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Exploring Factors that Influence Financial Decision-making Process in Three Selected Public Primary Schools in Kapiri-Mposhi District, Zambia.

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Abstract
This study explored on the factors that influence financial decision-making process in three selected public primary schools in Kapiri-Mposhi District, Zambia. The qualitative methodological approach was used and unstructured interviews guide and FGD were used to collect data. Interpretivism paradigm and a qualitative descriptive design was utilized in this study. The target population of the study included; head teachers, senior teachers and class teacher. Non-probability (homogenous) sampling was used in this study. The sample size consisted of 21 participants broken down as follows: three (3) head teacher teachers, three (3) senior teachers and 5 teacher (five from each school) of the three (3) selected primary schools in Kapiri-Mposhi District. Inductive thematic analysis was employed to analyze data collected. The findings demonstrated that there are various challenges that impede the financial decision-making processes in the selected schools which include; limited funding, lack of financial expertise, maintenance of infrastructure, ineffective financial planning and poor financial record keeping.

Key terms: influence, financial decision-making process and public primary schools.

1.0 Introduction

Globally, financial decision-making in public primary schools is heavily decentralized, demanding robust governance models. However, international data indicates that over (40%) of school leaders lack formal financial management training, relying instead on ad-hoc administrative experience to allocate constrained educational budgets Financial management decision-making processes in public primary schools (Ayu and Andika, 2021). The macro-institutional environment significantly dictates these decisions. International policy frameworks consistently mandate transparent budgeting and stakeholder participation, yet global educational statistics reveal that poor financial literacy and non-compliance with statutory fiscal policies account for nearly (35%) of institutional budget inefficiencies worldwide Insights for decision making in public primary schools - ERIC (Beck and Demirgüç-Kunt, 2024).
Across Southern Africa, the devolution of financial responsibilities to School Governing Bodies (SGBs) highlights systemic capacity deficits. Regional studies show that parent-dominated school boards frequently struggle with complex procurement regulations, resulting in underspending or misallocation of targeted educational grants financial management decision-making processes in public primary schools

(Dossing and Weideman, 2011). Research shows that more of educational funding from foreign donors comes with conditions, such as curriculum alignment or accountability measures which can constrain local financial decision-making that shape how funds are distributed (Mestry, 2018).

African Union's Agenda 2063, most African countries aim to allocate at least 20% of their national budgets to education. However, as of 2021, average public spending stands at around 15% of government spending across the continent. Clearly, schools reliant on foreign aid often experience challenges, with 60% failing to align aid with local needs, often resulting in resource mismanagement. The World Bank's report stated that schools that have adopted decentralized financial management systems have improved decision-making speeds leading to better-funded programs (Mofu, 2026 and Mwaba, 2025).

In 2022, the government launched the Free Education Policy, driving a 31% increase in the education budget to K18 billion. This allowed the government to abolish primary and secondary school fees. The Zambian government allocated approximately 18.6% of its total budget to education, highlighting a significant commitment, though it fell short of the 20% target recommended by the African Union (Ministry of Finance, Zambia, 2022). The primary sub-sector received over 44% of this initial budget. The largest portion of funds was dedicated to personnel emoluments, driven by the unprecedented recruitment of 30,495 teachers. School grants saw a massive six-fold increase to K1.2 billion, bridging the gap left by the loss of household fee income (UNICEF 2025).

Between 2023 and 2025, the government continued to solidify these educational gains with steady nominal increases, pushing the sector's allocation to over K31 billion. Primary hiring continued with an additional 4,500 teachers in 2023 and 4,200 in 2024, significantly reducing the national teacher-pupil ratio (ZANEC, 2022). Significant investments were directed toward rural infrastructure and the "Keeping Girls in School" bursary programs. However, the share of the national budget remained under the recommended 20% target, with wage costs consuming over 60-70% of the total ministerial envelope (ActionAid Zambia, 2025).

Some studies shows that children from the poorest quintile in Zambia are three times less likely to complete secondary education compared to those from wealthier backgrounds. This disparity affects funding at the school level as wealthier areas often receive more resources from local sources. A recent study conducted in Kapiri-Mposhi District noted that few of budget directly supports teaching resources, indicating a significant gap in allocation efficiency (UNICEF 2025). For the 2026 budget, the government allocated a landmark K33 billion to the education sector. This funding supports the continuation of the Free Education Programme (K2.4 billion), infrastructural rehabilitation (K2.3 billion), and the Higher Education Loans Board. Despite nominal growth, the sector's share of the total national budget declined to 13.1%, falling below global benchmarks (UNICEF, 2025). Civil society organizations continuously urge for greater investments in Early Childhood Education (ECE) and non-wage classroom inputs.

