

Analysis of the Principal's Level of Financial Management Understanding in Enhancing Facilities and Infrastructure

Baharuddin¹⁾, Mardhiah Hasan²⁾, Dodi Ilham Mustaring³⁾, Nur Husnul Khatimah⁴⁾, Kurniawan⁵⁾

¹⁾ Universitas Islam Negeri Alauddin Makassar, Indonesia

²⁾ Universitas Islam Negeri Alauddin Makassar, Indonesia

³⁾ Institut Agama Islam Negeri Palopo, Indonesia

⁴⁾ Universitas Islam Negeri Alauddin Makassar, Indonesia

⁵⁾ Universitas Islam Negeri Alauddin Makassar, Indonesia

e-mail Correspondent: bahar.baharuddin@uin-alauddin.ac.id

Received: 01-11-2024

Revised: 11-03-2025

Accepted: 19-03-2025

Info Artikel

Abstract

Keywords:

Financial Management,
Principal, Facilities and
Infrastructure

This research evaluates the principal's understanding of financial management and its direct impact on improving facilities and infrastructure at SMA Negeri 1 Palopo. Using a quantitative research approach, the study reveals that the principal's understanding of financial management falls within the medium category, with an average score of 57.75. This indicates a fairly good comprehension but highlights the need for optimization. Meanwhile, the adequacy level of school facilities and infrastructure is rated at 51.92%, which, although classified as sufficient, still requires improvement. The findings emphasize a direct correlation between financial management understanding and the quality of school facilities. Effective financial management allows for better allocation of resources, ensuring that funds are utilized efficiently to enhance infrastructure. However, challenges such as limited human resources and budget constraints hinder progress. Managerial focus on the quality and suitability of school facilities plays a crucial role in bridging this gap. Therefore, strengthening financial literacy among school leaders can lead to more strategic planning and improved infrastructure development. This study underscores the necessity of enhancing financial management skills to maximize available resources, ultimately fostering a better learning environment through improved school facilities. These insights offer valuable directions for policy improvements and future educational management strategies.

Abstrak

Kata Kunci:

Manajemen Keuangan,
Kepala Sekolah, Sarana dan
Prasarana

Penelitian ini bertujuan untuk menganalisis pemahaman kepala sekolah tentang manajemen keuangan dan dampak langsungnya terhadap peningkatan fasilitas dan infrastruktur di SMA Negeri 1 Palopo. Dengan menggunakan pendekatan penelitian kuantitatif, hasil studi menunjukkan bahwa pemahaman kepala sekolah mengenai manajemen keuangan berada dalam kategori sedang, dengan skor rata-rata 57,75. Hal ini menunjukkan pemahaman yang cukup baik, tetapi masih perlu dioptimalkan. Sementara itu, tingkat kelayakan fasilitas dan infrastruktur sekolah dinilai sebesar 51,92%, yang dikategorikan cukup memadai namun masih membutuhkan peningkatan. Temuan ini menekankan adanya korelasi langsung antara pemahaman manajemen keuangan dan kualitas fasilitas sekolah. Manajemen keuangan yang efektif memungkinkan alokasi sumber daya yang lebih baik, memastikan bahwa dana digunakan secara efisien untuk meningkatkan infrastruktur. Namun, tantangan seperti keterbatasan sumber daya manusia dan anggaran menjadi penghambat dalam proses ini. Fokus manajerial terhadap kualitas dan kesesuaian fasilitas sekolah berperan penting

dalam menjembatani kesenjangan ini. Oleh karena itu, peningkatan literasi keuangan di kalangan pemimpin sekolah dapat menghasilkan perencanaan yang lebih strategis dan pengembangan infrastruktur yang lebih baik. Studi ini menegaskan pentingnya peningkatan keterampilan manajemen keuangan untuk memaksimalkan sumber daya yang tersedia, sehingga menciptakan lingkungan belajar yang lebih baik melalui fasilitas sekolah yang lebih optimal. Temuan ini memberikan arahan berharga bagi perbaikan kebijakan dan strategi manajemen pendidikan di masa depan.

