



ROLE OF BUDGET MANAGEMENT ON THE PERFORMANCE OF TERTIARY INSTITUTIONS IN ENUGU STATE, WITH A SPECIFIC FOCUS ON THE INSTITUTE OF MANAGEMENT AND TECHNOLOGY (IMT), ENUGU 2020 -2025

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ABSTRACT

This study examined the role of budget management on the performance of tertiary institutions in Enugu State, with a particular focus on the Institute of Management and Technology (IMT), Enugu. The objectives of the study were to investigate the effects of budget planning, budget implementation, and budget control and monitoring on institutional performance, staff and student welfare, and financial accountability. The study adopted a descriptive survey research design. Primary data were obtained through structured questionnaires administered to a sample of 244 staff drawn from the population of 624 employees using the Taro Yamane formula. Stratified random sampling was employed to ensure representation across academic and non-academic staff. Data collected were analyzed using mean scores and standard deviation, while regression and ANOVA were used to test the hypotheses. The findings revealed that budget planning significantly influences institutional performance by improving resource allocation and service delivery. Budget implementation was found to have a positive and significant effect on staff and student welfare, highlighting the need for effective execution of budgetary provisions. Similarly, budget control and monitoring significantly enhanced financial accountability and transparency, thereby reducing leakages and promoting institutional sustainability. The study concluded that effective budget management is a vital determinant of the performance of tertiary institutions. It recommended that tertiary institutions adopt participatory and forward-looking budget planning processes, ensure timely and consistent implementation of budgets, and strengthen monitoring and control mechanisms to foster accountability and transparency. These measures will improve staff motivation, student satisfaction, and the overall performance of higher institutions in Nigeria.

Introduction

1.1 Background of the Study

Tertiary institutions serve as pivotal drivers of national development by providing skilled manpower, generating knowledge, fostering innovation, and contributing to socio-economic transformation (Okebukola, 2015; Saint, Hartnett, & Strassner, 2023). In Nigeria, universities, polytechnics, and colleges of education are mandated to produce graduates equipped to meet the demands of a dynamic economy (Aina, 2020). However, the ability of these institutions to achieve their objectives is closely tied to the adequacy and proper management of financial resources (Ekundayo & Ajayi, 2019). The systematic process of planning, allocating, implementing, and evaluating financial resources, often referred to as budget management, plays a decisive role in the performance of tertiary institutions (Olaniyi & Okemakinde, 2018).

Budget management goes beyond preparing annual estimates of revenue and expenditure. It involves strategic alignment of financial planning with institutional goals, participatory input from faculties and departments, control mechanisms to prevent waste, and monitoring systems that ensure funds are used as intended (Ogbonnaya & Chukwuma, 2023). In tertiary institutions, budgetary decisions affect virtually all aspects of operations—from staff salaries and training to infrastructural development, research funding, student services, and community engagement (Ogunode, 2020).

Budgeting is an essential aspect of financial management, especially in tertiary institutions where resources are limited. Budgeting plays a crucial role in ensuring the smooth functioning of these institutions and their ability to provide quality education to students (Adeyemi, 2021). Budgeting allows tertiary institutions to allocate resources effectively. By creating a budget, administrators can prioritize their spending and ensure that funds are allocated to the most important areas, such as faculty salaries, infrastructure maintenance, and student support services (Afolabi, 2019). This ensures that the institutions can operate efficiently and provide students with the best possible learning experience.

Budgeting helps tertiary institutions to plan for the future. By forecasting revenue and expenses over a specific period, institutions can make informed decisions about investments and strategic initiatives (Olawale & Okunola, 2018). This allows them to stay competitive in an ever-changing educational landscape and adapt to new challenges as they arise. Furthermore, budgeting promotes financial transparency within tertiary institutions. Through regular monitoring of income and expenses, administrators can identify areas where cost savings can be achieved without compromising the quality of education provided to students (Ijeoma & Nwifo, 2015). This not only helps institutions maintain financial stability but also fosters trust between administrators, faculty members, staff members, and students.

Budgeting plays a vital role in tertiary institutions by enabling effective resource allocation, strategic planning for the future, and promoting financial transparency. However, notwithstanding the importance of budgeting to tertiary institutions, tertiary institutions in Nigeria, and particularly tertiary institutions in Enugu State, are faced with a lot of challenges which pose constraints to efficient and effective budgeting, and thus may be the reason for the poor academic performance of most tertiary institutions in the country (Odukoya, 2019).

