindered functioning of academic and administrative systems. There was satisfaction among the faculty and staff due to the budget provided for professional development, resources, and motivation placed in their workplace, which helped morale and productivity. For students, they were generally satisfied with the academic experience and institutional services, giving due weight to support services and effective communication. In contrast, it was further mentioned that much more needs to be invested to modernize both the physical and online learning environments for maximum engagement and support of the student body.

## **RECOMMENDATIONS**

To further strengthen the university's financial management and its impact on academic and operational outcomes, it is recommended that LSPU:

1. LSPU may establish contingency funds and adopt adaptive financial planning frameworks to respond quickly to unexpected economic conditions or institutional needs. This will enable the university to maintain stability without compromising academic quality or operational efficiency.
2. LSPU may continue improving its expenditure monitoring system to be accountable financially and take full advantage of resource utilization. This entails conducting regular internal audits, having real-time financial tracking instruments, as well as strict compliance protocols to prevent overspending and mutilation of funds.
3. There is a modern economic look here to probably give a thrust to university funding for updating academic facilities-labs, libraries, and digital learning ecosystems. Such an offering in its academics may create a better and future-ready learning environment elevating academic performance and satisfying students' and faculty's needs and desires.
4. Active participation of faculty, staff, and students in the budget's planning and evaluation phases should be instituted. Successful establishment of formal feedback channels and participatory mechanisms will enhance the reflection of actual university needs and priorities into budget decisions, thereby fostering transparency and ownership by the university community.

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