INTRODUCTION

Education plays a vital role in financial management and the development of school facilities, as effective budgeting and resource allocation directly impact the quality of learning environments. (Dwangu & Mahlangu, 2021). Proper financial management ensures schools can allocate funds efficiently to enhance infrastructure, maintain facilities, and provide necessary educational resources. Schools with well-managed financial systems can invest in modern classrooms, libraries, laboratories, and technology, creating a more conducive atmosphere for learning. (D. Amos et al., 2021). Moreover, transparent financial planning helps prevent fund misallocation, ensuring that every expenditure contributes to students' academic success. School leaders must have financial literacy to make strategic decisions aligning with institutional goals and long-term sustainability. (O. Amos et al., 2021). Collaboration between school administrators, teachers, and stakeholders is crucial in prioritizing facility improvements and optimizing available resources. Education can promote equitable access to quality facilities by strengthening financial management practices in schools, ultimately enhancing student learning outcomes and overall school performance. (Setyaningsih et al., 2023) Good financial management also enables the optimal development of human resources, including improving the competence of teachers and educational staff to create a more effective and innovative learning environment. (Ismail et al., 2022; Warumu et al., 2022).

Human resources are a nation's main assets and wealth, while capital and materials are the only production factors that human resources can operate. (Yulianti, 2017) Finance is an important aspect of educational organizations. Educational financial management involves arranging and managing funds effectively and efficiently to support educational financing. (Najihah & Muhammad, 2021). Good planning, management, implementation, and evaluation are needed, such as preparing a financial plan every time a new school year begins. (Warumu et al., 2022). Effective planning, management, implementation, and evaluation of school finances are crucial to preventing fund misappropriation and ensuring educational resources support school programs, teaching activities, and student academic performance. (Burger et al., 2015). Education is deemed successful when financial resources are managed effectively and efficiently, as funding plays a crucial role in supporting educational policies and ensuring sustainability. (Iskandar, 2019).

The government seeks to organize a national education system and improve knowledge and technology by upholding the principles of national education based on religion and state and ensuring that every individual has the right to education and is required to undergo basic education funded by the government. (Lodyono, 2017). In addition, the state must allocate funds from the APBN and APBD to support schools or madrasahs in Indonesia. (Dewi & Hafni, 2017) Schools must manage finances well to ensure that educational needs are met with the desired quality. (Mulyasa, 2013). Financial problems in education are often a major obstacle in schools and madrasahs. (Harahap, 2020) Many schools have difficulty organizing learning properly due to limited funds, which impacts the availability of resources such as teacher time and learning equipment. (Erlinawati & Badrus, 2018) To overcome this problem, educational institutions must implement

safe and responsible financial management while remaining focused on providing quality education efficiently.

Principals and leaders of educational institutions need to be aware of the importance of good financial management because the success of school activities is highly dependent on effective fund management (Burhanuddin, 2019). Poor financial management can result in discrepancies and hurt educational institutions (Subekti, 2022). Therefore, fund management must be carried out seriously and in a structured and thorough manner to achieve the educational goals that have been set. In addition, facilities and infrastructure also have an important role in achieving the success of educational institutions (Azzahra & Safira, 2022). This verse emphasizes the importance of careful planning for the future, urging individuals to consider their actions today to ensure success tomorrow. Administrators must plan wisely and anticipate future needs in school financial planning and resource management. Just as the verse calls for reflection on what one prepares for the hereafter, school leaders must plan and allocate resources efficiently to meet educational goals and maintain infrastructure. This proactive approach ensures the sustainable growth of the institution, aligning with principles of accountability and foresight in managing finances and facilities. (Najihah & Muhammad, 2021).