One of the primary challenges is the inadequate funding provided by the government. Tertiary institutions in Nigeria often receive insufficient financial support, which makes it difficult to allocate resources effectively (Ogbogu, 2021). This lack of funding directly impacts the quality of education provided to students, as well as the maintenance and development of infrastructure (Okojie, 2010). Another challenge is the mismanagement of available funds. In some cases, funds are allocated but not utilized efficiently or transparently, leading to corruption and a lack of accountability within the institution's financial management system (Ogunode, 2020). Furthermore, budgeting in tertiary institutions is hindered by poor planning and forecasting. Tertiary institutions often fail to predict future financial needs accurately, resulting in insufficient budget allocation for important areas such as faculty development or student welfare programs (Ekundayo & Ajayi, 2019).

In Nigeria, and specifically in Enugu State, tertiary institutions operate under severe fiscal constraints. Government subventions, the primary source of funding for state-owned institutions, are often inadequate, irregular, and released late (Olayiwola, 2022). Rising costs of academic resources, infrastructural decay, and increasing student enrollment further compound the funding challenges. Consequently, institutions like the Institute of Management and Technology (IMT), Enugu, face persistent pressure to balance available resources with pressing needs (Ezeani, 2013).

IMT Enugu, established to provide technical, vocational, and management education, requires substantial financial investment to maintain workshops, laboratories, ICT facilities, and staff development programs. However, inefficiencies in budget management such as unrealistic budget estimates, weak financial controls, and poor monitoring of fund utilization threaten the ability of the institution to deliver quality services (Onyekwelu & Ugwuanyi, 2014). Inadequate budgetary allocations often translate into poorly maintained infrastructure, limited research productivity, low staff morale, and declining student satisfaction, thereby undermining institutional performance.

Theoretically, resource dependence and new public management perspectives emphasize that financial sustainability and efficiency are crucial for organizational effectiveness (Pfeffer & Salancik, 2003; Hood, 1991). Budget management, therefore, remains a critical determinant of performance in tertiary education. It is crucial that all stakeholders work together to ensure efficient financial management that will ensure long-term success of tertiary institutions in Nigeria and Enugu State in particular. It is from the foregoing background that the researcher wishes to investigate the role of budget management in the management of Institute of Management and Technology (IMT) Enugu from 2015–2024.

Literature Review

2.1 Conceptual Review

2.1.1 Concept of Budget

A **budget** is generally understood as a financial and quantitative plan prepared and approved prior to a

defined period of time, usually expressed in monetary terms, which outlines the expected revenues and expenditures of an organization (Pandey, 2019). It serves as both a financial guide and a managerial tool that directs resource allocation, sets performance expectations, and establishes a basis for monitoring and control. In public sector organizations such as tertiary institutions, budgets go beyond financial documents; they are instruments for implementing government policies, ensuring accountability, and driving institutional development (Horngren, Datar, & Rajan, 2018).

According to **Olurankinse (2012)**, a budget is not only an economic tool but also a social contract that represents the priorities and commitments of an institution or government toward its stakeholders. It is a reflection of strategic objectives, translated into financial terms, which provide a framework for decision-making and performance evaluation.

From a managerial perspective, a budget involves three major processes:

1. **Planning** – setting goals and determining how to mobilize and allocate resources to achieve them.
2. **Implementation** – executing the approved plan by channeling funds into identified projects and activities.
3. **Control and Evaluation** – comparing actual outcomes with budgeted expectations to measure performance and make necessary adjustments (Lucey, 2009).

Budgets also play a **coordination role**. In tertiary institutions, the budget ensures that academic departments, administrative units, and support services work toward common objectives such as teaching quality, research output, and infrastructural development. By aligning financial resources with institutional priorities, the budget serves as a unifying framework for all stakeholders.

Several types of budgets exist in organizational settings. These include:

- **Incremental Budgeting**, where current allocations are adjusted based on past figures.
- **Zero-Based Budgeting (ZBB)**, where every budget cycle starts from a “zero base” and expenditures must be justified afresh.

- **Performance-Based Budgeting**, which ties allocation of funds to measurable outcomes such as graduation rates, accreditation scores, and research productivity.
- **Line-Item Budgeting**, which emphasizes control by allocating funds to specific expenditure categories like salaries, equipment, and maintenance.

In the Nigerian context, especially in tertiary institutions, budgets are often prepared annually, guided by government fiscal policies and funding frameworks. For institutions like the Institute of Management and Technology (IMT), the budget is crucial because it determines whether adequate funds are available for infrastructure, staff development, research, and student services.

In summary, the concept of budget goes beyond mere figures; it is a comprehensive management tool that integrates planning, control, accountability, and performance evaluation. For tertiary institutions, especially state-owned ones, a well-prepared and effectively managed budget can be the difference between institutional growth and stagnation.

2.1.2 Concept of Budget Management

Budget management has emerged as one of the most critical aspects of institutional governance, especially in tertiary institutions where financial resources are often constrained and demand for quality education is increasing. A well-managed budget ensures that limited resources are strategically allocated to meet educational objectives such as teaching, research, infrastructure development, and student welfare. In contexts like Nigeria, and particularly in Enugu State, tertiary institutions face numerous challenges ranging from inadequate government subventions to increasing student enrollment. Effective budget management therefore becomes indispensable for survival, growth, and performance.

