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Financial Management Capacities of School Committees in Managing School Funds in Selected Eswatini Schools

Keywords:
Financial Management, School Committees, Accountability, Budgeting, Financial Literacy.

Abstract

This study explored the financial management capabilities of school committees in selected primary and secondary schools in the Manzini and Lubombo regions. Effective financial management is essential for transparency, accountability, and the proper use of educational resources. In Eswatini, school committees play a central role in managing school finances. Guided by Agency Theory and Financial Governance Theory, this study examines how school committees in Eswatini manage financial resources and exercise accountability. The research used a phenomenological design and qualitative approach to explore the experiences of school committee members and principals. The study was conducted in five public schools across the two regions. Data was gathered through semi-structured interviews with ten participants and analysed using thematic analysis. The findings revealed five linked themes: limited financial literacy, weak budgeting processes, reliance on manual record-keeping, inadequate accountability mechanisms, and unclear role boundaries between principals and committee members. Together, these issues reduce transparency and hamper sound financial decision-making. The study concludes that decentralisation without proper capacity building leads to financial inefficiencies and undue dependence on school committees. It recommends continuous financial management training, the adoption of digital accounting systems, and a clearer definition of roles and responsibilities to strengthen accountability and governance in Eswatini's education sector.

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1. Introduction

Effective financial management remains a cornerstone of sustainable education systems, particularly in developing contexts where resources are scarce and accountability structures are evolving. In Eswatini, decentralisation has devolved substantial responsibility for financial management to school committees, which act as participatory governance structures composed of parents, community representatives, and school administrators. In Eswatini, school committees are established under the School Committee Constitution of 2011 and are generally composed of parents whose children are enrolled at the school. Each committee consists of seven members: the Chairperson, Vice Chairperson, Secretary/Treasurer, and four additional members. While most positions are filled through elections by parents, certain roles are reserved for specific individuals. The Secretary, who also serves as Treasurer, must be the school principal. In mission schools, the Chairperson position is reserved for church members. There is also a member appointed by the Chief as the liso lendlunkhulu. Beyond these exceptions, the constitution requires only that members be literate, without specifying any minimum level of formal education, thereby ensuring broad accessibility and participation in school governance. The Ministry of Education and Training (2010) formally established these committees to enhance community participation, accountability, and transparency in the management of school affairs. These committees are tasked with ensuring that all financial resources, whether derived from government allocations, parental contributions, or donor support, are used efficiently, ethically, and transparently. However, growing evidence indicates that many school committees in Eswatini lack the requisite financial management skills to fulfil these functions effectively (Myende, et al., 2020).

The following background is provided for context. Financial knowledge is functionally required but not formally mandated for appointment as a school principal in Eswatini, which has significant implications for financial governance and accountability in schools. School principals and school committee members are formally expected to develop financial literacy primarily through in-service mechanisms rather than as a pre-service requirement. While national policies and regulations assign clear financial responsibilities to principals and committees, formal financial management competence is largely built through structured programmes such as the Personnel, Organisational, Money, and Instructional management POMI programme and ministry led workshops aligned to the School Accounting Regulations (1992). These initiatives position principals as accounting officers who are expected to acquire budgeting, procurement, and record keeping skills after appointment. Similarly, school committee members are expected to gain financial understanding through capacity building workshops and ongoing school-based, cluster-based, and regional development activities.

The role of school committees in financial oversight remains fundamental to good governance. As decentralised entities, they act as vital links between schools and their surrounding communities, promoting stakeholder participation, transparency, and local accountability (Amani, 2025). This approach aligns with international best practices in School-Based Management (SBM), which advocate for the devolution of authority to school-level stakeholders to improve governance and resource efficiency (Caluag, et al., 2025). Nevertheless, in contexts such as Eswatini, decentralisation without adequate capacity-building support risks reinforcing administrative inefficiencies and mismanagement. As Rahayu et al. (2025) observe, effective financial governance requires an equilibrium between autonomy and accountability, ensuring that decision-makers are adequately trained and resourced to manage funds responsibly. Similarly, Villasorda (2024) emphasises that successful SBM initiatives depend on systematic training and monitoring mechanisms that empower community stakeholders to engage meaningfully in school finance oversight.