Educational facilities and infrastructure are crucial to achieving learning goals because, without adequate infrastructure, the educational process can be disrupted. (Muslimin & Kartiko, 2021). Facilities such as buildings, land, and hardware support student understanding (Hartanto et al., 2022; Masbullah et al., 2023). Effective management of facilities and infrastructure is essential for optimal use, requiring a structured system overseen by the principal, vice principal, and designated personnel. (Pusvitasari et al., 2020) The principal and vice principal must have facility management skills, as adequate infrastructure is crucial for smooth school operations and for supporting student achievement. (Ismail et al., 2022) Various factors influence student achievement, including adequate facilities, quality human resources, internal motivation, and parental and environmental support. Proper infrastructure is key to enhancing students' enthusiasm and skill development. (Anwar et al., 2022; Munawaroh & Wiranata, 2020).

Based on observations and interviews with the Deputy Head of Facilities and Infrastructure of SMA Negeri 1 Palopo on March 14, 2024, it was revealed that although the school is under the auspices of the Ministry of Education and Culture, the facilities and infrastructure have not been utilized optimally. The main problem lies in financial management, which is not by competency, where financial managers do not have an economic education background. This causes the planning of funds for facilities and infrastructure to be often not properly scheduled, thus hampering the fulfillment of the school's urgent needs.

METHOD

This type of research is quantitative descriptive research. Quantitative descriptive research is a systematic framework that aims to answer a problem and/or uses research stages with a quantitative approach (Rosanti & Marlius, 2023). This research employs a quantitative descriptive method with a questionnaire approach to explore the principal's understanding of financial management in enhancing the utilization of facilities and infrastructure at SMA Negeri 1 Palopo. The primary data used is collected directly from respondents at the research location. The research population includes financial managers at SMA Negeri 1 Palopo, and the sample is determined using the saturated sampling method, meaning the entire population, namely the principal and the finance team, is included as the sample.

Data collection techniques consist of questionnaires and documentation, where the questionnaire contains questions relevant to the study, while documentation involves collecting related documents and records. Data analysis employs quantitative descriptive analysis to describe the characteristics of the collected data, as well as validity and reliability tests to ensure that the research instrument produces accurate and consistent data. The research instrument consists of a Likert scale-based questionnaire with a closed-ended format, allowing respondents to choose from predefined answer options (Albaum, 1997; Jebb et al., 2021). Additionally, statistical testing examines the relationships between variables to support the research objectives.

RESULT AND DISCUSSION

Result

Principal's Understanding of Financial Management

SPSS output data shows that the majority of respondents (91.7%) are very confident that principals understand how to manage finances according to National Education Standards (SNP). With one respondent (8.3%) agreeing, this data reflects a strong consensus that principals are competent in financial management according to the established standards. SPSS output data shows that most respondents (75%) are confident that the principal understands the principle of transparency in financial management. While the other 25% also agree, this data indicates that the principal understands the importance of transparency in financial management.

SPSS output data shows that most respondents (75%) are confident that the principal understands the principle of accountability in financial management, while the other 25% also agree. This shows that the principal is considered to have a good understanding of responsibility and reporting the use of funds. SPSS output data shows that most respondents (75%) are confident that the principal understands the principle of effectiveness in financial management, with the other 25% agreeing. This shows that the principal is considered to have a good understanding of effective financial management to achieve educational goals.

SPSS output data shows that most respondents (66.7%) believe that the principal understands the principles of efficiency in financial management, with another 33.3% agreeing. This reflects the belief that the principal has a good understanding of efficient financial management. SPSS output data shows that most respondents (91.7%) strongly believe that the principal understands the benefits of good financial management, while another 8.3% agree. This indicates that the principal understands the importance of effective and efficient financial management for the school's success.

SPSS output data shows that most respondents (75%) strongly agree that the principal actively guides the treasurer in managing school finances, while another 25% agree. This reflects the strong belief that the principal is important in ensuring the treasurer has the understanding and skills necessary for good financial management. SPSS output data shows that most respondents (66.7%) believe that principals and staff are active in attending educational finance training, with 33.3% agreeing. This reflects the belief that training is important and taken seriously to improve financial management competency.