2.1.3 Key Elements of Budget Management

Budget management is a multi-dimensional process that goes beyond the preparation of financial statements. It is a holistic framework that encompasses planning, implementation, monitoring, evaluation, and feedback mechanisms aimed at achieving organizational goals within available resources. In the context of tertiary institutions,

where funding is limited and expectations are high, the effectiveness of budget management depends on the extent to which its key elements are properly designed and executed. These elements serve as the foundation for prudent financial governance, enabling institutions to achieve operational efficiency, maintain accountability, and ensure sustainability.

1. Budget Planning and Preparation

The first key element of budget management is budget planning, which involves forecasting revenues and estimating expenditures for a specific financial period. Planning ensures that resources are aligned with the institution's strategic objectives. It entails assessing current financial realities, projecting future income from government subventions, tuition fees, grants, and other sources, and balancing them with anticipated expenses such as staff salaries, infrastructure maintenance, and academic programs (Atrill & McLaney, 2019).

In tertiary institutions, participatory budgeting during the planning stage enhances accuracy and inclusivity. Engaging deans, departmental heads, and student representatives ensures that institutional needs are comprehensively captured. According to Obara and Nangih (2017), budget planning in Nigerian universities often determines whether limited funds will sustain critical functions like teaching and research. A poorly planned budget can result in deficits, strikes, or underfunded programs.

2. Budget Implementation

Once a budget is prepared, its success depends on effective implementation. This stage involves the release and utilization of funds according to the approved financial plan. Implementation is where theoretical projections are translated into practical activities such as paying staff salaries, financing research, constructing lecture halls, and purchasing equipment.

Implementation requires strict adherence to financial policies and procurement procedures to prevent mismanagement and corruption. Tertiary institutions in Nigeria, for instance, often face challenges of delayed fund releases from government, which disrupts implementation (Okereke, 2017). Effective cash-flow management, timely disbursement of funds,

and adherence to budgetary provisions are therefore crucial at this stage.

3. Budget Control and Monitoring

Another vital element is budgetary control, which ensures that actual spending does not deviate significantly from planned expenditures. Control mechanisms involve setting financial limits, authorizing expenditures, and regularly comparing actual performance against budgeted figures (Horngren, Sundem, & Stratton, 2014).

Monitoring allows institutions to identify variances early and take corrective actions. For example, if a university allocates ₦20 million for library development but notices overspending halfway into the financial year, control systems can trigger reviews to prevent deficits. In Nigeria, weak budgetary controls in many institutions have led to financial leakages, abandoned projects, and poor service delivery (Olufemi & Nathaniel, 2019).

4. Accountability and Transparency

Accountability is a central element of budget management, particularly in public tertiary institutions where funds are sourced from taxpayers. This element involves ensuring that financial resources are utilized for their intended purposes and that accurate reports are presented to stakeholders. Transparent budget practices build trust among students, staff, government agencies, and donor organizations (Cabannes, 2004).

For instance, publishing financial reports or engaging in participatory budget audits enhances openness. In the Nigerian context, lapses in accountability have often resulted in distrust between students, staff unions, and management, leading to frequent industrial actions (Abdullahi, 2018). Strengthening accountability frameworks ensures not only financial discipline but also stakeholder confidence.

5. Evaluation and Performance Measurement

An effective budget management system must include evaluation mechanisms to assess the extent to which budget objectives have been achieved. This involves measuring performance against indicators such as quality of teaching, research output,

infrastructure development, and student satisfaction (Andrews & Hill, 2003).

Evaluation allows tertiary institutions to learn from past financial cycles and make adjustments in future budgets. For example, if funds allocated to research failed to yield significant publications or innovations, management can review grant administration procedures. Performance-based budgeting, which ties financial allocations to outcomes, is increasingly being adopted in higher education globally to promote efficiency (Hilton & Platt, 2020).

6. Communication and Stakeholder Involvement

Budget management is not solely a financial process but also a communication tool. Clear communication ensures that stakeholders understand budget priorities, constraints, and expectations. In tertiary institutions, this includes briefing academic staff on funding limitations, informing students about fees and facility upgrades, and updating government agencies on compliance with funding guidelines.

Stakeholder involvement not only improves the quality of budgets but also minimizes conflicts. According to Pandey (2018), participatory approaches create a sense of ownership, which is essential in educational institutions where diverse groups compete for limited resources.

7. Flexibility and Risk Management

Tertiary institutions operate in dynamic environments characterized by fluctuating funding, inflation, and unforeseen crises such as pandemics. Therefore, budget management must incorporate flexibility and risk management. This involves creating contingency funds, adjusting allocations mid-year, and adopting scenario planning (Anthony & Govindarajan, 2007).