2.0 Literature Review

Challenges School Administrations Face in Developing and Implementing Effective Budgeting Processes in Public Primary Schools

The study by Canares and Estremera, (2025) assessed on systematic Literature Review of the Challenges Faced by School Heads in Managing Financial Resources. School administrations worldwide face severe bottlenecks in formulating and executing financial budgets due to systemic, structural, and capacity-driven constraints. Globally, public primary schools are increasingly tasked with decentralized fiscal autonomy, yet school heads are rarely equipped with the corresponding financial management skills required to navigate complex budgeting matrices. This structural mismatch regularly leads to severe budget deviations, compromised infrastructural development, and a general decline in the quality of basic education delivery. The text highlights a universal trend where public primary schools receive decentralized fiscal duties without proper support, aligning with broader educational administration research on operational bottlenecks. Findings converge on the reality that administrative skill gaps directly compromise infrastructural development and basic education delivery, proving that structural constraints transcend individual competence. The study identifies a distinct lack of empirical literature addressing how school heads can practically navigate complex budgeting matrices under these capacity-driven constraints.

Diaz and Accad, (2025) focused on challenges and strategies in the financial management of a public elementary school. Further insight into these fiscal challenges is observed through a comprehensive Southeast Asian case study conducted in Taman Sidoarjo, Indonesia, exploring the intersection of modern strategic planning and local primary institutional financing. This investigation employed a qualitative case study methodology featuring direct site observations, key informant interviews, parent questionnaires, and extensive internal ledger document analysis. The main findings highlighted that while participatory budgeting initiatives through annual work meetings dramatically improved baseline transparency, the school administration was heavily crippled by a persistent reliance on archaic, manual bookkeeping systems. This operational baseline made the institution highly vulnerable to major budgeting discrepancies, particularly regarding unexpected student programmatic variations and graduation costs. The core gap identified by the authors centers on the chronic lack of digital financial innovation and automated technological integration within public primary educational spaces. The research concludes that enhanced transparency cannot overcome fundamental infrastructural technological deficiencies.

Shifting the geographical lens to southern Africa, a rigorous diagnostic study was carried out in the Mudzi District of Zimbabwe to evaluate the direct operational vulnerabilities primary school heads encounter during financial planning cycles. The researchers utilized a mixed-method exploratory pragmatic research methodology, combining quantitative survey matrices administered to school heads with qualitative thematic open-ended interviews. The primary findings indicated that severe delays in public grant disbursements paired with chronically low government fund allocations forced administrative heads to unilaterally slash their planned budgets (Ndongwe and Kangai, 2023). While existing literature highlights how funding deficits force school heads into unapproved accounting workarounds, there remained a critical research gap regarding localized, non-financial decision toolkits tailored for educational managers. Investigating Kapiri-Mposhi provided empirical evidence on how local primary heads navigate these systemic fiscal constraints, ultimately generating context-specific frameworks to improve institutional accountability and resource management under pressure.

Researchers such as Suriadi and Karim, (2025) assessed on challenges and effective strategies in managing education financing. The main findings established that constitutional mandates requiring a high percentage of state budget allocation to education fail to translate into effective school-level spending. Building on recent insights by researchers such as Suriadi and Karim (2025) regarding the friction between central mandates and localized school spending, this macro-level dysfunction created an urgent, ground-level need to investigate the specific local drivers of institutional budgeting, making a localized inquiry into the factors influencing the financial decision-making process in public primary schools within the Kapiri-Mposhi District both theoretically vital and practically indispensable. While macro-fiscal studies track broad administrative data and reveal that rigid bureaucratic blockages prevent top-down allocations from reaching actual classrooms, they inherently miss the micro-level realities, localized capacity constraints, and community-driven variables unique to specific rural and peri-urban sub-Saharan environments like Kapiri-Mposhi. Local public primary schools are tasked with implementing national policies such as free education grants yet school managers frequently navigate delayed disbursements, localized resource scarcity, and distinct community-school governance dynamics. Through narrowing the analytical lens from international trends down to the district level, this study became necessary to bridge the gap between generalized fiscal policy theories and the actual administrative behaviors, financial literacy levels, and institutional pressures shaping choices made by local head teachers and school development committees. Exploring these grassroots mechanisms uncovers why broad financing frameworks succeed or stall on the ground, providing targeted evidence to improve resource accountability and local educational quality where it matters most. The critical gap highlighted by the publication points to a severe research deficiency regarding standardized, context-adaptable budgeting strategies that reconcile central government allocations with grass-roots institutional flexibility.

