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Editorial: Financing school education: Linking resources and learning

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Globally many governments are grappling to effectively finance school education resulting in serious consequences for the provision of quality education. The current economic climate has forced governments to radically cut back on education budgets. Complemented to this problem is the forced migration of people from war-torn countries or the influx of illegal immigrants from poorer countries outside its borders. In order to improve the standard of school education, governments are compelled to introduce educational funding models and policies that are closely aligned to learner performance. It becomes imperative for governments to achieve their education policy imperatives through the efficient and equitable use of financial resources.

Most public-school funding is derived from governments' central budgets. Developing effective mechanisms to allocate this funding among competing priorities is thus an important policy concern. Since school systems have limited resources within which to pursue and achieve their objectives, using financial resources effectively, efficiently and economically are key aims for educational activities. According to the Organisation for Economic Co-operation and Development's (OECD) *Review of School Resources* (2017), the governance of school funding is characterised by complex relationships between various stakeholders involved in raising and disbursing funds for schooling.

One of a government's goals is to provide effective basic education for its people. Education research shows that there is a strong link between resources (physical, financial and human resources) and learner achievement (Hallinger, 2003; Leithwood, Louis, Anderson & Wahlstrom, 2004; McCaffery, 2010). In local contexts, we have observed that learners who attend schools that have adequate resources generally perform much better than those attending schools with inadequate resources. To address equity and social justice, for example, the South African government has made far-reaching changes in financing public schools. Drawing on the quintile system of classifying schools, South African public schools are bifurcated into no-fee and fee-paying schools. Historically disadvantaged (no-fee) schools are allocated substantial funding to procure resources. However, a number of these schools are still dysfunctional and underperforming. It has also been noted that although affluent public (fee-paying) schools receive very little funding from the state, these schools are able to sustain effective education for its school communities. What are some of the probable reasons for such a dichotomy? This special edition attempts to provide some answers to this question.

With the advent of the COVID-19 pandemic, globally governments (and schools) have experienced serious funding challenges. Some of these include:

- Governments are compelled to redirect education budgets to medical care and safety for all its people. Available and borrowed funds are used for COVID-19 testing of thousands of infected people; medical treatment and the provision of medication; personal protective equipment; oxygen tanks; makeshift hospitals; and procurement of beds.
- Private schools and fee-paying schools have also been hard hit. Lockdown measures have compelled many parents to refuse paying outstanding school fees while others request refunds for school fees paid in advance. Schools are obliged to retrench staff and are restricted from procuring state-of-the-art educational resources. At the same time, they are forced to incur additional debt such as the procurement of data, personal protective and technological equipment (computers and laptops) to move towards online teaching.

Against this background, the special edition is premised on three pillars of school financing: equity; entrepreneurship; and the effective and efficient management of school finances.

Governments of developing countries have made great strides in addressing equity in financing public schools despite declining global economies. The goal of providing all learners with access to education and the provision of quality education is still not adequately addressed. Fiske and Ladd (2008) indicate that some of the more notable input inequities in school-based education were the disparities in the per capita expenditure, the teacher-learner ratios, the qualifications of teachers and physical resource allocation.

Sayed, Motala, Carel and Ahmed (2020) argued that although more than 26 years after the ending of colonial and apartheid rule, the South African education system, and society in general, remain far from equal, made apparent by the current COVID-19 pandemic. This paper takes a critical look at South African education governance and funding policies, considering why the South African Schools Act (SASA) and the National Norms and Standards for School Funding (NNSSF) have not delivered the promises of equity, redistribution and redress. The paper advances conceptual flaws, operational failures and implementation naivety as to why these promises have not been realised, advocating for an alternative social justice model for school governance and funding.

For children to access schooling, it is imperative for governments to sufficiently fund public education. Abdul-Rahaman, Rongting, Wan, Iddrisu, Abdul Rahaman and Amadu (2020) draw to our attention how learner access to Ghanaian public schools is sustained. Successive governments, both military and civilian regimes, fund senior high school education to increase access and improve quality since the nation's independence. Using a generalised linear model, they tested the impact of government funding on student enrolment. Their findings reveal that government funding has a significant impact on increasing enrolment among girls, but it is not statistically significant in increasing boys' enrolment.

