



Effect of Budgetary Control on Performance of Public Universities in South - West, Nigeria

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The focus of this study is the effect of budgetary control on performance of public universities in south – west, Nigeria. The study used primary data which were collected by means of questionnaires. The data were analysed using statistical instruments such as normality test, multicollinearity test, descriptive statistics, bootstrapping test and multiple regression analysis. Two hundred and fifty-one questionnaires were administered and distributed among the staff of bursary department, physical planning unit and internal audit unit. However, two hundred and ten respondents, representing 83.7%, returned their completed questionnaires. The bootstrapping test shows that the independent and mediating variables at 95% confidence interval has the difference between upper limit and lower limit to be less than 1. This is an indication that the findings of the two hypotheses are valid. Consequently, the study revealed that there is effect of budgetary control on the performance of public universities in south – west, Nigeria. More so, it was found out that there is influence of human factors on budgetary control and thus affect the performance of public universities in south – west, Nigeria. Based on the findings, the study recommended that the government should improve the percentage of allocation to educational budget and adhere strictly on the implementation of this budget provision. The study contributed to the existing model specification in terms of projecting proven reliable proxies for the independent, mediating and dependent variables.

←
ABSTRACT

Keywords: Budgetary Control; Performance of Public Universities; South-West

Introduction

The most trending issue being discussed on our political and social network today is the standard of Nigeria universities educational system. The deteriorating state of our educational system is highly worrisome. Only four Nigerian universities made it to the first one thousand (1000) in the Times Higher Education World University Rankings 2020, released at Zurich in Switzerland. For example, the University of Ibadan, University of Lagos and University of Nigeria, Nsukka were among the four universities that rated high in Nigeria (Olabisi, 2019).

Even in Africa, among the top 15th universities in Africa, the best Nigeria University was placed fifth while University of Ibadan occupied eighth position. This is to show how worrisome the situation is. Many factors could be responsible for this, such as poor educational policy, poor funding system, politicizing education, ineffective budgetary control system, cultism in schools, hunt for paper qualification, lack of research culture, running of unaccredited academic programs, etc For instance, since 1999, the highest budgetary allocation to education was in 2015 which was 11.79 per cent. This was reduced to less than 7 per cent in the 2020 budget. To this end, this research work focused on the effect of budgetary control on the performance of public universities in South-West, Nigeria, and the extent of human factors influence on budgetary control.

Budgeting involves the establishment of predetermined goals, the reporting of actual performance results and evaluation of performance in terms of the predetermined goals. It is the process of drawing up a budget that aid managers in coordinating their effort so that objective of the organizations as a whole harmonized with the objective of the parts.

However, budgetary control systems are essential tools for planning. It is considered to be the exact and rigorous analysis of the past, the probable and desired future experience with a view to substituting considered intention for opportunism in management. While budget focuses on policy making, budgetary control is concerned with implementation of the policy (Abuh, and Aliyu, 2013). Budgetary control is the process of developing a spending plan and periodically comparing actual expenditures against that plan to determine if it or the spending patterns need adjustment to stay on track. This process is necessary to control spending and meet various financial goals. Organizations rely heavily on budgetary control to manage their spending activities. This technique is used by the public universities in Nigeria to drive home their goals. The purpose of budgetary control is to provide a forecast of revenues and expenditures which is achieved through constructing a model of how organization might perform financially, provides a comprehensive management platform for efficient and effective allocation of resources, controls the losses resulting from fraud and technological malfunction, and controls the organization expenses to remain within the budgetary limits (Vinod, 2012).

The study is organized in five sections. The first section focused on the introductory aspect. Section two provides literature review; the research method is developed in section three while section four provides analysis and discussion of the findings. The last section provides summary, conclusion and recommendations.

Statement of the Problem

The motivation of this study is the growth trend in the universities which is expansive instead of developmental. In recent time, there has been a proliferation of institutions of higher learning without the backing of adequate resources to meet the needs of the students and indeed the university communities. To address the deplorable state of our universities, adequate investments are needed to strengthen manpower and infrastructures of the universities.

Also, Africa countries particularly Nigerians, the budget is likened to an annual event of unrealistic promises, dashed hopes, corrupt practices and frustrated expectations. This is a cankerworm that has eaten deep into the fabric of all sectors and making things not workable again in the country. With the conclusion and recommendation of this study, if follow with a kin mind, there is hope that there will be light at end of the tunnel.