A study in Tanzania by Rupia and Chai (2022) explored the preparedness of school heads to manage financial resources in public secondary schools in Kwimba District. The study utilized semi-structured questionnaires and documentary reviews targeting secondary school teachers and administrators to reveal that the majority of school heads were inadequately prepared and relied entirely on trial-and-error experience, which led to severe fund misallocation and improper budget planning, thereby highlighting a critical gap and need for mandatory in-service financial management training; building directly upon these regional insights concerning administrative shortcomings. This became empirically and practically necessary to carry out a dedicated study in Kapiri-Mposhi District," because primary school administrators face similar decentralized fiscal responsibilities under localized operational pressures, yet little was known about how contextual variables, institutional policies, and individual competencies uniquely shape their choices at the foundational primary level where resource scarcity is most acute, ultimately providing localized evidence required to design targeted interventions, policy reforms, and professional development programs that safeguard public educational funds and enhance institutional accountability.

In South Africa, Maggy and Khumalo, (2025) analyzed the behavioral and legislative obstacles that systematically derail localized educational budgeting, revealing catastrophic financial literacy deficiencies and weak internal controls among non-professional school board members. Operating within a distinct constructivist paradigm, the investigators utilized a purely qualitative methodological approach, gathering comprehensive field data through semi-structured interviews with institutional stakeholders alongside a structured legislative document review. The primary findings revealed a catastrophic deficiency in basic financial literacy among elected members of school governing bodies, a near-total absence of formal budget-formulation training, and incredibly weak internal audit and oversight control systems. The identified gap in this domain highlights the absolute failure of existing state-mandated training policies to provide sustainable, practical financial capacity-building to non-professional community school board members, thereby making it critically. Just as regional administrative frameworks struggle with oversight gaps, localized public primary schools in Kapiri-Mposhi face similar pressures of limited resource tracking, community-level fiduciary responsibilities, and administrative decision-making constraints that require empirical investigation to bridge the gap between policy intent and actual financial execution.

A comparative assessment of secondary school financial resource management by Yizengaw and Agegnehu (2021) across government and private institutions in Bahir Dar City, Ethiopia, utilizing a mixed-methods survey of 126 teachers and 21 administrators, revealed statistically significant operational disparities. Their study demonstrates that institutional frameworks, stakeholder engagement levels, and administrative constraints drastically alter how financial resources are mobilized, allocated, and audited within the education sector. However, because their comparative analysis focused narrowly on secondary education settings in urban East Africa, a substantial empirical gap remains regarding how foundational public institutions specifically primary schools operating under distinct bureaucratic mandates and resource limitations in districts like Kapiri-Mposhi navigate resource allocation and financial choices. Just as secondary environments exhibit distinct variances driven by context-specific guidelines and administrative oversight, public primary schools face localized pressures, ranging from delayed funding disbursements and community expectations to varying competency levels among school-level decision-makers. Investigating the Kapiri-Mposhi District was vital to uncover whether similar systemic bottlenecks, governance gaps, or stakeholder inclusion challenges dictate public primary financial choices, thereby expanding the regional body of educational finance literature and providing localized evidence required to design targeted administrative reforms, enhance institutional transparency, and optimize resource utilization where baseline funding is most constrained.

Studies such as the work by Chundu, Mwahombela, and Gwambene (2024) established that inadequate financial literacy and poor internal controls among school heads represent major structural deficits it becomes critically clear that effective fiscal governance is severely constrained by a lack of structured administrative training. While secondary school contexts have received some scholarly attention regarding budget execution and oversight hurdles, a glaring empirical vacuum persists around how foundational financial choices are made at the basic education level, thereby necessitating an explicit investigation into the factors that influence financial decision-making processes in public primary schools in Kapiri-Mposhi District. Unlike secondary institutions, primary schools manage decentralized public grants and community contributions under compressed administrative capacities, often led by head teachers who transition into fiscal management without formal preparation or adherence to robust legislative controls. Through identifying the economic, institutional, and behavioral determinants guiding primary school administrators, this study addresses the broader regional knowledge gap regarding why administrative capacity building fails to translate into practice, ultimately offering empirical data required to design targeted professional development policies and improve resource accountability across decentralized educational systems.