SPSS output data shows that most respondents (83.3%) strongly believe that principals plan financial budgeting according to school needs, while 16.7% agree. This reflects the high belief that principals have good skills in preparing appropriate and priority budgets. SPSS output data shows that most respondents (83.3%) are sure that the principal always links planning to the 8

National Education Standards (SNP), while 16.7% agree. This indicates that the principal consistently integrates SNP in educational planning at school.

SPSS output data shows that most respondents (91.7%) are sure that the principal plays an active role in supervising school finances, with 8.3% agreeing. This reflects a high belief that the principal has an important role in ensuring that financial management is carried out properly and by the rules. SPSS output data shows that most respondents (91.7%) are sure that the principal is aware of his responsibility in managing school finances, with 8.3% agreeing. This indicates a high belief that the principal understands his role as the main person responsible for financial management.

Table 1. Descriptive Statistical Analysis of Understanding Financial Management

	N	Minimum	Maximum	Sum	Mean	Std. Deviation
TOTAL	12	49	60	693	57.75	3.745
Valid N (listwise)	12					

Source: SPSS 24 Output

The table above shows that the principal's Financial Management Understanding level has a minimum response value of 49, a maximum response value of 60, an average answer of 57.75, and a standard deviation of 3.745. Based on the financial management understanding indicator, it can be concluded that the classification according to ((Chen & Volpe, 1998)The principal's understanding of financial management is considered in the "moderate" category. A score of 57.75%, in the range of 51%—79%, indicates that the principal has sufficient knowledge of financial management but has not reached a high level. This means the principal understands financial principles adequately, but there is room for improvement in deeper knowledge and financial management skills.

Improvement of Facilities and Infrastructure

SPSS output data show that most respondents (83.3%) strongly believe that the principal considers future aspects in financial planning for improving school facilities and infrastructure, while 16.7% agree. This shows that the principal is considered to have a strong commitment to planning long-term investments for the development of school facilities, reflecting high confidence in the effectiveness of financial planning for continuous improvement and development. SPSS output data The majority of respondents (83.3%) strongly believe that the principal is effective in carrying out financial management duties for improving school facilities and infrastructure, while 16.7% also agree. This data shows high confidence in the principal's ability to manage finances to support the improvement and development of school facilities.

SPSS output data from the majority of respondents (75%) are very confident that financial recording for improving facilities and infrastructure is done in a timely and accurate manner, while 25% also agree. This data shows that the principal effectively ensures proper and timely financial recording. The SPSS output data from most respondents (83.3%) are confident that every financial transaction related to facilities and infrastructure is recorded properly, while 16.7% agree. This data shows high confidence that financial transaction recording is carried out accurately, supporting transparency and accountability in managing school facilities and infrastructure.

The SPSS output data from most respondents (66.7%) are confident that facilities and infrastructure management evaluation is carried out regularly, while 25% agree and 8.3% disagree. This data shows high confidence in the consistency of evaluation to ensure management effectiveness, although a few objections indicate potential concerns or differing views. SPSS output data The majority of respondents (75%) strongly believe that financial planning by the principal and treasurer to improve facilities and infrastructure is done well. While 16.7% agree and 8.3% disagree, this data shows high confidence in the effectiveness of planning, although a few objections may reflect differing views or concerns.

SPSS output data The majority of respondents (75%) strongly believe that the principal and treasurer manage finances well to improve school facilities and infrastructure. While 16.7% agree and 8.3% disagree, this data shows high confidence in the effectiveness of financial management, although there are some concerns or differing views. SPSS output data Most respondents (75%) strongly believe that principals and treasurers conduct good financial supervision to improve school facilities and infrastructure. While 25% agree, this data shows high confidence in the effectiveness of supervision, although there are still views that consider that more attention is needed in several aspects.