Eswatini's school committees face numerous interrelated challenges. A primary concern is the inconsistent financial literacy among committee members, many of whom lack fundamental bookkeeping and accounting knowledge (Myende et al., 2020). As a result, critical functions such as budgeting, expenditure control, and financial reporting are often undertaken or delegated to principals, thereby weakening collective accountability (Dwangu & Mahlangu, 2021). The reliance on manual record-keeping systems, which involve handwritten ledgers and paper receipts, is prone to errors and hampers the effectiveness of auditing processes (Parchment, 2024). The absence of a standardised financial reporting framework further complicates oversight by regional education offices, while overlapping responsibilities between principals and committees frequently lead to tension.

Although committees are meant to provide checks and balances, principals, owing to their administrative authority and expertise, often dominate financial decision-making, undermining participatory governance and occasionally creating conflicts of interest (Sebidi, 2023). These structural and procedural weaknesses cast doubt on the efficacy of Eswatini's decentralised school governance in promoting transparency and ensuring prudent financial management. It is imperative to assess and enhance the financial management capacities of school committees to ensure fiscal discipline and sustainable improvement (Tshabalala, 2021). These problems lead to the following research questions:

- How does the level of financial literacy among school committee members influence financial management practices in schools?
- In what ways do budgeting, planning, and record-keeping systems affect the efficiency and transparency of school financial operations?
- How do accountability mechanisms and role clarity impact the oversight and prevention of financial mismanagement in schools?

2. Literature Review

Financial management within educational institutions is an indispensable process that ensures the prudent and efficient use of financial resources to achieve educational objectives. King and Mestry (2023) observe that financial management in schools encompasses a structured series of tasks, including budgeting, procurement, expenditure control, record-keeping, and reporting. These processes are critical for maintaining institutional sustainability, accountability, and transparency. In developing contexts such as Eswatini, the financial management of schools takes on greater significance because educational financing is closely linked to resource scarcity and policy reform (Myende et al., 2020).

Financial management in education extends beyond the mere administration of funds; it reflects the overall capacity of governance systems to translate financial inputs into educational outputs. Buchichi et al. (2018) argue that effective financial management not only sustains school operations but also enhances instructional quality and learner performance. However, a persistent challenge in Sub-Saharan Africa is that decentralisation initiatives often devolve financial responsibilities to local school bodies without sufficient capacity-building (World Bank, 2011). Consequently, community representatives serving on school committees frequently lack the financial expertise needed to maintain proper records, interpret financial statements, or ensure compliance with regulations (Faku & Mulaudzi, 2024).

The concept of capacity in financial management refers to the combination of skills, systems, and institutional arrangements that enable school committees to manage resources effectively. Rahayu et al. (2025) describe financial capacity as comprising three key dimensions: (1) individual financial literacy, (2) organisational systems and procedures, and (3) institutional accountability mechanisms. These dimensions interact to determine how efficiently financial operations are executed. In Eswatini, as Hungwe and Mpofu (2021) note, limited financial literacy among school committee members often translates into poor record-keeping and overreliance on principals for decision-making, creating a gap between decentralisation policy and practical governance outcomes.

The Ministry of Education and Training in Eswatini prescribes a range of financial management responsibilities for school committees, including preparing annual budgets, approving expenditures, monitoring bank transactions, and producing termly financial reports. However, the extent to which committees effectively execute these functions depends on their training, experience, and access to support structures. The Schools Accounting Regulations (1992) mandate committees to maintain proper records and submit them for auditing, but anecdotal evidence suggests that compliance varies significantly. Without continuous training and monitoring, committees tend to operate reactively rather than strategically.