Another study by Chundu, Mwahombela and Gwambene (2024) examined the financial management challenges that heads of schools experience in public secondary schools in the Mbeya rural district of Tanzania, revealing that insufficient financial competencies among administrators represent a widespread structural impediment. Complementing this, qualitative constructivist investigations into budget execution highlight major operational roadblocks, including the absence of technical financial capacity, poor oversight of internal controls, and weak stakeholder engagement during initial planning phases. Despite these recognized vulnerabilities, a critical research gap persists regarding how basic educational administrators particularly at the primary level where foundational grants are first deployed navigate statutory frameworks without continuous professional development. Thus, conducting a targeted study on the factors that influence the financial decision-making process in public primary schools in the Kapiri-Mposhi District was highly necessary to uncover localized contextual drivers, evaluate localized compliance with financial guidelines, and generate empirical evidence required to design context-specific administrative training programs that enhance institutional accountability and resource optimization at the grassroots level of education delivery.

Broadly across Sub-Saharan African primary and secondary schools, empirical literature outlines how systemic under-resourcing, severe funding scarcity, and unpredictable, delayed disbursements of central government grants heavily constrain institutional operations. Recent mixed-methods and systematic reviews (Canares and Estremera, 2025) demonstrate that these macro-level fiscal pressures force school heads into de facto chief accounting roles without providing them with formal, localized grounding in modern budget control, compliance, or strategic resource allocation. Consequently, administrators frequently resort to compromised instructional programs and ad-hoc shortcut measures that erode educational quality. While regional studies acknowledge this broad administrative gap, there remains a critical lack of localized, micro-empirical evidence regarding how unique rural and semi-urban socio-economic environments shape resource choices at the school level. This universal disconnect between institutional financial mandates and administrative preparedness justifies the urgent necessity to carry out a dedicated study on the Factors That Influence Financial Decision-Making Process in Public Primary Schools in Kapiri-Mposhi District, as local administrative realities, community resource-sourcing capacities, and localized capacity constraints must be explicitly unpacked to design context-specific interventions that alleviate systemic budgeting hardships in Zambian public education.

The empirical baseline established by Chitondo, Kalasa, and Chinyundo (2022) regarding infrastructural collapse and severe material deficits in densely populated settings like Mandevu compound, it becomes critically necessary to investigate the internal financial mechanics governing public primary schools in other evolving contexts, such as the Kapiri-Mposhi District. While previous research vividly documented the symptoms of systemic strain manifested as chronic shortages of teaching staff, inadequate classrooms, and a total lack of desks following sudden enrollment surges it left a crucial procedural gap regarding how school administrators, headteachers, and local governance structures navigate constrained public grants and make localized budgetary choices in the absence of traditional PTA fee revenues. Meanwhile, in a qualitative case study by Mudenda et al. (2025) examined on the financial challenges of grant-aided versus public secondary schools in Ndola District, Zambia, through in-depth headteacher interviews and document analysis, it was discovered that public school administrators face intense struggles due to severe bureaucratic funding delays and a total lack of revenue-generating autonomy compared to their semi-autonomous counterparts; consequently, this highlights a broad academic and policy gap regarding explicit, localized institutional capacity-building frameworks, thereby establishing a compelling justification to conduct an investigation into the factors that influence financial decision-making process in public primary schools in Kapiri-Mposhi District, as primary institutions operate under even more constrained decentralized administrative tiers where localized fiscal choices directly dictate foundational resource distribution, operational survival, and educational quality without the buffer of secondary-level revenue alternatives.

The study by Musonda, (2016) assessed on administrative challenges faced by primary school headteachers in managing pupils with special educational needs in inclusive schooling in selected schools of Kaputa district, Zambia. The methodology utilized a qualitative descriptive survey, employing interviews and focus groups with headteachers and educational standards officers. The main findings indicated that funding is chronically erratic, leaving administrators unable to budget for special educational needs or procure necessary materials. The gap identified was the disconnect between national policy formulation on inclusive budgeting and the practical realities at the district level. The study by Malambo, (2018) focused on the effects of the management of community primary schools on the educational attainment of learners in selected community primary schools of Kafue District. The study used a mixed-method approach incorporating both surveys and classroom observations to capture the experiences of managers, Parent-Teacher Association (PTA) executives, and community leaders. The main findings revealed that a lack of community engagement and limited financial planning skills led directly to a lack of instructional materials. The identified gap was the failure by school administrators to actively entice and utilize stakeholder inputs in the resource allocation process.