Objectives of the Study

The general objective of this study is to investigate the effects of budgetary controls on performance of public universities in south west, Nigeria. However, the specific objective of the study sought to examine the influence of human factors within budgetary control on performance of public universities south - west, Nigeria.

Hypothesis Formulated:

Ho₁: There is no effect of budgetary control on the performance of public universities in south – west, Nigeria.

Ho₂: There exists no influence of human factors on budgetary control as it affects the performance of public universities in south – west, Nigeria.

Limitation of the Study:

The researcher planned to use secondary data such as approved budget, vote book and financial statements of the selected institutions to supplement the primary data sourced for through questionnaires. Despite all efforts, these documents were not available and thus posed constraint of using primary data alone.

Literature Review

Ogungbenle and Edogiawere (2016), in its efforts to examine the effect of Federal government budgetary allocation on the development of tertiary institutions in Nigeria spanning from 2000 to 2014. The paper claimed that a budget is plan quantified in monetary terms, prepared and approved prior to a defined period of time usually showing planned income to be generated and or expenditure to be incurred during that period and the capital to be employed to attain a given objectives. This budget is indispensable to any tertiary institution in achieving their goals.

However, this paper ascertained that inadequate funding deters growth in the tertiary institutions. The study recommends that in the face of the declining financial resource allocation to the education sector, there is the need for alternative channels of funding which will ensure qualitative education and standard growth in Nigerian tertiary institutions.

Harrison, Mary and Simon (2014), noted that the budgetary control system is a government mandatory requirement that aims to ensure efficient use of funds with the aim of enhancing the performance of public schools. It is therefore necessary to assess the effects of budgetary practices on the performance of public secondary schools. It was submitted by the study that amid the need to foster efficiency and effectiveness in schools, budgetary practices have been embraced by public secondary schools in Kenya.

Abuh and Aliyu (2013) submitted that any focused organization either in the private or public sector must put in place a plan of its activities to guide on how to generate financial resources and how to allocate or commit the resources in an efficient manner. The purpose is to achieve the predetermined target or goal in a particular period. This plan is usually referred to as a budget. It is a kind of blueprint that guides an organization to focus mainly on financial resources for expected results in a defined period. The work argued that focused and futuristic organizations like Nigerian tertiary institutions are expected to put in place a financial plan of its activities to guide on how to generate financial resources and allocate them to achieve predetermined target or goal in a particular period or year.

Alabi, Ojebode and Abdulkareem (2013), in a paper titled Budgeting Systems in Universities in South West, Nigeria claimed that budgeting, as being practiced in Nigeria today, is not transparent enough. It has not even enhanced the public confidence that funds are allocated judiciously to the targeted areas of expenditure as aligned in the proposed budget.

Features of Budgetary Controls

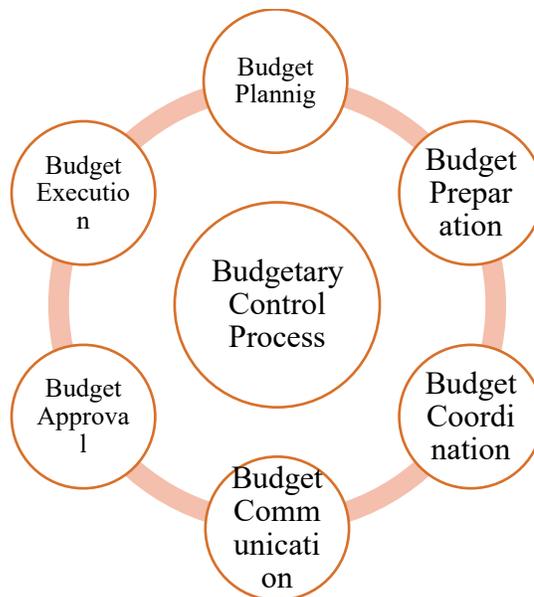
Budget could be used as an instrument of economic policy, a tool for economic management and an instrument for accountability. Budgetary control is resources allocation mechanism that attempts to maximize the contribution of public expenditure to national welfare (Needles, 2011). The Nigeria public universities are not left out in this regard. An effective budgeting system is vital to the success of any academic institution, most especially public universities.

Without a fully coordinated budgeting system, management cannot know the direction in which the financial and non-financial activities of the school are taking.