School committees in Eswatini operate within a semi-decentralised governance framework where administrative authority is shared between principals, committees, and the Ministry of Education and Training. According to the Ministry of Education and Training (2010), committees are expected to represent community interests and ensure that all funds are utilised for approved educational purposes. Nonetheless, Hungwe and Mpofu (2021) found that some schools in Eswatini experience persistent mismanagement due to the absence of standardised financial systems, irregular audits, and poor documentation practices. Accountability within school committees is multidimensional. It involves vertical accountability (to government authorities) and horizontal accountability (to parents and the community). However, the absence of clear financial reporting guidelines often limits transparency. Myende et al. (2020) argue that committees with weak governance structures are more vulnerable to malpractice, especially when members lack understanding of the Schools Accounting Regulations (1992). In addition, interpersonal dynamics within committees, such as mistrust, fear of challenging authority, or political influence, can affect decision-making.

A central determinant of effective financial management is the financial literacy of school committee members. Financial literacy refers to the ability to understand and apply financial concepts such as budgeting, accounting, and auditing (Rahayu et al., 2025). Evidence from Kenya and South Africa indicates that members who undergo structured financial training perform better in managing resources (Mataboge & Rapeta, 2025; Wasiche Nasenya et al., 2018). In Eswatini, training initiatives remain sporadic and often confined to school principals rather than school committees. As a result, school committees depend heavily on principals for guidance, inadvertently creating an imbalance of power (Tshabalala, 2016). The lack of refresher courses and the high turnover of school committee members exacerbate the problem. When new members are elected without proper induction, institutional memory is lost, and financial management practices become inconsistent. Hungwe and Mpofu (2021) note that this cyclical pattern undermines the sustainability of reforms aimed at improving financial governance. It is thus imperative that financial literacy be institutionalised through structured training frameworks that empower school committees to operate autonomously.

Effective financial reporting depends on accurate and consistent record-keeping. Ngcobo and Ndovela (2024) suggest that transparent record systems are integral to accountability, as they allow verification and monitoring by both internal and external stakeholders. In Eswatini, many schools rely on manual record books, exposing them to data loss, manipulation, and error. Digital systems, though effective in improving accuracy and traceability, remain underutilised due to infrastructural and capacity constraints (Sipenji et al., 2024). The absence of uniform financial reporting templates across Eswatini schools further limits comparability and oversight. Without standardised reporting, it becomes difficult for education authorities to detect anomalies or identify schools requiring support. The World Bank (2011) states that standardisation and digitalisation are vital for scaling accountability across decentralised systems.

Although numerous studies have examined financial management in African schools, very few have specifically focused on the Eswatini context. The limited research that exists (Hungwe & Mpofu, 2021; Myende et al., 2020) suggests persistent weaknesses in financial governance and committee capacity, yet fails to explore these issues through an integrated theoretical framework. In addition, the perspectives of both principals and committee members have seldom been analysed together, leaving a gap in understanding how collaborative governance operates in practice.

3. Theoretical Framework

This study draws on two complementary theoretical perspectives, Agency Theory and Financial Governance Theory, which together provide insight into the financial management practices of school committees in Eswatini. These frameworks clarify why specific management patterns emerge, how financial decisions are made, and which structural or behavioural factors influence outcomes in school financial governance. Agency Theory, developed by Jensen and Meckling (1976), explains a principal-agent relationship in which principals, here the school committees, delegate resources and decision-making authority to agents, the school principals, who manage funds on their behalf. Agents are expected to act in ways that advance the principals' objectives. In schools, communities and their elected committees function as the principals, while principals act as agents responsible for managing financial resources. The theory argues that when the interests of principals and agents diverge, and when information is unequally distributed, agents may act in their own interests, creating an agency problem (Mlakalaka & Rulashe, 2024). In Eswatini, this imbalance is evident because school committees often lack financial expertise and therefore depend heavily on principals when making key financial decisions (Myende et al., 2020). Agency Theory thus exposes capacity gaps and structural weaknesses that limit committees' ability to oversee finances effectively.