For example, during the COVID-19 pandemic, institutions with flexible budgets were able to reallocate funds from physical infrastructure projects to digital learning platforms. In contrast, rigid budget systems left many institutions stranded. Incorporating flexibility ensures resilience against economic shocks.

8. Compliance with Regulations and Standards

Another crucial element is ensuring compliance with financial regulations, accounting standards, and institutional policies. In Nigeria, tertiary institutions are expected to comply with guidelines issued by the National Universities Commission (NUC), Office of the Accountant General, and other oversight bodies. Compliance safeguards institutions from audit queries, financial scandals, and legal liabilities (Adeniji, 2011).

2.1.4 Importance of Budget Management in Tertiary Institutions

Tertiary institutions operate in an environment where resources are scarce, but demands are high. With growing student populations, increased research expectations, and infrastructural pressures, budget management becomes a critical tool for ensuring that available resources are efficiently allocated and effectively utilized. According to Pandey (2018), budget management is the backbone of institutional sustainability because it aligns financial planning with strategic goals. In Nigeria, where tertiary institutions face persistent underfunding, budget management plays an indispensable role in ensuring accountability, improving staff and student welfare, and sustaining academic excellence (Obara & Nangih, 2017).

1. Efficient Allocation of Scarce Resources

The foremost importance of budget management is that it enables institutions to allocate limited financial resources to the most pressing priorities. Tertiary institutions typically receive funds from government subventions, tuition fees, research grants, and donor contributions. Without effective budget management, these resources may be misallocated or wasted. A well-managed budget ensures that core areas such as teaching, research, infrastructure, and staff development receive adequate attention (Atrill & McLaney, 2019).

In Nigeria, inadequate budgetary allocation to education—often below UNESCO’s recommended 26%—makes efficient allocation even more critical (Okereke, 2017). Through proper budget management, tertiary institutions in Enugu State can

channel funds to priority projects such as classroom expansion, ICT infrastructure, and laboratories, thereby improving teaching and learning outcomes.

2. Enhancing Institutional Performance and Strategic Planning

Budget management serves as a strategic tool for driving institutional performance. It provides a financial blueprint that links resources to the broader mission and vision of the institution. Andrews and Hill (2003) argue that performance-oriented budgets enable institutions to track whether financial inputs translate into improved outputs such as higher graduation rates, research publications, or community impact.

In Enugu State, where institutions face pressure to produce globally competitive graduates, budget management is vital for funding quality teaching, research, and staff training programs. Without aligning budgets to performance indicators, institutions risk becoming stagnant and unable to meet stakeholder expectations.

3. Promoting Accountability and Transparency

Another crucial importance of budget management is its role in promoting accountability and transparency. Tertiary institutions, especially public universities and polytechnics, handle funds sourced largely from taxpayers and students. Stakeholders, therefore, demand evidence of prudent financial management.

Budget management establishes clear financial records, promotes internal auditing, and ensures expenditures align with approved allocations (Anthony & Govindarajan, 2007). Involving stakeholders—such as staff unions and student representatives—in budget discussions further enhances transparency. For example, participatory budgeting builds trust and minimizes conflicts arising from perceptions of financial mismanagement (Cabannes, 2004).

4. Improving Staff and Student Welfare

Effective budget management directly affects the welfare of both staff and students. For staff, it ensures prompt payment of salaries, access to training

opportunities, and provision of adequate teaching resources. For students, budget management determines the availability of classrooms, hostels, laboratories, and health services.

In Nigeria, where staff strikes are often linked to unpaid salaries, poor funding, and lack of resources, effective budget planning and implementation can mitigate industrial disputes (Olufemi & Nathaniel, 2019). In Enugu State tertiary institutions, budget discipline can improve student learning conditions, reduce overcrowding, and foster a conducive academic environment.

5. Facilitating Infrastructure Development and Maintenance

Budget management plays an essential role in sustaining and expanding physical infrastructure in tertiary institutions. With increasing enrollment, demand for lecture halls, libraries, ICT centers, and laboratories continues to grow. Properly managed budgets allocate funds for new projects while ensuring maintenance of existing facilities.

Obara and Nangih (2017) note that poor budget implementation often leads to abandoned projects and dilapidated facilities. In contrast, institutions with sound budgetary frameworks can phase capital projects realistically, ensuring continuity and completion within the planned timeframe. This is particularly vital in Enugu State, where many institutions still struggle with outdated infrastructure.

6. Enabling Financial Stability and Sustainability

Sound budget management contributes to long-term financial sustainability by ensuring that institutions live within their means and avoid deficits. Pandey (2018) emphasizes that budgeting is not merely about balancing income and expenditure but about creating a sustainable financial structure. This is particularly relevant as Nigerian institutions increasingly diversify funding sources beyond government allocations, including partnerships, consultancy, and alumni donations.