Human Factors in Budgetary Controls

Human factors within budgetary controls may revolve around the degree to which organizations top management accepts the budget program as a vital part of company's activities. It can also be viewed in the context within with organizational management uses budgeted data. Perrin (2012), for a budgetary control program to be successful, a complete acceptance and support of key management personnel is required. The position of lower and middle level management personnel on budgetary control is subjected to the acceptance of top-level management. Kimani (2014), in the administration of a budgetary control program, the top management should not use the system as a channel of pressurizing employees or apportioning blames if something goes wrong. This might not help the organization to achieve her set goals. In a nutshell, human factors within budgetary controls are managerial commitment, employees participation, employees training, employees knowledge of the budget, employees motivation, etc.

Budgetary Control Process



Budget Planning

Yang (2010) argued that if budget planning is handled and administered with outmost seriousness, it could drive management planning, provides best framework for judging performance and promotes effective communication and coordination among various segments of business organizations.

Budget Preparation

Periasamy and Subramanian (2010) asserted that budget preparation process begins with the completion and submission of budget form by budget holders or cost centres to the finance office or department. The finance office collates the first draft budget for the attention of management. Budget preparation is essential in driving expenditure projections and advise policymakers on the feasibility and desirability of specific budget proposals from a macroeconomic perspective. It is much easier to control expenditure at the point of budget preparation than later during the execution of the budget.

Budget Coordination

Coordination involves obtaining and organizing the needed personnel, equipment and materials to carry out the business of an institution. Budget coordination aids in coordinating separate activity units of an institution to ensure that all sections of the institution balance

with each other. The overall coordination of the budget processes develops budget strategy, prepares briefing papers and provides support for committee of the cabinet (Singh, 2017).

Budget Communication

Communication is an important element in budget revision process, budget meetings or budget expansion. It allows stakeholders to inputs their departmental needs in budget production. Budget communication is the essence of the budget process. All aspects of the process are aimed at communicating a position and persuading others as to the proposed actions (Isaboke and Kwasira, 2016).

Budget Approval

The time taken before budget can be approved depends on the size of an institution and its organizational structure. The responsibility of budget approval is rested on the top management. The approval process can sometimes take longer time than the preparation of the budget itself, because difficult decisions have to be made about prioritizing expenditure. Budget approval requires budget consolidation, review by finance or bursary department, review by top management, discussion with departmental heads etc. (Mutai, 2015).

Budget Execution

Budget execution is the process by which the financial resources made available to an institution are directed and controlled towards achieving the purposes and objectives for which budgets were approved. The process involves compliance with both legal and administrative requirements (Nasrin, 2014).

Challenges of Budgetary Control

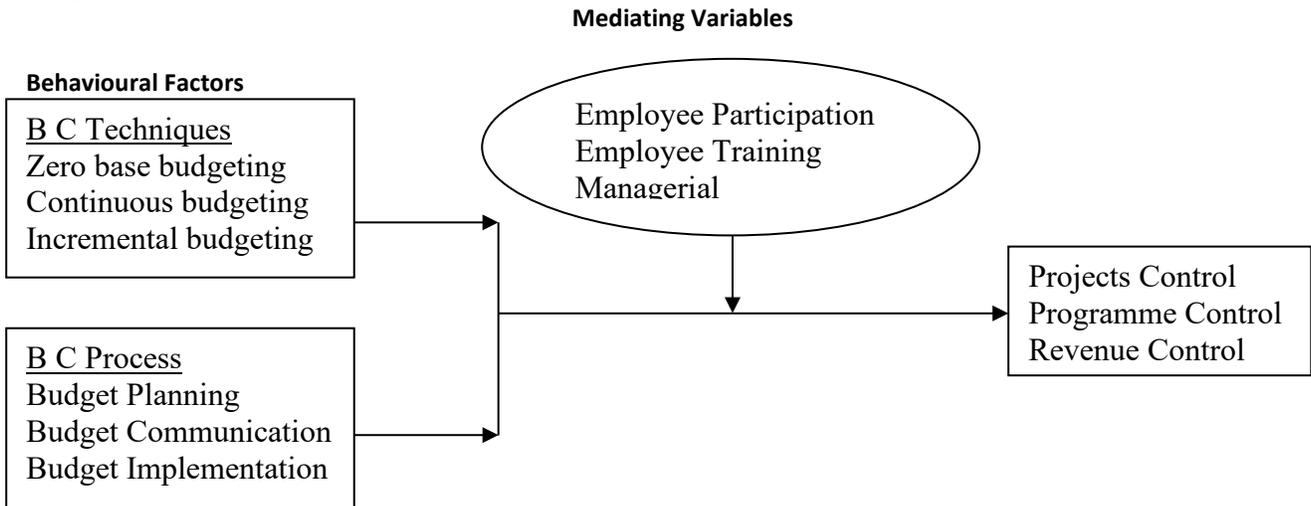
Yusuf (2009) discussed the challenges confronting budgetary control system as:

- i. Inaccurate information – The more an institution expands, the more challenging it is to pull the right information together.
- ii. Unavailability of right software tool – There are many software that could be used in analysing budget, finding the right one is an issue.
- iii. Excessive time taken – Budget preparation and approval takes a lot of time before conclusion is reached.
- iv. Ambiguity and Expensive – Budgetary control will be ambiguous and expensive if it is unnecessarily detailed and complicated.
- v. Poor implementation – Budgetary programme will not by itself improve the management of the institution unless it is properly implemented. It requires proper evaluation techniques as well.
- vi. Lack of flexibility in budget structure – Most budget structure of public university in Nigeria is not flexible, because the funding is majorly by government subventions.

Performance

Performance is a continuous process of identifying, measuring and developing the performance of individuals, and aligning performance with the strategic goals of an institution. Performance focuses on five basic elements, such as, setting of objectives of the organization, measuring the performance of the organization, giving feedback of the performance results, rewarding the performance outcomes and adjusting the objectives to make it achievable (Fajinmi, 2015). Performance is the outcome of a firm's activities over a given period of time, which are measurable by customers satisfaction, employees satisfaction, shareholders satisfaction, sales growth, market share or profitability of the institution (Amalokwu and Ngoasong, 2008). However, juxtaposing the costs expended and benefits realized on assets, new projects and academic programmes in our public universities in Nigeria says a lot on the financial performance of these public universities. However, asset control, programme control and project control are used as the proxy of the dependent variable. This was tested with the aid of questionnaires.

Conceptual Framework
Independent Variables **Dependent Variables**
Budgetary Control Performance



Key: B C – Budgetary control
Source: Student Survey (2020)

Theoretical Review

Priority Based Budgeting Theory

The theory focuses on corporate priorities and allocates growth and savings in budgets accordingly but does not require zero sums. The underlying philosophy of priority-driven budgeting is about how an institution should invest the scarce resources to meet its stated objectives. Public universities in Nigeria like all other business firms have their budgeting process governed by the needs to have proper funding, transparency and accountability at all levels (Kavanagh, Johnson and Fabian, 2011). Priority based budgeting model was linked to this study because it provided a possible explanation as to how prioritization through planning, coordination, communication and effective control enhance transparency and accountability in budget management.

Accounting Theory

Accounting Theory has assisted in making predictions of the likely outcome of budget action in a given set of circumstance and effect of any change in such circumstances. (Likalama and Nyangau, 2017). Accounting theory has series of concepts and theories which were developed to set standard. Such as, management accounting theory, cost accounting theory, matching concept, periodic concept, prudence concept etc. These provide yardsticks to be used for controlling budget which will ensure optimal performance in Nigeria public institution of learning (Unegbu, 2014).

Table 1: Gaps in Literature

<i>Authors</i>	<i>Gaps</i>
<i>Alabi, Ojebode and Abdulkareem (2013)</i>	The main objective of the study was the examination of the types of budgeting system adopted by universities in south – west, Nigeria whereas the general of this current study

<i>Abuh and Aliyu (2013)</i>	is to investigate the effect of budgetary control on performance of public universities in south – west, Nigeria.
<i>Ogungbenle and Edogiawere, 2016)</i>	Abuh & Aliyu work assessed the performance of incremental budgeting system in the Nigeria public tertiary institution. However, this present study examined the impact of budgetary control on performance of public universities in south – west, Nigeria.
<i>Andrew, Albert and Ngoze (2016)</i>	The paper empirically examined the effect of Federal government budgetary allocation on the development of tertiary institutions in Nigeria spanning from 2000 to 2014. Also, the work made use of secondary data. But, as for this research work, it uses primary data and focused on the effect of budgetary control on performance of public universities in south – west, Nigeria.
<i>Andrew, Albert and Ngoze (2016)</i>	The paper generally focused on public institutions of higher learning in western Kenya, whereas this present study streamlines its focus to public universities in south – west, Nigeria.