Albert Chanee (2020) focuses on the Gauteng Department of Education's (GDE) intervention programmes to address equity. He addressed how the GDE's intervention programmes help improve access and quality of learning in all schools, especially township schools. He examined various GDE pro-poor intervention programmes, the effects of a progressive school funding policy, and efforts to achieving equity through improved resource allocations. It is essential to assess the progress of the GDE's explicit pro-poor education policies towards promoting equity and equality in education, with particular focus on the performance of Grade 12 learners in no-fee schools. One of the findings of this study reveals that, although the GDE faced challenges in implementing the no-fee policy at school level, there has been progressive improvements in the standard of education as reflected in the Grade 12 results of no-fee schools.

The motive of Mutendwahothe Walter Lumadi's (2020) study was to underscore the correlation between inadequate financial resources and learners' achievement. School finance reform was found to contribute to learner achievement and was viewed as a building block of every discourse related to equity. In the Eastern Cape province, the dismal percentage of Grade 12 learners who achieve success in gateway subjects, as reflected in the National Senior Certificate Examination results, was linked to the grossly inequitable distribution of funding and even the defunding of education. An intervention programme to finance quality education for schools in poverty-stricken communities was employed. Although the windfall was temporary, it was construed as the dawn of a new age of philanthropy. The project spurred the development of local education finance to motivate South African Dinaledi learners.

Mutekwe (2020) explains the merits of integrating learning equity in the management of the physical and financial resources by school governing bodies (SGBs) in South Africa. Adopting the social justice perspective as theoretical lens, the study avers the necessity of learning equity in SGBs' dealings with school resources. The findings show that if SGBs adopted the principles of learning equity as integrating diversity in the equitable deployment of physical and financial resources, they would go a long way towards entrenching social justice in managing resources. Unless members of SGBs adopt an equitable mechanism for allocating these resources in the face of competing priorities, real equitable learning remains elusive.

Thaba-Nkadimene (2020) examines the problem of inadequacies in educational provisioning among public schools that negatively influence teachers' productivity and learners' outcomes. The primary objective of this paper was to examine teachers' and principals' perceptions on the influence of education provision on teachers' performance and learners' outcomes. Inadequacies in school provisioning was found to influence teachers' performance and learners' outcomes, causing teacher psychological stress and low teacher morale as a result of poor working conditions. Inadequacies in school resources constitute an unfair and unjust practice by the Department of Education and infringes on learners' right to education and learners' demotivation; that subsequently leads to them dropping out of school.

The second pillar in school financing is entrepreneurial leadership. The field of entrepreneurship (Nieman, Hough & Nieuwenhuizen, 2004) can significantly contribute to the way in which a school's resources are raised and managed and there is thus a need for school principals to engage in entrepreneurship.

Naicker, Myende and Ncokwana (2020) used the contingency leadership theory to examine how school principals respond to school funding challenges they encounter. Principals in fee-paying and no fee-paying schools employ a cocktail of practices to respond to various challenges they encounter. They enact a form of transgressive leadership where they adopt a context-driven as opposed to a policy-driven approach to school leadership. Funding challenges drive school principals to renegotiate their roles as professional managers and as *ex-officio* members of school governing bodies resulting in them becoming more entrepreneurial in their school leadership.

Buys, Du Plessis and Mestry (2020) explore various fundraising initiatives that will increase the coffers of public schools. The perceptions and experiences of principals and SGBs on the management of funds were investigated and findings reveal that SGBs need to take an entrepreneurial stance towards supplementing funds provided by the state. In addition, there are serious challenges surrounding school fees paid by parents such as bad debts and fee exemptions, and this necessitates SGBs to find other sources of revenue.

Mamabolo (2020) explores the role of school principals as entrepreneurial leaders who influence the emergence of entrepreneurial activities for the purpose of school funding. Findings show principals possess the necessary entrepreneurial know-how, and in their leadership roles, they have the personal, and managerial skills required to identify and exploit entrepreneurial opportunities. Entrepreneurial activities introduced by school principals were internal resource mobilisation through learner-led and management-led projects, and external mobilisation through partnerships with the private sector and former learners. Overall, the entrepreneurial activities contributed positively to the schools' finances, and improved learners' entrepreneurial skills.

The third pillar is about the effective and efficient management of school finances. School financial management can be described as the performance of management actions (regulatory tasks) connected with the financial aspects of schools, with the aim of achieving effective education (Mestry & Bisschoff, 2009). School managers with appropriate financial knowledge and skills are required to manage their schools' finances effectively and efficiently. Various authors examine different issues related to the management of school funds.