SPSS output data Most respondents (75%) strongly believe that principals and treasurers actively conduct financial evaluations to improve school facilities and infrastructure, while 25% agree. This data reflects high confidence in the evaluation process but also indicates room for improvement in the understanding or implementation of evaluation among a few respondents. SPSS output data The majority of respondents (66.7%) strongly believe that 20% of school funds are used effectively to improve facilities and infrastructure, while 25% agree and 8.3% disagree. This data indicates a strong belief that funds are used appropriately, although some doubts exist. SPSS output data The majority of respondents (75%) strongly believe that financial reports on facilities and infrastructure are prepared well, while 16.7% agree and 8.3% disagree. This shows strong confidence in preparing the report despite some doubts.

Table 2. Descriptive Analysis of Facilities and Infrastructure Improvement

Descriptive Statistics						
	N	Minimum	Maximum	Sum	Mean	Std. Deviation
TOTAL	12	40	55	623	51.92	5.401
Valid N (listwise)	12					

Source: SPSS 2024 Output

Based on the table above, the smallest response value that the school can obtain from the questionnaire is 40, the maximum response value is 55, the average response is 51.92, and the standard deviation is 5.401. Based on the facilities and infrastructure indicators, the assessment results, with a value of 54.92%, show that school facilities and infrastructure are categorized as "adequate," according to Sugiyono. Although the facilities and infrastructure at the senior high school level meet the eligibility criteria, there is still room for improvement to achieve the "very adequate." This assessment indicates that school facilities are adequate to support the education process but may still require improvements or enhancements for better optimization.

School Facilities and Infrastructure

Supporting Factors for Facilities and Infrastructure

SPSS output data, the majority of respondents (75%) strongly believe that the principal and all school managers pay attention to the quality of facilities and infrastructure. As many as 16.7% agree, indicating a positive view but not as strong as the majority. The existence of one respondent (8.3%) who disagreed indicates a minority view that doubts the attention given to the quality of facilities and infrastructure. These data reflect a strong belief that attention to the quality of facilities and infrastructure is a top priority in school management. SPSS output data shows that most respondents (75%) strongly believe that the principal pays attention to the quantity of facilities and infrastructure. 8.3% agreed, and 16.7% disagreed, indicating that most respondents believe that attention to the quantity of facilities and infrastructure is the principal's main focus. However, two disagreed respondents indicate a minority view that doubts this attention. Overall, this data indicates a strong belief that the principal seriously prioritizes the number of facilities and infrastructure.

SPSS output data show that most respondents (75%) strongly believe that the principal properly pays attention to the adequacy of school facilities and infrastructure. 16.7% agreed, and 8.3% disagreed, indicating that most respondents believe that the principal actively ensures that facilities and infrastructure meet the eligibility standards. The existence of a minority view that disagrees or only agrees indicates that although most believe in this attention, there are still some concerns or different views regarding this matter. Based on the results of the SPSS table analysis, the main factor that supports improving facilities and infrastructure in schools is the attention of the principal and overall school management to the quality and adequacy of facilities and infrastructure. These data show that the commitment and attention of school management to these important aspects plays a crucial role in ensuring that school facilities and infrastructure meet the standards required to support the education process effectively.

Inhibiting Factors for Facilities and Infrastructure

SPSS output data shows respondents' views on limited human resources in procuring facilities and infrastructure vary. A small portion of respondents (25%) consider this limitation to have no effect. In comparison, 50% of respondents feel that limited human resources are a significant issue, either as a major problem or a fairly important problem. This shows that respondents consider the impact of limited human resources to vary. SPSS output data shows that views on limited funds in improving school facilities and infrastructure vary. As many as 58.3% of respondents consider limited funds a significant problem, with 33.3% agreeing and 25% strongly agreeing. However, 33.4% of respondents have different views, with 16.7% strongly disagreeing, 16.7% disagreeing, and 8.3% disagreeing. This shows differences of opinion about the impact of limited funds on improving school facilities and infrastructure.