Source: Student Survey (2020)

Research Methods

This study utilized descriptive survey design to collect data from the respondents who were identified in the research study. The study used primary data which were collected by means of questionnaires. The data were analysed using statistical instruments such as normality test, multicollinearity test, descriptive statistics, bootstrapping test and multiple regression analysis under SPSS software version 21.0. The questionnaires administered were structured on 5-point likert scale ranging from strongly agree to strongly disagree.

The study’s population is the fifteen public universities in south – west, Nigeria. With the aid of convenience sampling and on the ground of one per state, six universities were selected from these fifteen public universities as sample size.

One hundred and twelve personnel from each university made up the population of the study. Taro Yamane’s formulae $n = N/1 + (e^2)$ was applied to determine the number of questionnaires to be administered.

$$n = N/1 + N(e^2)$$

where N = the population size = 112 x 6 = 672

e = the level of precision = 5%

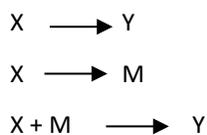
n = the sample size

Therefore, $n = 672/1 + 672(0.05^2) = 251$

Two hundred and fifty-one questionnaires were administered and distributed among the staff from bursary department, physical planning unit and internal audit unit. However, two hundred and ten respondents, representing 83.7%, returned their completed questionnaires. This is what was used for the research work. The primary data collected were transformed through validity and reliability test.

Model Specification:

A mediation analysis in multiple regression models was applied to determine the relative importance of each of the variables with respect to influence of human factors on budgetary control to affect the performance of public universities in south – western, Nigeria.



$Y = b_0 + b_1X + \epsilon$ equation 1

$M = b_0 + b_2X + \epsilon$ equation 2

$$Y = b_0 + b_3X + b_4M + \epsilon \dots \dots \dots \text{equation 3}$$

Where;

X = Independent Variable (Budgetary control Techniques, Budgetary control Process)

Y = Dependent Variable (Performance)

M = Mediating Variable (Behavioural Factors)

b₀ = Constant, **b₁, b₂, b₃, and b₄** = Regression coefficients of predictors in the model

ε = Error term

Data Presentation, Analysis and Interpretation

Validity and Reliability Test

Table 2: Case Processing Summary

		N	%
Cases	Valid	210	100.0
	Excluded ^a	0	.0
	Total	210	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics of the Independent Variables (Budgetary Control)

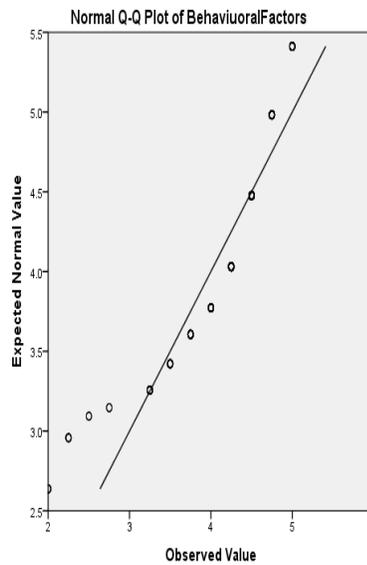
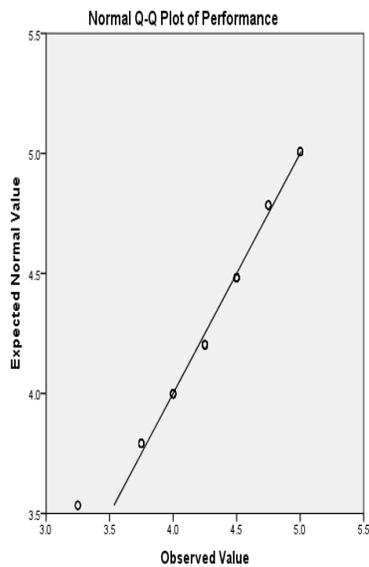
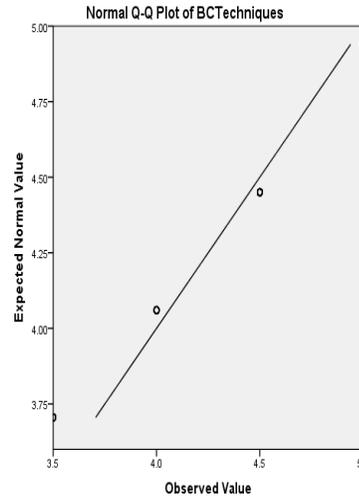
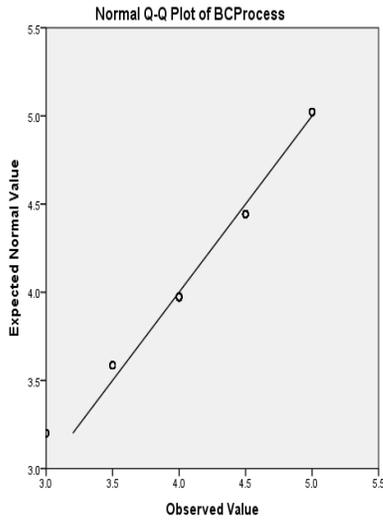
Cronbach's Alpha	No of Items
.764	12