Financial Governance Theory complements this by focusing on the institutional, ethical, and procedural mechanisms that ensure transparency and integrity in financial management (Rahayu et al., 2025). The Organisation for Economic Co-operation and Development (OECD) (2019) identifies accountability, transparency, and integrity as the foundations of sound financial governance. In Eswatini, such principles underpin regulatory instruments like the Schools Accounting Regulations (1992) and the Constitution of School Committees (2010), which require reporting, auditing, and disclosure. Yet Hungwe and Mpofu (2021) note that inconsistent enforcement reduces their effectiveness. Mataboge and Rapeta (2025) further stress that ethical leadership is essential, since formal systems alone cannot prevent mismanagement when leaders prioritise personal interests.

Although these theories arise from different traditions, they converge on the importance of accountability. Agency Theory reveals how mismanagement can stem from information imbalances and weak oversight, while Financial Governance Theory identifies how accountability can be strengthened through improved ethics, policy, and institutional reform (Makanga et al., 2025). Combined, they offer an integrated perspective on financial practices in Eswatini's schools, demonstrating that effective financial management relies on both robust governance structures and the integrity and competence of those entrusted with public resources.

4. Data and Methodology

4.1 Research design and approach

Neubauer et al. (2019) describe phenomenology as an approach that seeks to understand phenomena by exploring individuals' lived experiences. This research design emphasised the participants' subjective viewpoints, facilitating a deeper comprehension of the phenomenon under study. Rather than merely documenting experiences, phenomenology strives to reveal their essence and meaning, providing rich, descriptive insights into participants' perceptions, motivations, and behaviours (Smith & Fieldsend, 2021). This study adopted a phenomenological design to explore the financial management capacities of school committees in managing school funds within selected schools in Eswatini. Qualitative research is distinguished by its flexible and naturalistic methods that involve engaging with participants within their real-life contexts (Thompson Burdine et al., 2021). A qualitative approach was deemed appropriate as it facilitates an in-depth understanding of participants' lived experiences, perceptions, and behaviours within their natural contexts (Creswell & Poth, 2018). The aim of this design and approach was not to produce statistically generalisable findings, but to offer a rich, contextualised account of the challenges and capacities that influence school financial management.

4.2 Participant selection

The study was carried out in five schools situated in the Manzini and Lubombo regions of Eswatini. The schools in these regions were selected based on their accessibility and variation in size. The target population comprised school principals and school committee members directly involved in financial management activities. Purposive sampling was employed to select participants engaged in budgeting, expenditure, and accountability processes. As Ahmad and Wilkins (2024) note, purposive sampling allows researchers to select information-rich cases that yield meaningful insights into the phenomenon under study.

Tanwir et al. (2021) note that phenomenological research typically involves conducting in-depth interviews with participants to obtain rich and detailed insights into their lived experiences. As a result, the number of participants is usually small, often ranging from six to ten individuals. Similarly, Creswell and Poth (2018) suggest that a sample of three to ten participants is generally adequate for phenomenological inquiry. Consistent with these recommendations, and supported by Vasileiou et al. (2018), this study employed a sample of ten participants the principal and a school committee member of each of the five schools. Participants were required to have a minimum of two years' experience on the committee and to provide informed consent. This ensured that data were gathered from individuals with practical knowledge and experience in school financial management.

4.3 Data collection instruments

Data were collected through one-on-one semi-structured interviews, a flexible method that enabled participants to express their views freely while allowing the researcher to probe for deeper understanding. An interview guide, informed by the study's research questions and theoretical framework, focused on school committees' capacities in budgeting, expenditure control, accountability mechanisms, and perceived challenges. Interviews were conducted in English or siSwati, depending on participant preference. All interviews were recorded (with consent) and transcribed verbatim. Field notes captured non-verbal cues, contextual observations, and researcher reflections, enhancing the interpretive depth of the analysis.

4.4 Data analysis

Data analysis followed Braun and Clarke's (2006) six-phase thematic analysis framework. To enhance analytic transparency, the study did not move directly from initial codes to final themes but employed an intermediate analytic stage involving the development of categories. This three-level analytic structure codes, categories, and themes enabled systematic abstraction while maintaining close engagement with participants' responses. All interview transcripts were read repeatedly to achieve immersion in the data, during which initial impressions, recurring issues, and salient expressions relating to financial management practices, roles, and accountability were noted. Initial coding was conducted manually and inductively, with codes capturing meaningful units of text related to budgeting, record-keeping, oversight, training, and role clarity. The categories were then examined for broader patterns of meaning and consolidated into five themes that captured significant aspects of the data in relation to the research questions. This iterative cycle of reading, coding and participant validation provided a foundation for trustworthy qualitative analysis (Pretorius, et al., 2025). These themes were reviewed against the entire dataset to ensure coherence and clear distinction between themes, with overlapping categories refined and boundaries clarified through an iterative process. Finally, the themes were clearly defined and named, supported by illustrative verbatim quotations.