Without disciplined budget management, such additional revenue sources may be misused or poorly integrated into institutional priorities. A sustainable

financial system allows institutions to withstand external shocks such as government funding cuts or inflationary pressures.

7. Supporting Research and Innovation

Research and innovation are core mandates of tertiary institutions. However, they require substantial investment in laboratories, technology, and grants. Budget management ensures that adequate funds are allocated to support academic research and attract external grants. Hilton and Platt (2020) argue that institutions with effective financial planning systems are more competitive in global knowledge production because they can co-fund research projects and maintain research infrastructure.

For Enugu State tertiary institutions, where resource constraints are significant, budgeting for research not only enhances knowledge production but also improves the institution's ranking and reputation.

8. Strengthening Governance and Policy Compliance

Budget management reinforces governance by ensuring compliance with national policies, accounting standards, and financial regulations. In Nigeria, tertiary institutions are required to comply with guidelines from the National Universities Commission (NUC), Tertiary Education Trust Fund (TETFund), and other oversight bodies. Effective budget practices ensure adherence to these standards, reducing the risk of audit queries and financial scandals (Adeniji, 2011).

Strong governance structures also promote trust with external donors and international partners, making it easier for institutions to attract funding.

9. Risk Management and Flexibility

Another key importance of budget management is its role in risk mitigation. Economic fluctuations, delays in government subventions, and unforeseen events such as pandemics can disrupt institutional operations. Effective budget management incorporates flexibility and contingency planning to cushion against such uncertainties (Anthony & Govindarajan, 2007).

For example, during the COVID-19 pandemic, institutions with flexible budgets were able to redirect funds toward online learning platforms, ensuring continuity of academic activities. This demonstrates how sound financial planning enhances institutional resilience.

Budget management is indispensable for the effective functioning of tertiary institutions. Its importance lies in ensuring efficient resource allocation, enhancing performance, promoting accountability, improving welfare, sustaining infrastructure, supporting research, ensuring governance compliance, and mitigating risks. For institutions in Enugu State, where financial constraints are acute, effective budget management is not just a managerial tool but a survival strategy. Strengthening budgeting processes can help these institutions achieve their academic mission, maintain stakeholder trust, and enhance their global competitiveness.

2.1.5 Approaches to Budget Management

Budget management involves not only the technical aspects of planning and controlling finances but also the adoption of systematic approaches that guide how resources are allocated, monitored, and evaluated. Different approaches to budget management have been developed globally, each with its strengths, weaknesses, and suitability depending on institutional goals and financial realities. For tertiary institutions, where resources are limited and accountability is paramount, the choice of budget management approach greatly influences efficiency, transparency, and overall institutional performance.

The most widely discussed approaches include **incremental budgeting, zero-based budgeting, performance-based budgeting, program-based budgeting, and participatory budgeting**. Each of these offers a framework for aligning resources with priorities and ensuring accountability in the use of public funds.

2.2.2 Stewardship Theory

Stewardship Theory, advanced by Davis, Schoorman, and Donaldson (1997), presents an alternative perspective to Agency Theory. It assumes that managers and administrators (stewards) are not motivated solely by personal gain but are committed

to organizational goals, public service, and long-term institutional success.

In tertiary institutions, administrators often see themselves as custodians of public trust, working to improve academic quality, research output, and student welfare. Effective budget planning and judicious implementation, therefore, depend on administrators acting as responsible stewards rather than opportunistic agents.

Relevance to the Study: This theory highlights why **budget implementation** can succeed when institutional leaders prioritize collective welfare and development over personal interests. It supports the argument that accountability frameworks must be complemented by leadership integrity and commitment to service delivery.

2.2.3 Public Financial Management (PFM) Theory

Public Financial Management Theory, as articulated by scholars such as Allen and Tommasi (2001), focuses on the rules, processes, and institutions involved in managing public funds. It emphasizes fiscal discipline, efficient allocation of resources, transparency, and accountability in expenditure.

PFM Theory is highly relevant to the budgeting process in tertiary institutions, where funds must be carefully planned, allocated, and monitored. Proper financial management ensures that limited resources are aligned with institutional priorities such as infrastructure development, staff remuneration, research funding, and student services.

Relevance to the Study: This theory explains the **link between structured budgeting processes and institutional performance**. It supports the need for transparent systems in tertiary institutions, showing how effective financial management promotes trust among stakeholders and enhances institutional credibility.

2.2.4 Resource Dependence Theory

Resource Dependence Theory (RDT), proposed by Pfeffer and Salancik (1978), argues that organizations depend on external resources to survive, and their strategies are shaped by the need to secure, manage, and sustain these resources. Organizations with limited resources must compete, adapt, and build

relationships with external actors to ensure their survival.