Source: Copied from SPSS version 21.0

Interpretation:

Cronbach's Alpha allows measure of internal consistency of scale, as its value ranges from 0 to 1. A scale is reliable if the coefficient value is more than 0.7 (Chelsea, 2015). The table above shows that the measures in this study are reliable as the scale has coefficient alpha value of 0.764

Normality Test: Normal Q – Q Plot



Source: Copied from SPSS software version 21.0

Interpretation

This visualizes whether or not a set of data follows a normal distribution. It reveals whether the assumption is plausible or violated. Plotting the data, it could lie on a fairly straight line or deviate from the line. If the plots fairly rest on the straight line, it means that the sample data follow a normal distribution. But, if the plots deviate from the path of the straight line, it means that the sample data is skewed (Clay, 2015).

From the graph above, it shows that the independent variables follow a normal distribution, because each of them fairly rests on the straight line. This is also evidence that the model assumption is not violated. Sometimes, there is a little bit of deviation, such as the figure for Behavioural Factor. This is still normal, normality can be assumed as long as there is no drastic deviation.

Multicollinearity Test using VIF Value

Table 3: Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
(Constant)	2.786	.280		9.968	.000		
BCTechniques	.230	.051	.295	4.489	.000	.977	1.024
BCProcess	.120	.047	.168	2.558	.011	.977	1.024

Dependent Variable: Performance

Source: Copied from SPSS version 21.0

Interpretation:

Variance Inflation Factor (VIF) assesses whether or not variables are correlated to each other (multicollinearity). The model isn't going to be reliable if two independent variables are intercorrelated. From the table above, the VIF is below 10. This is an indication that the assumption is met.

Descriptive Statistics

Table 4: Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
St1	210	3.0	5.0	4.629	.5911
St2	210	3.0	5.0	4.371	.5404
St3	210	2.0	5.0	4.200	.6692
St4	210	3.0	5.0	4.114	.7097
St5	210	1.0	5.0	3.924	.9040
St6	210	1.0	5.0	4.248	.7550
St7	210	1.0	5.0	4.171	.9014
St8	210	1.0	5.0	4.210	.8825
St9	210	2.0	5.0	4.429	.7685
St10	210	2.0	5.0	4.314	.7097
St11	210	1.0	5.0	4.086	.9395
St12	210	3.0	5.0	4.457	.5539
Valid N (listwise)	210				

Source: Copied from SPSS version 21.0

Interpretation:

Mean: This is a measure of central tendency which measure average of a set of observations. The greater the mean of any variable, the greater the importance of such variable. The mean of each of the statement is valid as the least mean is greater than 3.0. This indicates that all the statements made in the questionnaire are valid and reliable for the study. This means that the consideration that there is effect of budgetary control on performance of public universities in south – western, Nigeria is valid and the statement that there is influence of human factors on budgetary control to affect the performance of public universities in south – western, Nigeria is also valid.

Standard deviation explains the extent of spread of data from the mean. The lower the standard deviation to the mean, the more valid the variables. Each of the statement in the questionnaire has standard deviation which is low and far away from the mean. The simple meaning of this is that most of the respondents have common opinion.