SPSS output data shows that views on teacher awareness in managing school facilities and infrastructure vary. As many as 66.6% of respondents felt that teacher awareness was inadequate, with 33.3% considering it inadequate and 33.3% agreeing that there was a problem. However, 25% of respondents had different views: 8.3% strongly disagreed, 16.7% disagreed, and 8.3% strongly agreed that teacher awareness was high. This shows that there are differences of opinion regarding the impact of teacher awareness on managing facilities and infrastructure. SPSS output data shows that views on location support for improving school facilities and infrastructure vary. Most

respondents, 33.3%, felt that the location did not support it, while 25% disagreed and 25% disagreed with the statement. Only 8.3% strongly disagreed, and 8.3% strongly agreed. This shows differences of opinion regarding the impact of location on the development of facilities and infrastructure, with the majority feeling that the location is less supportive.

SPSS output data shows that the main inhibiting factors in improving school facilities and infrastructure are limited human resources and limited funds. This shows that schools' main problems in improving facilities are the lack of adequate manpower and funds available to support the procurement and improvement of facilities and infrastructure. These limitations are significant challenges in achieving effective and sustainable improvements in school facilities and infrastructure quality.

Table 3. Research Finding

Aspect	Key Findings
The Role of the Principal in Financial Management	The principal plays a significant role in school financial management by following the National Education Standards (SNP) and adhering to the principles of transparency, accountability, efficiency, and effectiveness.
Financial Transparency	75% of respondents believe that the principal acts as an internal transparency agent, indicating that internal leadership mechanisms are more influential than external oversight.
Financial Accountability	75% of respondents agree that the principal understands accountability principles, demonstrating that financial responsibility is more of a cultural and ethical commitment than regulatory compliance.
Effectiveness and Efficiency	The principal's direct involvement in financial decision-making enhances the effectiveness and efficiency of school resource management.
Financial Planning	83.3% of respondents stated that the principal aligns financial planning with national education goals, proving that budgeting is not merely an administrative task but a part of educational leadership strategy.
Financial Supervision	91.7% of respondents indicated that the principal actively oversees financial oversight, supporting the distributed leadership model.
Financial Training	66.7% of respondents believe that the principal has undergone financial management training, but further improvement is needed.
Impact of Financial Management on School Facilities	The principal's strategic financial planning contributes to the development of school facilities, supporting the quality of learning.
Financial Recording	Accurate financial documentation enhances stakeholder trust and ensures compliance with government regulations.
Supervision and Evaluation	Regular financial evaluations help prevent budget mismanagement and improve the effectiveness of school infrastructure development.

Challenges in Financial Management	The main challenges include budget constraints and complex regulations, but the principal can overcome them with adaptive strategies.
-------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------

DISCUSSION

Principal's Understanding of Financial Management

The findings of this study underscore the principal's significant role in financial management within the educational sector, aligning with existing theories while addressing notable gaps in prior research. The results indicate a high confidence level among respondents in the principal's ability to manage school finances effectively, adhering to the National Education Standards (SNP) and the principles of transparency, accountability, efficiency, and effectiveness. These findings reinforce theoretical frameworks that emphasize the role of school leadership in financial governance. However, they also provide new insights contributing to the ongoing discourse on educational finance management.

Previous studies have highlighted the critical function of school principals in ensuring financial sustainability and efficiency. (Bush & Glover, 2014). However, many studies have focused on developed countries with more robust financial policies and administrative support systems. (Brimley et al., 2016). This study, conducted in the context of a developing nation, reconstructs the discourse by demonstrating that effective financial management is not solely dependent on external policies but also significantly influenced by the principal's knowledge and competencies. The overwhelming agreement among respondents regarding the principal's financial management skills suggests that leadership capacity is crucial to financial success in educational institutions. This perspective expands upon prior research.

Transparency in financial management has long been recognized as a cornerstone of ethical financial governance. (Hancock & Hellawell, 2020). While previous research has emphasized the importance of external audits and government oversight in ensuring financial transparency, this study offers a reconstructive perspective by highlighting the role of the principal as an internal transparency agent. The finding that 75% of respondents strongly believe in the principal's commitment to transparency suggests that internal leadership mechanisms, rather than external regulatory measures alone, play a pivotal role in promoting financial openness. This insight adds to the existing body of literature by shifting the focus toward leadership-driven transparency rather than externally imposed accountability measures.