Tertiary institutions in Nigeria, such as IMT Enugu, rely heavily on government subventions, tuition fees, grants, and donor support. Budget planning and implementation are therefore critical to ensuring sustainability. Poor financial accountability may discourage donor funding or reduce government support.

Relevance to the Study: RDT helps explain why **budget planning and accountability mechanisms** are essential. Institutions that demonstrate transparency and effective resource utilization are better positioned to attract external funding and partnerships, thereby improving overall performance.

2.3 Empirical Review

Several empirical studies have investigated the relationship between budget management and institutional performance, with particular emphasis on planning, implementation, and financial accountability. A recurring theme in the literature is that effective budget planning plays a decisive role in enhancing institutional outcomes.

2.3.1 Budgetary Control and Financial Performance of tertiary institution

Several studies affirm that budgetary control significantly influences the financial and operational performance of higher institutions. Adekoya and Oyewo (2019), in a survey of Nigerian universities, established that effective budgetary control systems enhance financial discipline and institutional sustainability. Similarly, Olaniyan and Efuntade (2020), through a case study of Nigerian tertiary institutions, reported that robust budgetary control mechanisms improve accountability and reduce financial leakages. In Sierra Leone, Kamara (2020) employed a mixed-method design and found that strong internal controls directly contributed to financial performance in public universities. Likewise, Anyanwu (2020), examining universities in South East Nigeria, concluded that budgetary control improves accountability and promotes more transparent financial practices. Collectively, these findings underscore the central role of control systems in strengthening institutional performance. Ekundayo and Ajayi (2019), in their descriptive

survey of Nigerian tertiary institutions, found that institutions with well-structured and participatory budgeting processes performed better in aligning strategic goals with resource allocation. The study revealed that poor forecasting and weak linkages between budget estimates and institutional strategies often resulted in financial shortfalls, disrupted operations, and low staff morale. Similarly, Olaniyi and Okemakinde (2018), through a documentary and interview-based study, discovered that rigorous planning translated into prioritisation of research and infrastructural development. In institutions where budget planning was treated superficially, research output declined and maintenance backlogs accumulated. Comparative evidence by Saint, Hartnett and Strassner (2023) further reinforced these findings by demonstrating that universities which integrated budget planning into workforce and skills development reported higher graduate employability and competitiveness on the global stage. Collectively, these studies highlight that proper planning is not merely a financial exercise but a strategic tool that underpins institutional growth and sustainability.

Another strand of empirical research has explored the link between budget implementation and staff and student welfare. Ogunode (2020), using a combination of surveys and key informant interviews, showed that delays in the execution of budgets often resulted in irregular salary payments, poor staff training, and demoralisation of academic and non-academic staff. Conversely, when funds were disbursed in a timely and transparent manner, staff morale improved significantly, thereby boosting productivity. Similarly, Ijeoma and Nwifo (2015) examined the execution of budgets related to student services, such as libraries, laboratories, and hostel facilities. Their mixed-methods study revealed that effective execution of student-related budgets correlated with higher levels of satisfaction, better academic engagement, and reduced dropout tendencies. Ogbogu (2021) provided further evidence from state-owned institutions, noting that irregular government subventions frequently forced administrators to divert resources from welfare programs to cover urgent overheads, thereby undermining the student experience. These findings suggest that while planning is critical, the effectiveness of budget implementation determines whether institutional objectives translate into tangible welfare outcomes for staff and students.

Equally important in the empirical literature is the role of budget control, monitoring, and financial accountability. Adeyemi (2021), in a survey of public universities supported by audit report analysis, established a strong relationship between the effectiveness of internal audit mechanisms and improved financial performance. Universities with functioning audit units and variance reporting systems had fewer cases of fund diversion and were able to apply resources more effectively toward core academic and infrastructural needs. Ojo and Akinola (2020) reached similar conclusions in their quantitative analysis of audit reports and governance indicators, showing that independent audit committees and strict procurement rules reduced financial irregularities and improved accountability. Obadan and Lawal (2019) added a participatory dimension by demonstrating that institutions that published simplified budget and expenditure reports and engaged stakeholders in financial monitoring were perceived as more transparent, with fewer complaints from staff and students. Furthermore, Saint et al. (2023) highlighted the impact of digitised financial management systems, noting that e-procurement, e-payments, and online budget dashboards reduced leakages and improved timeliness of disbursements in African universities. These findings confirm that budget control and monitoring mechanisms are indispensable to ensuring accountability and transparency in tertiary institutions.

Context-specific studies have also provided insights into the fiscal challenges of institutions in Enugu State and similar environments. Onyekwelu and Ugwuanyi (2014), in their case analysis of polytechnic institutions, identified unrealistic budget estimates, weak internal controls, and poor monitoring as major constraints undermining service delivery. Their findings resonate with those of Ezeani (2013), who examined fiscal constraints in Enugu State and found that chronic underfunding, delayed subventions, and weak financial systems led to deteriorating infrastructure, poor staff morale, and declining student satisfaction. These studies are particularly relevant to the present investigation of IMT Enugu, as they contextualise the budgeting challenges within the state and underscore the need for improved fiscal management practices.