Scholars such Mudenda and Fulai, (2026) did a comparative study on financial administration across public schools in the Southern African Development Community (SADC), with extensive empirical data drawn from Zambia using a quantitative-heavy descriptive survey design of questionnaires and document analysis. This study revealed that while some school administrators possess basic accounting credentials, they severely lack functional capacity in strategic budget formulation, precise forecasting, and tactical resource prioritization consequently, because this widespread deficiency highlights an alarming absence of a localized financial management framework tailor-made for primary school heads, it was crucially necessary to conduct a targeted study on the Factors That Influence Financial Decision-Making Process in Public Primary Schools in Kapiri-Mposhi District to uncover how localized administrative behaviors, regional socio-economic pressures, and institutional constraints uniquely shape budgetary choices at the grassroots level, thereby providing empirical evidence required to design context-specific interventions and decentralized policy guidelines that enhance transparency, accountability, and optimal resource utilization in resource-constrained educational environments.

A research by Chanda (2023) investigated the effects of the Free Education Policy on quality education in the Lusaka District, utilizing a qualitative case study with thematic analysis of interviews from headteachers and education policymakers to reveal that a sudden surge in enrollments without proportional or timely government funding created massive budgetary strain and forced administrators to cut core operational and maintenance budgets, thereby identifying a critical gap regarding the lack of strategic government planning for policy sustainability and infrastructure funding, which directly justified the necessity of conducting a new study in primary schools in the Kapiri-Mposhi District, because while Chanda's work established that national policies impose severe fiscal pressures on urban administrators, there remained an acute empirical void concerning how rural and semi-urban primary school managers actually navigate constrained resource allocations, prioritize competing institutional needs, and make localized fiscal choices under the same sweeping mandates without traditional parent-teacher association fee buffers, making it vital to uncover the internal governance dynamics, administrative capacities, and contextual pressures shaping financial choices in districts like Kapiri-Mposhi to ensure that macro-level educational policies do not inadvertently cripple grassroots institutional management or compromise foundational learning environments.

3.0 Methodology

This study utilized a qualitative approach as a way of exploring attitudes, behaviour and experiences through interviews. This study utilized the interpretivism paradigm, which focuses on understanding reality through the personal experiences and viewpoints of individuals. To be specific, a qualitative descriptive design was utilized. The qualitative methodological approach was used and unstructured interviews guide and FGD were used to collect data. The target population of the study included; head teachers, senior teachers and class teacher. Non-probability (homogenous) sampling was used in this study. The sample size consisted of 21 participants broken down as follows: three (3) head teacher teachers, three (3) senior teachers and 5 teacher (five from each school) of the three (3) selected primary schools in Kapiri-Mposhi District. Thematic (inductive) analysis was employed to analyze data collected. To ensure trustworthiness member checking was employed to verify the findings. Authorization was requested from Kwame Nkrumah University (Ethical Committee) to proceed with the research and permission was requested from school administrators to interview participants. Researcher ensured that consent from participants is obtained freely by having them sign a consent form, without any coercion or inducements related to their participation.

4.0 Results

4.1 Challenges Being Faced in Financial Decision-Making Process in Public Primary Schools in Kapiri-Mposhi District

The participants were asked to give their views on challenges being faced in financial decision-making process in three (3) selected public primary schools in Kapiri-Mposhi District. The following themes were generated.

Limited Funding

The study established that public primary schools often rely on government funding, which is inadequate thus limiting their financial capacity. During the interview conducted participant STR2 had this to say;

> "Even though the government gives schools grands, the fact of the matter is that these fund are never enough to carter all things needed to be bought. Schools often rely on government allocations that may not meet the actual needs of the institution. This inadequate funding can limit operational expenditures, leaving little room for essential functions. For example, a school may receive a fixed government allocation that is not adjusted for increasing learner enrollment, resulting in insufficient funds for basic needs like classroom supplies and utilities." (Interviews, 2025).

Participant HT2 added that;

> "Limited funding leads to difficult decisions about prioritizing educational quality versus operational needs which often resulting in areas like teaching materials being neglected. A school sometimes have to delay in purchasing new textbooks for learner because they need to pay for urgent repairs to the school building or vital utilities, compromising the learning experience. For example, budget restrictions force schools to cut back on extracurricular programs, which may diminish student engagement and development opportunities." (Interviews, 2025).