Bootstrapping Test for Mediating Variable:

Table 5: Bootstrapping

Model	B	Bootstrap ^a				
		Bias	Std. Error	Sig.(2-tailed)	95% Confidence Interval	
					Lower	Upper
(Constant)	2.786	.003	.302	.001	2.160	3.383
Behavioural Factors	.120	.001	.037	.005	.045	.196

- a. Unless otherwise noted, bootstrap results are based on 1000 bootstrap samples
- b. Independent Variables: BC Techniques, BC Process

Interpretation

Bootstrapping test makes it simple to test the stability and reliability of the model which has mediating variable as one of the three variables. This shows the reliability and accuracy of the result. If the bootstrap confidence interval between the upper limit and lower limit at 95% confidence interval is less than 1, then it is assumed that the findings are valid (Hayes, 2009). From the table above, the difference between the upper limit and lower limit of the mediating variable is 0.151. This is an indication that the mediating variable has influence on the independent variables.

Multiple Regression Analysis

Table 6: Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.375 ^a	.141	.128	.33822

- a. Predictors: (Constant), BC Techniques, BC Process
- b. Dependent Variable: Performance

Interpretation

This explains the extent to which independent variables relate to the dependent variable. That is R – Square explained the extent of relationship between budgetary control and performance. From the table above, the coefficient of R² is 0.141. This means that 14.1% of the variance that occurred in the dependent variable (performance) is common to the independent variable (budgetary control).

Table 7: Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
	B	Std. Error	Beta			Lower Bound	Upper Bound
1 (Constant)	2.549	.315		8.088	.000	1.928	3.170
BC Techniques	.234	.041	.299	4.576	.000	.133	.334
BC Process	.115	.047	.161	2.453	.005	.023	.208

a. Dependent Variable: Performance

Interpretation:

The table of coefficient is instrumental to the research work as it affords the researcher and users of the research work to predict performance from budgetary control from the significant point of view which should be less than 5% level of significant. From the table above, the significant level of the two independent variables, budgetary control techniques and budgetary control process are 0.000 and 0.005 respectively. This is an indication that there is a strong effect of budgetary control on performance.

The standard error of the regression coefficient explains how much uncertainty is associated with the coefficient of the independent variables. The standard error of the independent variables should be lesser than the standard error of the constant factor of the model. The smaller the standard error the more reliable the coefficient (Verbeek, 2012). From the table above, for budgetary control techniques, $0.041 < 0.315$, while for budgetary control process $0.047 < 0.315$. This is an indication that budgetary control techniques has 4.1% while budgetary control process has 4.7% of being wrong.

Model	B	Bootstrap ^a				
		Bias	Std. Error	Sig. (2-tailed)	95% Confidence Interval	
					Lower	Upper
1 (Constant)	2.549	.001	.322	.001	1.949	3.213
BC Techniques	.234	.001	.052	.001	.124	.335
BC Process	.115	.002	.038	.006	.037	.188
Behaviuoral Factors	.058	.003	.041	.153	.026	.133

a. Unless otherwise noted, bootstrap results are based on 1000 bootstrap samples
b. Dependent Variable: Performance

Interpretation:

As said earlier, bootstrapping for coefficient makes it simple to test the stability and reliability of the model which has mediating variable as one the three variables. This shows the reliability and accuracy of the result. If the bootstrap confidence interval between the upper limit and lower limit at 95% confidence interval is less than 1, then it is assumed that the findings are valid (Hayes, 2009). From the table above, the difference between the upper limit and lower limit of budgetary control techniques is 0.211, budgetary control process is 0.151 and that of human factors is 0.107. This is an indication that the findings on the two hypotheses are valid.

Discussion of Findings

Prior the estimation test, major pre – estimation tests were carried out to check for the reliability and normality of data use for the research work. Such pre – estimation tests are, normality test, multicollinearity test and descriptive statistics. The findings of this study revealed that there is effect of budgetary control on the performance of public universities in south – west, Nigeria. More so, it was found out that there is influence of human factors on budgetary control and thus affect the performance of public universities in south – west, Nigeria. The first hypothesis was tested using model summary and coefficient in table 6 and 7 respectively under multiple regression analysis. The finding was significant and the null hypothesis was rejected. However, the second hypothesis was tested using bootstrapping test for the mediating variable in table 5. The finding was significant and the null hypothesis was rejected. To further corroborate the findings of hypothesis one and two, the study carried out bootstrap for coefficient which confirms the significant of the two hypotheses.