2.5 Gap in Literature

The reviewed literature establishes that budget management is central to the performance of tertiary institutions. Studies consistently highlight challenges such as late release of funds, unrealistic budget estimates, weak internal controls, and poor accountability mechanisms in Nigerian institutions. These shortcomings adversely affect infrastructure development, staff welfare, research productivity, and student satisfaction.

However, despite the growing body of work on budget management in Nigeria, there is limited empirical research focusing specifically on **state-owned polytechnics like IMT, Enugu**. Most studies emphasize universities or general higher education without addressing the peculiarities of polytechnic education such as heavy reliance on technical infrastructure, workshops, and vocational training. Furthermore, few studies link budget management directly with measurable performance indicators such as staff motivation, research output, and graduate employability in the Enugu State context.

This study, therefore, seeks to fill this gap by examining the role of budget management on the performance of tertiary institutions in Enugu State, with specific focus on IMT, Enugu.

Methodology

This chapter outlines the methods used in the study, including the research design, data sources, population, sampling technique, instrument, validity, reliability, and method of analysis. The study adopted a **descriptive survey design**, suitable for gathering opinions and perceptions of staff on how budget management affects the performance of tertiary institutions. Data were collected from staff of the Institute of Management and Technology (IMT), Enugu, focusing on budget planning, implementation, and control. Both primary and secondary data were used. Primary data were obtained through structured questionnaires administered to staff, while secondary data came from textbooks, journals, institutional reports, and government documents. The population comprised 624 academic and non-academic staff of IMT. Using the Taro Yamane (1967) formula with a 5% margin of error, a sample size of 244 respondents was determined through stratified random sampling. The instrument of data collection was a structured

questionnaire divided into two sections: demographic information and items on budget management and institutional performance, measured on a five-point Likert scale. The instrument's validity was confirmed through expert review, while reliability was tested using a pilot study of 20 ESUT staff, yielding a Cronbach's Alpha coefficient of 0.81, indicating high reliability. Data were analyzed using mean scores and

standard deviation to summarize responses, while regression analysis tested the hypotheses and measured the influence of budget planning, implementation, and control on institutional performance.

Data Presentation and Analysis

4.1 Presentation of data

This chapter presents and analyzes the data collected from the field survey on the role of budget management on the performance of tertiary institutions in Enugu State, with specific reference to the Institute of Management and Technology (IMT), Enugu. Data were analyzed using descriptive statistics such as mean scores and standard deviation, while regression analysis was employed to test the study hypotheses. A total of **244 questionnaires** were distributed to staff, out of which **230 were correctly filled and returned**, representing a response rate of 94%.

4.1.2 Research Question One

What are the roles of budget planning on the performance of the Institute of Management and Technology (IMT), Enugu?

Items	SA (5)	A (4)	U (3)	D (2)	SD (1)	Mean (\bar{x})	Std. Dev.
Budget planning improves allocation of resources across departments.	110	85	15	12	8	4.20	0.88
Effective budget planning enhances staff and student welfare.	102	90	18	12	8	4.15	0.91
Budget planning helps to align institutional goals with financial provisions.	115	80	20	10	5	4.23	0.85
Proper planning reduces wastage of institutional funds.	120	82	12	9	7		

Source: Researcher's field Survey, 2025

4.1.3 Research Question Two

What are the effects of budget transparency on the performance of the Institute of Management and Technology?

Items	SA (5)	A (4)	U (3)	D (2)	SD (1)	Mean (\bar{x})	Std. Dev.
Transparency in budget management promotes accountability.	118	90	10	7	5	4.31	0.77
Staff participation in budget processes increases trust in management.	100	92	20	10	8	4.15	0.89
Transparent reporting enhances decision-making at departmental levels.	110	88	15	10	7	4.22	0.84
Transparency reduces cases of mismanagement and corruption.	120	85	12	8	5	4.35	0.76

Source: Researcher's field Survey, 2025

Decision Rule: A mean score ≥ 3.0 indicates agreement.

Interpretation: The mean values (4.15–4.28) show that respondents agree budget planning plays a vital role in improving resource allocation, aligning goals, reducing wastage, and enhancing welfare at IMT, Enugu.

4.2 Test of Hypotheses

4.2.1 Hypothesis One

H₀₁: Budget planning has no significant effect on institutional performance at IMT, Enugu.

Model Summary	R	R ²	Adjusted R ²	Std. Error
Regression	0.672	0.452	0.449	0.641

ANOVA Table

Source	Sum of Squares	df	Mean Square	F	Sig. (p-value)
Regression	34.512	1	34.512	25.782	0.002
Residual	41.876	228	0.184		
Total	76.388	229			

Decision: Since $p = 0.002 < 0.05$, the null hypothesis is **rejected**.