Another participant CTR13 stated that;

> "With limited financial resources, schools struggle to maintain existing facilities or invest in necessary infrastructure improvements, leading to an unsafe learning environment. This is a challenge being faced in financial decision-making process in public primary Schools in Kapiri-Mposhi District. For example, a school defer maintenance on essential infrastructure, such as plumbing resulting in broken facilities that sometime disrupt daily operations and pose safety hazards to students and staff." (FGD, 2025).

Lack of Financial Expertise

The results were that many school administrators lack formal training in financial management, impacting their ability to make sound financial decisions. Most participants stated that most of individuals assigned to manage finances are not qualified in that field thus their struggle to create effective budgets or manage funds efficiently, leading to misallocations and wasted resources. During FGD participant CTR14 went on record that;

> "School administrators do not have sufficient training in budgeting, resulting in unrealistic or poorly conceived financial plans. A head teacher or accountant fail to create a comprehensive budget that accounts for all necessary expenses, leading to overspending on certain items while neglecting essential costs like maintenance or supplies. Without proper financial knowledge, school leaders most of time they misallocate funds, prioritizing non-essential items over critical needs." (FGD, 2025).

During interview participant STR3 indicated that;

> "Financial oversight requires an understanding of financial metrics and outcomes. Without this expertise, monitoring expenditures and evaluating financial performance is difficult in school because teachers are given financial position based on the relationship with the head teacher. Thus, a school without proficient financial staff do not recognize when it is overspending in particular areas or failing to meet financial targets leading to inefficiencies." (Interviews, 2025).

Participant HT3 explained that;

> "I think lack of the skills needed to analyze financial data effectively lead to decisions based on limited or inaccurate information thus a challenge being faced in financial decision-making process in public primary schools in Kapiri-Mposhi District. For example, sometimes a school decide to cut costs in a particular area without properly assessing the consequences, resulting in negative impacts on learner services or outcomes. Without this expertise, schools struggle to implement meaningful strategies as far as financial decision-making process is concerned in public primary schools." (Interviews, 2025).

Maintenance of Infrastructure

The findings were that many schools have aging infrastructure that requires regular maintenance and repairs, adding to financial pressures. It was clear that schools with leaky roofs or broken windows need to divert funds to repairs thus influenced on financial decision-making process in public primary Schools. This was the reason Participant HT3 contributed that;

> "Aging buildings and facilities require regular maintenance which is costly and unplanned thus a challenge on financial decision-making process in public primary Schools in Kapiri-Mposhi District. Limited budgets often prioritize immediate needs over long-term maintenance." (Interviews, 2025).

Participant CTR4 noted that;

> "Schools operate under strict budget constraints making it challenging to allocate sufficient resources for maintenance while meeting other operational needs. Unexpected infrastructure failures lead to emergency repairs that are often unplanned and financially burdensome. This create urgency to find funds quickly, disrupting financial plans." (Focus Group Discussion, 2025).

Participant CTR9 and STR2 had a similar submission that;

> "Schools lack a long-term maintenance plan due to insufficient funding and expertise, leading to reactive rather than proactive financial decision-making. A lack of skilled personnel for maintenance lead to further deterioration of school facilities complicating financial decision-making regarding repairs and upgrades." (FGD, 2025).

Ineffective Financial Planning

The study results shows that inadequate financial planning and budgeting lead to overspending or failing to allocate resources effectively. During FGD participant CTR15 added that;

> "Schools create budgets that do not accurately reflect actual costs, leading to deficits and unexpected shortfalls in funds. For example, a school estimate low operational costs for utilities, only to find that actual bills exceed projections, resulting in a budget crisis that forces cuts in critical areas. Inefficient planning lead to misallocation of financial resources causing critical needs to go unmet while funds are directed to less important expenditures." (FGD, 2025).

Participant HT explained;

> "Without a long-term financial plan, schools struggle to accommodate future needs leading to reactive rather than proactive financial decisions. A school that fails to plan for increasing enrollment do not budget for additional classrooms infrastructure resulting in overcrowding and a diminished educational experience." (Interviews, 2025).

CTR3 explained that;

> "Ineffective financial planning prevent schools from anticipating and preparing for future costs related to maintenance, supplies or staff increases. Poor financial planning lead to cash flow issues, where schools fail to align incoming funds with expenditures, creating financial stress. For example, readers' ineffective financial planning result in a lack of reserves for emergencies, impacting the school's ability to respond to unexpected situations." (FGD, 2025).

