Conclusions

This is a brief but important chapter that brings together the main threads of our argument that educational resource management requires an understanding of the open systems environment, strategic and budgetary planning, and evaluation of processes, outputs and outcomes. This will, we argue, help to ensure that financial resources are used effectively, efficiently and in a way that is both equitable and provides value for money.

You may come from one of four groups for whom this text was intended – financial managers and leaders at national and district level; school finance administrators, often a senior leader; members of school and college governing bodies; and, we suspect, a limited number of general readers with an interest in the use of public funds. Some chapters will have been of particular interest according to the role and responsibility of the reader, but the complexity of educational resource use has both a macro dimension in securing funding levels, and a micro dimension in resource leadership and management at institutional level. Both are intertwined.

Globalization means that practices are shared across differing cultural environments and this is a particular problem where attempts to import so-called ‘western’ thinking are inhibited by local thinking and organization. Mistry and Bisschoff (2009) give detailed information to fit in with the socio-economic changes taking place in South Africa, and the impact of decentralization and political change is shown by Binder and Beaven (2014) in their advice to schools within trust groups and with enhanced governor responsibility in England. By contrast Coleman (2017) shows how, despite gender equality laws, girls in Guinea receive a second class education because of family and school precedence.
given to male education where funding is limited. These problems have been exacerbated where civil wars and other unrest have caused the twin tensions of destroyed infrastructure and lack of future funding (O’Donoghue and Clarke, 2019).

Managing finances and resources for educational organizations is thus a challenging task. The outputs and outcomes of educational organizations are multiple and have both private and public benefits. There are many different stakeholders with different interests in how resources are used. Ambiguities in relating inputs to consequent educational outputs and outcomes make it difficult to measure efficiency in education. Equity and efficiency, though difficult to make operational, are used as the main criteria for assessing how education is funded and how its provision is divided between public and private sector organizations.

In most environments educational practice is lacking in some ways, for example, through incomplete planning, pragmatic rather than planned resource use, casual control systems and a failure to listen to the voice of stakeholders. Because of criticism of public sector inefficiency, government policy in many countries has been increasingly concerned not just with how much is spent on education but on establishing funding systems that promote equity and that contain appropriate incentives for educational organizations to manage their resources efficiently. A marked trend has been towards formula funding based, in large part, on student numbers so that funding is demand-led and gives incentives to providers to perform well. Decentralized budgeting has also been encouraged on the principle that local managers are better informed about local needs and costs than those at the centre. In developing – and even developed – countries mixed public and private funding has become more prevalent as educational institutions are encouraged to raise some of their own resources both to ease the tax collection burden on the state and to ensure that students and parents have incentives to demand good-quality education from providers.

However, a number of potential tensions remain and affect the way in which policy makers and those putting policy into effect perceive their task.

Efficiency incentives may harm equity. For example, they give schools and colleges an incentive to recruit students who are less costly to educate, and private sources of funding inevitably lead to differential quality linked to income. This may affect the opportunities of those with special learning needs or those with disabilities of some sort.

Because of the increasing political importance of education, governments still wish to intervene to achieve specific policy outcomes,
despite promoting decentralized budget management as a means to enhanced efficiency. As a result, schools and colleges lack the freedom to work creatively to establish their vision because of national requirements in curriculum planning or examination structures.

There are tensions between the desire for national cohesion via uniform public education and private demands for differentiated education.

In a world where public sector educational organizations are experiencing greater degrees of financial autonomy, with its increased uncertainties and opportunities, educational managers need to cope strategically with the impact of these policy tensions on their organization as well as attend to the careful details of day-to-day budget management. To some extent a ‘law of unintended consequences’ (Liefner, 2003: 470) operates, where breadth of education is sacrificed so that measurable outcomes, for example, examination results, can secure recruitment for schools or courses. Liefner (2003) considered these consequences within higher education and noted that the behaviour of academics and managers has changed to the point where they are less ready to undertake risk activity in developing their departments and, as a result, research objectives are tied more closely to national policy requirements and teaching accords with course completion criteria. His argument is that educational creativity may be stifled for fear of lack of resource allocation, either from student fees or from bid income.

**Going further**

There has been considerable research in recent years into many aspects of effectiveness, efficiency, equity and value for money in resource management on a local or national scale. This is recorded in the contents pages of the following journals.

- *Economics of Education Review*
- *Journal of Educational Administration*
- *Education Economics*

There is also considerable material to be found in the discussion papers from the University of York, UK.

A wealth of material from the United States is available online from the US Department of Education’s Educational Resources Information Center (ERIC) and from the Department of Educational
Statistics in Washington. A major centre for the study of school finance is the Consortium for Policy Research in Education at the University of Wisconsin–Madison (https://wcer.wisc.edu/About/Project/30). Much useful commentary is on the Center on Educational Benchmarking site (http://ncee.org). This is a US website reflecting globalization in matching funding with international PISA school results.

Regional materials based on research are also available from the World Bank, UNESCO, the European Commission, and Organisation for Economic and Cultural Development – the publication lists for all of these can be found on the internet. Your own national educational departments and statistical bureaus may well make their research materials available online.

However, so much of this work is concerned with the macro-economics – the big picture – which tells us a great deal about the relationship between national and district systems and educational outcomes. As workers in the research field, we have had to dig long and deep to find examples of the micro-economics of education – the way things work at the local school or college level. Management and leadership issues are considered in the following international journals.

- *School Leadership and Management*
- *Educational Management, Administration and Leadership*
- *International Journal of Educational Management*

They do not always reveal the detail of policy implications, but outline the main issues surrounding resources as well as local educational journals.

If you recognize that no system is perfect, no two contexts and no two sets of pressures are the same, then there will be widespread differences in practice. For us, the important issue is that of awareness so that leaders and managers within schools, colleges and university departments can speak and act with understanding about educational resource issues.