Accountability in financial management is another key theme addressed in this study. This aligns with the principal-agent theory, which postulates that agents (principals) must act in the best interests of stakeholders. (Jensen & Meckling, 1976). While prior research has largely explored accountability through legal and structural lenses, this study deconstructs the traditional approach by demonstrating that accountability is also a cultural and ethical commitment upheld by school leaders. The fact that 75% of respondents strongly affirm the principal's understanding of accountability principles suggests that financial responsibility is deeply embedded in the school's leadership practices. This perspective challenges the notion that strict external enforcement is necessary to achieve accountability, positing that fostering a culture of responsibility within the institution can be equally effective.

The principles of effectiveness and efficiency in financial management have been widely discussed in the literature, with scholars emphasizing cost-benefit analyses and performance-based

budgeting. (Odden & Picus, 2014). This study reconstructs the discussion by illustrating how the principal's direct involvement in financial decisions enhances effectiveness and efficiency. The strong agreement among respondents that the principal understands these principles suggests that leadership-driven financial strategies are instrumental in maximizing limited resources. This perspective contributes to the field by integrating leadership theory with financial management principles, offering a more holistic understanding of how school finances can be optimized.

The study also highlights the importance of financial planning, with 83.3% of respondents asserting that the principal aligns financial planning with the National Education Standards. Previous research has often treated financial planning as a bureaucratic function, detached from pedagogical and institutional goals. (Levacic, 2009). By demonstrating that financial planning is closely linked to national education objectives, this study reconstructs the prevailing narrative, showing that budgetary decisions are integral to achieving educational outcomes. This alignment suggests that financial planning should not be viewed merely as an administrative task but as a strategic component of educational leadership.

Furthermore, financial supervision by the principal is another critical factor examined in this study. The finding that 91.7% of respondents believe in the principal's active role in financial oversight aligns with the concept of distributed leadership, which advocates for shared responsibilities among school leaders. (Spillane, 2005). This research expands on the distributed leadership model by emphasizing financial supervision as a key responsibility of school leaders, which has been relatively underexplored in previous studies. By shedding light on the principal's role in financial monitoring, this study contributes to a more comprehensive understanding of school leadership.

Another significant contribution of this research is its emphasis on financial training for school leaders. While prior studies have pointed to the need for professional development in financial management (Pont et al., 2008) This study provides empirical evidence that most principals and school staff actively engage in financial training. The finding that 66.7% of respondents believe their school leadership has undergone relevant training suggests that capacity-building efforts are already in place, though further enhancements may be necessary. This insight contributes to the policy discussion on educational finance by advocating for more structured and widespread training programs for school leaders.

In conclusion, this study substantially contributes to the discourse on school financial management by bridging the gap between theoretical frameworks and practical applications. It reconstructs existing theories by demonstrating that leadership-driven financial management, rather than solely external oversight, ensures transparency, accountability, and efficiency. Additionally, it deconstructs prior assumptions that financial planning is an isolated bureaucratic function, instead positioning it as a strategic component of educational leadership. By integrating insights from leadership theory, financial management principles, and empirical findings, this research provides a nuanced perspective that addresses gaps in previous studies and offers practical implications for policymakers and school administrators.

Improving School Facilities and Infrastructure

In addition to financial management, this study highlights how financial management impacts improving school facilities and infrastructure. This improvement is very important to support the quality of learning and create a conducive educational environment. The findings of

this study emphasize the crucial role of financial management in enhancing school facilities and infrastructure, which in turn contributes to the overall quality of education. The principal's strategic financial planning and effective fund allocation ensure the long-term sustainability of infrastructure development, consistent with prior studies highlighting the correlation between financial management and school improvement. (Mestry, 2018).