4.5 Trustworthiness

The study applied Lincoln and Guba's (1985) framework to ensure trustworthiness, addressing credibility, transferability, dependability, and confirmability. Credibility was achieved through prolonged engagement with participants, triangulation of data sources (principals and committee members), and member checking. Transferability was supported by providing detailed descriptions of the research context and participants, enabling readers to assess applicability. Dependability was ensured via a clear audit trail documenting research design, data collection, and analysis. Confirmability was maintained through reflexivity, with the researcher acknowledging personal biases and ensuring that interpretations were grounded in participants' narratives.

4.6 Ethical considerations

Ethical considerations were central to the study. Participants were informed about the study's objectives, their rights to confidentiality, and the voluntary nature of participation. Written consent was obtained before interviews commenced. Pseudonyms were used to protect anonymity, and audio recordings and field notes were securely stored. The study adhered to principles of voluntary participation, obtaining informed consent, ensuring anonymity and confidentiality, minimising harm, and communicating findings responsibly.

5. Results

The analysis revealed a complex interplay between capacity constraints, governance practices, and accountability structures affecting school financial management in Eswatini. Five integrated themes emerged: (1) Limited financial literacy; (2) Weak budgeting and planning practices; (3) Reliance on manual record-keeping systems; (4) Poor accountability and oversight mechanisms; and (5) Financial mismanagement and role ambiguity. Pseudonyms were used as follows: Principals were numbered PA to PE and School Committee members from SCA to SCE. Each theme is presented with empirical evidence.

5.1 Characteristics of schools and participants

This section provides a description of the participating schools and the participants. To ensure confidentiality, pseudonyms (Schools A–E) are used, and no identifying information is disclosed.

Table 1: Characteristics of participating schools

School	School Level	Approximate size and school category	Location /Type	Region
A	Primary	Small (<300 learners)	Rural	Lubombo

B	Primary	Medium (300–600 learners)	Peri-urban	Manzini
C	Secondary	Large (>600 learners)	Urban	Manzini
D	Secondary	Medium (300–600 learners)	Rural	Lubombo
E	Primary	Large (>600 learners)	Peri-urban	Manzini

Table 2: Participants' profiles by school

School	**Participant Role**	**Responsibility**	**Years of Service**	**Educational / Occupational Background**
A	Principal	Accounting officer	10–15 years	Bachelor of Education
A	Committee Member	Financial management and approval	5 years	High school, house wife
B	Principal	Accounting officer	6–10 years	Bachelor of Education
B	Committee Member	Financial management and approval	6 years	Community leader; clerical experience
C	Principal	Accounting officer;	15–20 years	Honours in Education
C	Committee Member	Financial management and approval	6 years	Certificate in electricals, Employed in informal sector
D	Principal	Accounting officer	8–12 years	Diploma in Education
D	Committee Member	Financial management and approval	4 years	Basic Education, Subsistence farmer
E	Principal	Accounting officer	7–10 years	Masters in Education
E	Committee Member	Financial management and approval	4 years	High school, community volunteer

5.2 Analytic transparency

This table illustrates the analytic pathway followed in the thematic analysis, moving from initial inductive codes through intermediate categories to final themes, in line with Braun and Clarke's (2006) framework.