Maistry and Africa (2020) explore the financial management struggles of schools from low socioeconomic contexts. Some poor schools experienced an exodus of fee-paying learners whereas other schools saw an increase in poor learners residing in newly established informal settlements. The study reveals that principals are involved in a constant struggle to manage their schools in the context of dire financial constraints. The advent of outsourcing of procurements is a distinct neoliberal move that relegates previous state functions to the ambit of the market. Profit-driven procurement agents systematically drain the public purse as they wilfully render services and supplies incommensurate with the charges they levy.

Makoelle and Burmistrova (2020) explain how the implementation of inclusive education in South African schools resulted in more demands being placed on schools to make provision for the inclusion of learners with special educational needs in mainstream classrooms. They found that this has brought about substantial changes regarding school financing in order to cater for a diverse learner population. Although provision has been made in terms of the NNSSF policy, schools, especially those in previously disadvantaged communities, are not adequately and suitably resourced to implement inclusive education fully.

Mestry (2020) explains that although intensive fundraising initiatives and sponsorships are viable solutions, the declining South African economy has prompted corporates to apply austerity measures such as limiting sponsorships to schools. Thus, SGBs are compelled to charge parents school fees as a means of supplementing state subsidies. This study explored how SGBs manage school fees to sustain the provision of quality education. If school fees are effectively and efficiently managed, SGBs can continue employing additional staff above the post provisioning norms, reduce class sizes and procure state-of-the-art resources, resulting in high learner achievement.

Myende, Bhengu and Kunene (2020) emphasize the importance of efficient and equitable use of financial resources to achieve quality in education. Subsequently, the achievement of efficient and equitable use of financial resources in schools depends on the principals' understanding of their role in managing financial resources. To respond to this, the Kingdom of Eswatini's Ministry of Education and Training has developed a training programme to build financial management capacity of school principals. Principals' experiences suggest the existence of various limitations of the programme. Lessons have been drawn about the effectiveness and challenges of the programme and illuminate implications for how professional development programmes can be offered to build principals' capacities in school financial management.

Du Plessis (2020) raises a crucial problem in light of the COVID-19 pandemic. Despite the fact that SGBs are responsible for raising substantial funding, their ability to appropriate school funds is limited by legislation, irrespective of the origin of the funds or assets in question. In 2020, schools were closed for more than two months due to lockdown regulations and many parents were left questioning why they should pay for services not rendered. This study aimed to determine the impact of COVID-19 on the management of school fees and resources in public schools. The findings revealed the COVID-19 has had an impact on school budgets, teaching posts and fundraising activities, as well as on the day-to-day operations of schools.

Chikoko and Mthembu (2020) provide a literature review using a three-pronged conceptual framework, including public, external aid, and private education financing. They examined the financing of primary and secondary education in sub-Saharan Africa (SSA) with a view to contributing some insights about the extent to which the region can achieve the United Nations' Sustainable Development Goal (SDG) 4. Findings show that, *ceteris paribus*, SSA will not have adequate financial resources to meet SDG 4 requirements. Public education financing, which remains the major source, needs to increase significantly. For this to happen, SSA countries' economies must necessarily grow.

Aina and Bipath (2020) investigate how urban schools manage the finances in public primary schools situated in urban areas. Their findings reveal that despite the fact that all schools are governed and controlled by the SASA, financial management of fee-paying schools differed from no-fee schools situated in townships and rural areas. In many schools the unavailability of parent members of SGBs was a barrier to effective financial decisions. Rudzani Israel Lumadi (2020) explicates how most schools lack infrastructure and physical and financial resources to be managed successfully while the former Model C schools have adequate resources. This article advocates for an equitable funding for all poor learners. The findings suggest that the SGBs are aware of their financial management roles but do not execute their roles effectively. They lack the knowledge and skills to perform such roles. Both articles recommend that SGBs should be provided with mandatory training on school financial management from the Department of Education. It also suggested that a qualified financial management expert be included in the membership of every SGB. This will empower and support school governors to carry out their functions effectively.

In conclusion I wish to thank the editorial team under the leadership of Prof. Ronél Ferreira, the Editor-in-Chief and Ms Estelle Botha, the Administrative Editor for their unstinting support and exceptional guidance throughout the publishing process. My thanks go to all the authors and co-authors for submitting articles for the

special edition and special thanks and appreciation to the reviewers for their selfless dedication and expert advice proffered to enhance the quality of the articles.

We trust that the articles published in this special edition will stimulate robust debate and engage researchers to delve deeper in the field of financial management.

Enjoy reading!

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