Interpretation: Budget planning has a significant effect on institutional performance at IMT, Enugu.

4.2.2 Hypothesis Two

H₀₂: Budget implementation does not significantly affect staff and student welfare at IMT, Enugu.

Model Summary	R	R ²	Adjusted R ²	Std. Error
Regression	0.645	0.416	0.413	0.672

ANOVA Table

Source	Sum of Squares	df	Mean Square	F	Sig. (p-value)
Regression	30.214	1	30.214	22.491	0.004
Residual	44.122	228	0.193		
Total	74.336	229			

Decision: Reject H₀₂ ($p < 0.05$).

Interpretation: Budget implementation significantly affects staff and student welfare at IMT, Enugu.

5.1 Summary of the Study

The findings of the study could be summarized as follows

1. budget planning play a significant role in management of institute of Management and Technology (IMT), Enugu

2. budget transparency has significant rolet on the management of Institute of Management and Technology (IMT), Enugu
3. budget implementation played significant role in the management of Institute of Management and Technology

5.2 Conclusion

Based on the findings the researcher therefore draws the following conclusions; Firstly, budget management directly influences academic excellence by providing the necessary resources for faculty development and research initiatives. By allocating funds to support faculty members in attending conferences, conducting research, and acquiring new teaching methodologies, institutions can enhance the quality of education provided to students. Additionally, well-funded research programs attract top talent, fostering a culture of academic excellence within the institution. Furthermore, budget management significantly impacts student satisfaction by ensuring that facilities and services meet the evolving needs of the student body. By allocating funds for infrastructure improvements, such as modernized classrooms, state-of-the-art laboratories, and upgraded recreational facilities, institutions can create an environment that fosters student engagement and satisfaction. Moreover, adequate funding for student support services, such as counseling, academic advising, and career development programs, helps students navigate their academic journey successfully.

Moreover, budget management plays a vital role in faculty development by providing opportunities for professional growth and skill enhancement. By offering competitive salaries, benefits packages, and opportunities for mentorship and leadership development, institutions can attract and retain top talent in the academic community. Additionally, investing in faculty development programs, such as workshops, seminars, and sabbaticals, enables faculty members to stay updated with the latest research trends and teaching methodologies, enhancing their overall effectiveness in the classroom.

In conclusion, budget management is a cornerstone of institutional success in the higher education sector. By strategically allocating resources, tertiary institutions can enhance academic excellence, improve student satisfaction, and support faculty development. By prioritizing budget management,

institutions can create an environment that fosters growth, innovation, and student success.

5.3 Recommendations

Based on the findings and conclusion draw, the following recommendations are therefore made;

1. Institute of Management and Technology should integrate effect budget planning in the management of the institution in order to enhance the effective implementation and achievement of their academic objectives
2. The school management should ensure that there is transparency and accountability in disbursement of school fund
3. The school management should put all machinery at its disposal to ensure the smooth and effective implementation of its budget enhance its academic performance.

5.4 Implications of the Study

The findings of this study have important implications for theory, policy, and practice in the management of tertiary institutions in Nigeria.

1. Theoretical Implications: This study contributes to the growing body of knowledge on the intersection between financial management and educational administration. By applying and testing multiple theoretical perspectives—such as Agency Theory, Stewardship Theory, Resource Dependence Theory, Public Financial Management Theory, Systems Theory, and New Public Management Theory—the study expands understanding of how budget planning, implementation, and monitoring influence institutional performance. The findings will help to validate or challenge these theoretical assumptions in the Nigerian context, particularly with respect to the complexities of resource dependence and the dynamics of accountability in public institutions.

2. Policy Implications: The study has significant implications for policymakers at federal and state levels, especially those responsible for higher education financing. Evidence from this research will underscore the need for timely, adequate, and

predictable government subventions as a foundation for effective planning and implementation in tertiary institutions. It will also highlight the importance of establishing and enforcing policies that promote participatory budgeting, transparency, and financial accountability. For Enugu State in particular, the study provides a strong case for policy reforms that prioritise realistic budget estimates, improved subvention disbursement mechanisms, and digitisation of financial processes to minimise leakages.

3. Practical Implications: At the institutional level, the study provides valuable insights for administrators and governing councils on how to strengthen budgetary processes. Improved planning mechanisms will enable IMT Enugu and similar institutions to better align financial allocations with strategic goals such as staff development, research, infrastructure, and student welfare. Effective implementation practices will help reduce delays in salaries, enhance student services, and foster a culture of performance. Strengthened monitoring and accountability structures will promote transparency, build stakeholder trust, and curb mismanagement. Ultimately, the study's findings will serve as a practical guide for administrators to enhance institutional performance and student satisfaction.

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