The submission of this study is not in isolation to other research works. It is in line with previous empirical findings, such as, Harelimana (2017), Paul and Roberts (2017), Amen and Getachewu (2019), Veronica and Job (2019), Nwanyanwu and Ogbonnaya (2018) to mention but a few. Harelimana (2017) submitted that there is a solid positive relationship between budgetary control system and monetary execution with connection coefficient. Consequently, monetary execution as measured by ROA is emphatically impacted by budgetary control methods. From the work of Paul and Robert (2017), it was revealed that planning, human factors, resource availability and monitoring and

evaluation have significant influence on financial performance of ABGL in Kenya. The result of Veronica and Job (2019) indicated that budgetary planning, budget implementation, budget control and budget review have positive and significant effect on financial performance of commercial banks in Kenya. Lastly, the findings of Nwanyanwu and Ogbonnaya (2018) showed that there is a significant relationship at 5% between budgetary control and financial performance. The study concluded that budgetary control can be used to drive growth and sustainability of Small and Medium – sized Enterprises in River State.

Summary of Findings

Table 9: Summary of Findings

<i>Hypothesis</i>	<i>Null Hypothesis Tested</i>	<i>Findings</i>	<i>Decision</i>
<i>H₀₁</i>	There is no effect of budgetary control on the performance of public universities in south – west, Nigeria.	Significant	H ₀ Rejected
<i>H₀₂</i>	There exists no influence of human factors on budgetary control as it affects the performance of public universities in south – west, Nigeria.	Significant	H ₀ Rejected

Source: Student’s Survey (2020)

Conclusions

The results reinforce the common position of this study which verified the effect of budgetary control on performance of public universities in south – west, Nigeria is significant. There is influence of human factors on budgetary control and thus affect the performance of public universities in south – west, Nigeria.

Policy Implication of the Study

The study has important policy implication for the government and management of public universities in Nigeria, in making policies that would guide the running and operations of these universities in Nigeria, particularly in the area of budgeting and budgetary control.

Recommendations

Based on the findings of this research work, the following recommendations were made:

- i. The study revealed that most of these public universities in Nigeria have separate staff in budget and budgetary control department. This needs to be readdressed in such a way that at least two representatives from each faculty of the university should constitute members of budget committee for planning, drafting and implementing the budget. This is because employee participation in setting the budget influences budget goal acceptance and commitments which ultimately enhances performance.
- ii. The study revealed that one of the major reasons for poor performance of some of these public universities is due to lack of proper and effective implementation of the budget in running their operations. To this end, budget implementation should be taken as major priority by the government and management of these public universities.
- iii. The management of public universities in Nigeria should endeavour to build a world class physical project, run a world class accredited academic programs, admit foreign students and employ foreign lecturers to strengthen their international outlook, promote all deserved academic to professorial level, improve on research, etc.
- iv. The government should improve the percentage allotted to educational budget, adhere strictly on the implementation of this budget provision and resist the movement of students to go abroad for studying.
- v. The management of public universities in Nigeria should manage and sell the institutions to the world to make them competitive and attractive to people in every part of the world.

Contribution to Knowledge

This research work contributes to the study of budgetary control in relation to performance in the following ways:

- i. The study provides a verifiable proof of the significant effect of budgetary control on performance of public universities in south – west, Nigeria. It analysed primary data to test the hypotheses with the employment of SPSS software package, thereby making it possible for users of research works to make a generalization on such topic.
- ii. The study contributes to the existing model specification, in terms of projecting proven reliable proxies for the independent, mediating and dependent variables.
- iii. This study is an improvement over series of past empirical studies in relative field, most especially the work of Andrew, Albert and Ngoze (2017) which discussed budgetary control and financial performance of public institution of higher learning in western, Kenya.

Suggestions for Further Studies

In line with the focus of this study, the following are the suggestions presumed to be helpful in guiding further research studies

- i. There are several budget related factors that can influence the performance of institutions of higher learning in which budgetary control is one of those numerous factors. Hence, future researchers should attempt to focus on effect of effective budget implementation on organization performance.
- ii. It is suggested to future researchers to extend the focus of this study beyond public universities in south – western, Nigeria. To ensure a wider coverage and better speculation of the conclusion, the concentration should be effect of budgetary control system on performance of universities educational system in Nigeria.
- iii. Suggested for further studies is that upcoming researchers should employ the use of latest statistical software package such as IBM SPSS version 25.0

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