Table 3: Codes, categories and themes

Final theme	Intermediate category	Example codes
Limited financial literacy	Limited financial competence	No accounting background; committee members illiterate; reliance on principal explanations
Weak budgeting and planning practices	Procedural weaknesses in budgeting	Budget prepared by principal; passive approval; lack of long-term planning
Reliance on manual record-keeping systems	Inefficient financial systems	Handwritten ledgers; lost receipts; difficulty correcting errors
Weak accountability and oversight mechanisms	Limited internal and external oversight	Parents not shown reports; rare inspections; self-monitoring

Financial mismanagement and role ambiguity	Unclear governance roles	Principal spends before approval; unclear committee authority; emergency spending

Theme 1: Limited financial literacy

Across all schools, a consistent theme emerged: School committee members often lack the financial management expertise necessary to fulfil their governance roles effectively. This challenge was emotionally captured by PA who shared, *"I am struggling with that here… some of my committee members are illiterate,"* highlighting not only the absence of financial literacy but also basic educational barriers that hinder participation.

PB echoed this concern, noting that *"the lack of accounting background knowledge is a challenge"*, suggesting that even those with general education may still be unequipped to interpret financial documents or contribute meaningfully to budgetary decisions. Committee members themselves acknowledged their limitations. SCC admitted, *"We rely on the principal to explain the reports because most of us are not trained in accounting"*. This reliance underlines a power imbalance where principals hold and interpret financial information, while committees lack the capacity to oversee or question financial decisions.

SCD candidly stated, *"We have never received any formal training in bookkeeping or budgeting, which makes our work compromised"*, pointing to systemic gaps in capacity-building and induction processes.

Theme 2: Weak budgeting and planning practices

Budgeting emerged as one of the most fragile financial functions across the studied schools, characterised by limited participation and short-term focus. Committee members frequently described their role as passive, with SCA noting, *"We usually just see the budget when it's ready"*. This sentiment reflects a broader pattern of exclusion from the planning process, where decisions are made by school leadership and presented to school committees for rubber-stamping. SCB elaborated, *"I feel we are hardly involved in planning the budget; the principal and teachers do most of it, and we simply approve"*. Such accounts suggest that budgeting is treated as a procedural formality rather than a strategic exercise.

This was confirmed by a PC who admitted, *"We budget mainly for immediate operational needs rather than long-term development"*, revealing a reactive approach that prioritises short-term fixes over sustainable growth. Time constraints further undermine the quality of budget deliberations. SCD explained, *"There is no time to discuss the budget in detail; sometimes we approve it in one meeting without any amendments"*. This lack of deliberation not only limits transparency but also reduces the opportunity for meaningful input from stakeholders.

Theme 3: Reliance on manual record-keeping systems

In most of the schools, financial record-keeping remained largely manual, relying on handwritten ledgers, paper receipts, and physical filing systems. While this traditional approach is familiar and cost-effective, it often leads to inefficiencies, inaccuracies, and data loss. SCA described the fragility of this system, stating, *"All our financial records are kept in a big ledger book. It's easy to make a mistake and very hard to correct it later"*. This reflects the vulnerability of manual entries, where errors are not only common but difficult to trace and rectify.

The risk of data loss was also a recurring concern. SCC explained, *"Sometimes receipts get lost or misplaced, and then our records don't add up at the end"*. Such inconsistencies compromise the integrity of financial reporting and make reconciliation a tedious process. Principals echoed these frustrations, with PD noting, *"Using* *manual ledgers makes it difficult to track transactions. We have to flip through many pages to find past records"*, underlining the time-consuming nature of data retrieval and the limitations of physical archives.

Although some schools attempted to transition to digital systems, these efforts were fragmented and unsustainable. SCE shared, *"We tried keeping some of the records on an Excel sheet, but not everyone knows how to use it, so we went back to the ledger"*. This highlights a gap in digital literacy that hinders adoption. PB stated, *"A few schools now type receipts and store scanned copies on flash drives, but we don't have a proper computer or printer in our office"*, pointing to infrastructural constraints that limit the feasibility of digital solutions.

Theme 4: Weak accountability and oversight mechanisms

Across the studied schools, participants consistently revealed a troubling lack of transparency and weak accountability practices. SCB candidly observed, *"I don't think most parents have ever seen a detailed financial report of the school. They just trust us to manage the money"*. This comment highlights a culture of implicit trust that replaces formal oversight, leaving financial management largely unchecked by the broader school community. The issue extends beyond parental engagement.