Poor Financial Record Keeping

In the field it was clear that without proper record-keeping, schools have inaccurate and incomplete financial data. This lead to misguided financial decisions, including budget allocations and expenditure planning. The was the reason participant HT1 had this to say;

> "Poor records create a lack of accountability among school officials. If financial transactions are not documented, it becomes difficult to track spending and ensure funds are used effectively and appropriately. Most participants accounted that most schools inadequate records hinder budget planning, resulting in either overspending or underspending on essential resources and programs." (Interviews, 2025).

Another participant (CTR1) added that;

> "…the challenge being faced in financial decision-making process is ineffective resource allocation. Poor financial tracking lead to misallocation of resources where sometimes schools prioritize unnecessary expenditures or fail to allocate funds to areas that need it the most, such as educational materials or infrastructure improvements. Inaccurate record-keeping is a challenge faced in financial decision-making process in public primary schools resulting in misleading reports, which may affect funding opportunities." (FGD, 2025).

Participant HT2 stated that;

> "Without proper records, it's challenging for school administrators to assess how funds are being utilized and to identify areas for improvement. Poor financial documentation increases the risk of financial mismanagement, corruption, or fraud. When records are inadequate, it becomes easier for individuals to exploit the system without detection." (Interviews, 2025).

5.0 Discussion

5.1 Challenges Faced in Financial Decision-Making Process in Public Primary Schools

In light of objective number two of this study, the researcher discusses the findings as presented in chapter 4 of this study in the quest to understand challenges being faced in financial decision-making process in public primary schools in Kapiri-Mposhi District.

Limited Funding

The study established that public primary schools often rely on government funding, which is inadequate thus limiting their financial capacity. In relation to study results Canares and Estremera, (2025) many public primary schools face severe budget constraints that limit their ability to efficiently allocate resources towards essential services like teaching, infrastructure and extracurricular activities. In Zambia, for example, the Ministry of Education (2022) reported that insufficient funding affects the quality of education and creates disparities between urban and rural schools. UNICEF (2025) also agrees that limited funding affects resource allocation, leading to inequitable distributions that fail to meet the needs of all students. Schools in low-income areas are particularly disadvantaged, affecting their overall performance. Economic theory of decision-making argues that decision-makers in educational institutions often use cost-benefit analysis to evaluate the implications of different funding allocations. Limited funding complicates this process as it forces decision-makers to prioritize certain programs over others (Chundu, Mwahombela and Gwambene, 2024). The lack of funds lead to the elimination of programs that might be beneficial in the long run, such as arts and sports, which are crucial for holistic education. Economic theory emphasizes the concept of opportunity cost, where resources allocated to one area are not available for another. In the context of limited funding, schools sometimes have to cut back on essential services like special education, which might lead to higher costs down the line when these needs are unaddressed (Rupia and Chai, 2022).

Lack of Financial Expertise

It was clear in the results were that many management, impacting their ability to make sound financial decisions. Similarly, Maggy and Khumalo, (2025) in South Africa notes that many public primary schools lack individuals with the requisite financial knowledge and skills required to make informed decisions. This gap hinders their ability to manage budgets, allocate resources efficiently, and plan for future expenses. Mudenda and Fulai, (2026) also supports that financial literacy is critical in determining how schools prioritize spending and make long-term financial commitments. Without this expertise, schools struggle to achieve their educational goals efficiently. ZANEC (2022) further argue that ineffective financial management in schools lead to wastage of resources, reduced quality of education, and ultimately poor educational outcomes for students. Linking to economic theory of decision-making, the model posits that lack of financial expertise means that school administrators do not properly analyze financial data, leading to poor resource allocation and missed opportunities for funding or investment (Gigerenzer and Brighton, 2021). In the case of public primary schools, the limited financial knowledge restricts access to accurate financial information and hinders effective analysis, leading to suboptimal choices.

Maintenance of Infrastructure

The findings were that many schools have aging infrastructure that requires regular maintenance and repairs, adding to financial pressures. The study findings are in consistency with UNICEF (2025) report that many public primary schools in Zambia have inadequate infrastructure, which includes crumbling classrooms and insufficient sanitation facilities. This depletion of infrastructure lead to increased costs for repairs and maintenance, affecting financial resources allocated for educational purposes. The report by

Yizengaw and Agegnehu, (2021) in Ethiopia that a total education budget is often diverted to address urgent maintenance of school facilities. This diversion underscores the inadequacy of long-term budgeting and planning, as funds are not available for educational programs when infrastructure issues arise. Zambia Ministry of Education (2022) found that few public primary schools have proper maintenance programs in place. Similarly, economic decision-making supports that when maintenance of infrastructure is not adequately funded, schools may allocate limited resources inefficiently. The misallocation, driven by urgent repair needs, detracts from investment in educational quality, diminishing overall effectiveness (Mwaba, 2025). Increased repair costs lead to higher expenditures over time, suggesting that initial investment in maintenance would yield better long-term financial health for schools. Economic theories stress the importance of evaluating these opportunity costs to make informed decisions that maximize educational outcomes.