PD acknowledged that *"the district officials only ask for our reports, but they never really come to check the books in detail"*, suggesting that external oversight is superficial at best. Without thorough audits or inspections, schools operate in a vacuum where compliance is assumed rather than verified. This internalised approach to monitoring was further emphasised by SCE who remarked, *"We basically monitor ourselves. If something was wrong, it might go unnoticed until it's too late, because no one from outside is verifying our accounts"*. Such self-regulation, while convenient, is inherently risky and prone to oversight failures.

Theme 5: Financial mismanagement and role ambiguity

Participants across the studied schools reported procedural breaches and persistent confusion regarding financial authority, revealing a governance framework marked by structural ambiguity. SCA expressed uncertainty about their mandate, stating, *"We know we are supposed to manage funds, but we are not sure how far our powers go compared to the principal's"*. This lack of clarity often results in passive approval of decisions already made by school leadership, as SCB admitted, *"The principal usually makes the financial decisions; we just approve what he has already decided because we think he knows best"*.

Principals themselves acknowledged the blurred lines of authority. PC explained, *"In emergencies I sometimes spend first and inform the committee later there is a bit of a grey area in what the rules allow"*, suggesting that even school leaders operate without clear procedural guidance. PE reflected on the consequences of this ambiguity, noting, *"This job requires accounting skills; sometimes you find yourself having mismanaged money because of ignorance"*. These comments point to both a lack of training and a governance structure that fails to delineate financial responsibilities effectively.

5. Discussion

The discussion section is structured according to the logical sequence of the identified themes, with the findings of each theme discussed in turn.

The statements made from Theme 1 reflect broader findings by Myende et al. (2020), who argue that insufficient financial literacy among school governors diminishes their oversight capabilities and fosters dependence on school leadership. Without comprehensive induction or refresher training, school committee members remain ill-equipped to engage in substantive financial governance. The findings align with Financial Governance Theory, which posits that effective accountability and control mechanisms are dependent on the governance capacity to understand, apply, and monitor financial processes in practice. Financial Governance Theory further emphasises the need for institutional capacity to operationalise financial controls. Din et al. (2022) concur and state that in its absence, governance risks becoming symbolic where structures exist but lack the functionality to ensure accountability and efficiency.

The practices mentioned in Theme 2 correspond with Aina and Bipath's (2020) view on decentralisation within African contexts, suggesting that when participatory structures are lacking, financial planning becomes merely tokenistic. This reflects Financial Governance Theory, which indicates that sound financial governance depends on shared responsibility and clearly defined roles to ensure transparency, accountability, and effective oversight. Therefore, effective budgeting requires inclusive engagement to promote transparency and efficiency (OECD, 2019). However, as the participants indicate, principals frequently dominate the process, leaving committees marginalised and poorly informed. This imbalance reflects a core assumption of Agency Theory, namely that governance breakdowns occur when principals operate with limited monitoring and weak counterbalancing mechanisms. Therefore, agents (principals) may take advantage of their informational superiority when school committee members lack the necessary time, expertise, or authority to exercise effective governance.

The responses from Theme 3 illustrate a transitional phase in financial management, where schools recognise the benefits of digital systems such as improved accuracy, faster retrieval, and easier backup but remain constrained by limited access to technology, electricity, and training. The coexistence of paper-based and rudimentary digital methods reflects both a willingness to modernise and the persistent challenges facing school financial governance in Eswatini. According to Sipenji et al. (2024), digital financial tracking systems significantly reduce errors and manipulation, enhancing transparency and accountability. Financial Governance Theory emphasises that reliable records are foundational to effective oversight (Rahayu et al., 2025). Manual systems, by contrast, obscure anomalies and complicate audits, weakening both vertical and horizontal accountability. From the perspective of Agency Theory, inadequate documentation exacerbates information asymmetry between agents (principals) and principals (committees or the Ministry), making oversight nearly impossible and increasing the risk of mistrust and mismanagement.