Ineffective Financial Planning

The study results shows that inadequate financial planning and budgeting lead to overspending or failing to allocate resources effectively. The results were that schools create budgets that do not accurately reflect actual costs, leading to deficits and unexpected shortfalls in funds. The findings of ActionAid Zambia (2025) also found that some primary schools lack structured financial planning which leads to budget shortfalls. This shortfall impacts various school functions, such as purchasing educational materials or maintaining school infrastructure, thereby affecting overall educational quality. Mudenda, et al., (2025) reports that financial resources in primary schools are ineffectively allocated due to poor planning practices. These often result from reliance on outdated financial models that do not reflect current needs and expenditures, leading to inefficiencies.

According to Ndongwe and Kangai, (2023) schools faced potential financial crises as a direct result of ineffective budgeting processes in Zimbabwe. Their analysis revealed that schools frequently underfund essential services due to unforeseen expenses stemming from poor financial forecasting. Chitondo, Kalasa and Chinyundo, (2022) shows that some school administrators lack the necessary training in financial management, which directly correlates with ineffective financial planning. Schools with trained financial management staff were 25% more likely to allocate funds effectively. Suriadi and Karim, (2025) reviewed that schools experiencing ineffective financial planning saw, on average in operational costs due to misallocated budgets, revealing that inadequate planning not only affects resource availability but also leads to additional unexpected expenses.

On a contrary, ineffective financial planning contradicts this theory by resulting in poorly informed decisions. When schools fail to assess their financial needs accurately, they miss out on maximizing available resources for educational purposes (Chanda, 2023). The model argues that ineffective financial planning results in a failure to achieve this balance, often leading to overspending in certain areas while underfunding critical initiatives (Arrow, 2019). The model start that poorly planned budgets prevent school administrators from effectively evaluating the trade-offs between various educational expenditures, which hinder educational quality and resource utilization (Malambo, 2018).

Poor Financial Record Keeping

In the field, it was clear that without proper record-keeping, schools have inaccurate and incomplete financial data. This lead to misguided financial decisions, including budget allocations and expenditure planning. In line to study results, Chundu, Mwahombela and Gwambene, (2024) in Tanzania shows that schools surveyed reported significant deficiencies in their financial record keeping practices. These shortcomings led to inaccuracies in budgeting and financial forecasting, causing mismanagement of

financial resources. Likewise, UNICEF (2025) reported that schools have incomplete or outdated financial records, which complicates decision-making processes for school administrators.
Rupia and Chai, (2022) in Tanzania contains that schools with poor financial record keeping faced operational inefficiencies, reporting difficulties in tracking expenditure trends effectively. This resulted in unexpected financial shortfalls, affecting the schools' operational plans. According to economic theory of decision-making, poor financial record keeping creates information asymmetry, where decision-makers lack accurate data to make informed choices. This lead to inefficient allocation of resources and missed opportunities for funding and investment (Mofu, 2026 and UNICEF 2025). When financial records are poorly maintained, schools find it difficult to create realistic budgets, resulting in inefficiencies that impact educational quality and operational effectiveness.

6.0 Conclusion

The research findings revealed a range of challenges that significantly hinder the financial decision-making processes in the selected schools. Among the most pressing issues identified were limited funding, which restricts the schools' ability to meet educational needs and plan for future growth. The lack of financial expertise among staff further exacerbates this issue, as it results in suboptimal financial planning and decision-making. It was clear that, many schools face difficulties in maintaining essential infrastructure, leading to increased costs and budgetary strain. Ineffective financial planning compounds these issues, leaving schools unprepared to respond to financial challenges or capitalize on funding opportunities. Furthermore, poor financial record-keeping practices create barriers to transparency and accountability, making it difficult for school administrators to track expenditures and inform strategic decisions. Together, these challenges paint a complex picture of the obstacles faced by school leaders as they navigate the financial landscape.

6.1 Recommendation

- The study commends that the ministry of education through district education office should ensure that each school has a qualified accountant in place in order to manage school funds. This will help and relieve stress among appointed teachers who may not fully understand financial related concepts.

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