The accounts provided in Theme 4 indicate a broader systemic weakness in accountability structures. As Rangongo et al. (2016) argue, financial misconduct in schools often stems not from deliberate fraud but from inadequate mechanisms for oversight. This situation reflects Financial Governance Theory, which maintains that robust governance systems rely on transparent processes and clearly articulated accountability mechanisms to function effectively. Financial Governance Theory underlines the importance of transparency and external audits as pillars of accountability (OECD, 2019). Yet, the participants' reflections reveal a preference for internal secrecy, which undermines stakeholder confidence and obstructs constructive scrutiny. This lack of openness exacerbates the principal agent problem identified in Agency Theory, where weak oversight increases the likelihood of opportunistic behaviour. From the lens of Agency Theory, this environment fosters a moral hazard, as agents (principals) operate with minimal monitoring from principals (committees or external bodies).

From Theme 5, it is evident that although the Ministry of Education and Training (2010) guidelines assign roles, they do not clearly define operational boundaries, leaving room for interpretation and inconsistency. This lack of clarity creates conditions that are central to Financial Governance Theory, which asserts that effective governance depends on clearly articulated roles to ensure consistent application of controls and accountability mechanisms. Agency Theory helps explain this dynamic, where overlapping principal agent mandates blur accountability and allow agents (principals) to dominate decision making when principals (committees) are uncertain of their authority. This situation exemplifies a classic agency problem, where inadequate role definition weakens oversight and increases the risk of opportunistic behaviour by agents. Financial Governance Theory similarly highlights that unclear institutional roles disrupt coherence and weaken internal controls (King & Mestry, 2023). Further, empirical findings by Mataboge and Rapeta (2025) reinforce this concern, showing that role ambiguity enables principals to marginalise committees in financial matters. To address these challenges, it is essential to clarify operational responsibilities and provide procedural training. Doing so would empower both principals and committee members to understand and fulfil their respective obligations, reducing the risk of mismanagement and fostering a more accountable governance environment.

Across all themes, the findings reveal an interconnected web of capacity deficits, weak systems, and governance gaps. Limited financial literacy undermines budgeting competence; manual record-keeping hinders transparency; weak accountability allows procedural lapses; and unclear roles facilitate mismanagement. These systemic issues align with both Agency and Financial Governance theories, which stress that effective oversight depends on competence, clarity, and control. A holistic approach integrating continuous capacity building, digital transformation, enforced accountability, and clarified governance structures is essential for improving financial stewardship in Eswatini's schools.

6. Conclusion

This study concludes that the financial management capacities of school committees are significantly constrained by inadequate financial literacy, weak accountability systems, and unclear governance structures. Although decentralisation has broadened participation in school finance, it has not translated into effective stewardship of resources. The persistent reliance on principals, absence of digital systems, and limited oversight mechanisms undermine transparency and efficiency. Grounded in Agency Theory and Financial Governance Theory, the study highlights that effective financial management in schools requires both competence and integrity. Sustainable improvement depends on building the financial skills of committee members, clarifying institutional roles, and strengthening monitoring systems. Thus, empowering school committees through capacity-building, ethical leadership, and transparent governance is essential for ensuring that educational funds are used responsibly to enhance teaching and learning outcomes in Eswatini's schools.

To enhance the financial governance capacity of school committees, it is necessary to implement continuous training programmes focused on financial management. These should include continuous workshops aimed at building competencies in budgeting, expenditure tracking, and financial reporting. To ensure sustained improvement in financial oversight, the training should be complemented by periodic refresher sessions and structured mentorship support. Furthermore, capacity-building initiatives must incorporate instruction on the use of basic digital accounting tools, which can improve the accuracy of record-keeping and promote greater transparency. Regular assessments of the effectiveness of these training interventions should be undertaken to evaluate their impact on the school committees' ability to manage and account for school funds responsibly and effectively.

We acknowledge the limitations of this research, particularly the sample size and restricted geographical scope. For this reason, we recommend that future studies investigate the issue in greater depth, using larger samples and drawing on a broader range of regions to provide a more comprehensive understanding.

7. References

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