Respondents strongly believe that financial planning considers future aspects that align with the theoretical framework of strategic financial management underscoring the importance of aligning expenditures with long-term institutional goals. (Zajda, 2018). This study contributes by reinforcing the idea that effective financial leadership from the principal can bridge the gap between available resources and the need for continuous school development. Previous research has largely focused on financial planning in higher education institutions. (Johnstone, 2019) This study extends the discussion to secondary education settings, reconstructing the discourse on financial sustainability at the school level.

Financial management for facilities and infrastructure emerges as a pivotal factor in ensuring that resources are utilized efficiently to maintain and upgrade school environments. The study's results corroborate earlier findings that underscore the significance of leadership in financial decision-making. (Bush, 2018) While existing literature discusses financial planning in a broad sense, this study specifically highlights how school principals navigate constraints to ensure infrastructure improvement. This aspect addresses research gaps that have overlooked the micro-level financial decisions made by school administrators in resource-constrained settings.

Accurate financial recording is essential to transparency and accountability in school financial management. The results affirm that schools with meticulous financial documentation practices are better positioned to secure stakeholder trust and maintain compliance with government regulations. (Guthrie & Neumann, 2007). While previous studies have emphasized the importance of financial transparency in public sector management (Hood, 2010) This research reconstructs these findings within the context of school infrastructure development, thereby broadening the applicability of financial accountability theories.

Supervision and evaluation of financial management practices play a critical role in ensuring the effectiveness of infrastructure projects. The findings support the argument that financial supervision minimizes inefficiencies and prevents resource misallocation. (Hallinger & Murphy, 2013). Prior studies have examined financial oversight mechanisms in corporate settings. (Behn, 2003), but this research extends the discussion by demonstrating how regular financial evaluations enhance decision-making at the school level. This contribution is particularly significant in developing economies, where financial mismanagement often leads to stalled infrastructure projects. (Unesco, 2019).

Despite financial management's positive impact on school development, this study identifies several barriers, including budget constraints and regulatory challenges. These findings align with earlier research that highlights financial limitations as a key obstacle in education management. (Odden & Picus, 2014) However, this study further contextualizes these challenges by providing empirical evidence on how school principals navigate financial constraints through adaptive strategies. This deconstructs the notion that financial limitations inevitably hinder progress, instead showcasing the agency of school leaders in overcoming such barriers.

In conclusion, this study successfully bridges the research gap by demonstrating how financial management directly influences the improvement of school facilities and infrastructure. This research reconstructs existing knowledge by integrating financial planning theories with

empirical data from school management practices. It provides a nuanced perspective on the role of school principals in optimizing financial resources for educational development. The findings underscore the need for further studies on capacity-building programs for school leaders to enhance their financial literacy and strategic management skills, ensuring long-term sustainability in school infrastructure improvements.

Table 4. Research Novelty and Contribution

Aspect	Novelty	Contribution
The Principal's Role as an Internal Transparency Agent	Financial transparency relies on internal leadership, not just external audits.	Shifting the transparency paradigm from regulation-based to leadership-based.
Accountability as a Culture, Not Just Regulation	Financial accountability is ethical and cultural, not just structural.	An internal responsibility culture can replace strict external supervision.
Integration of Financial Planning with National Education Goals	Financial planning is a part of educational leadership strategy, not merely administrative.	Principals act as strategic leaders in financial management.
Financial Supervision in Distributed Leadership	Financial supervision involves the school management team.	Expanding distributed leadership into financial oversight.
Adaptive Strategies in Overcoming Financial Constraints	Principals implement innovative strategies for budget efficiency.	Transforming financial limitations from obstacles into manageable challenges.

CONCLUSION

The results of this study reveal several relevant findings. The Financial Management Understanding indicator analysis shows that the average respondent score is 57.75, falling within the 51% - 79% category, indicating that the principal understands financial management sufficiently. However, there is room for improvement to more effectively influence the optimal enhancement of facilities and infrastructure. Similarly, the score of 51.92% for facility improvement indicates that efforts have been made, but challenges remain in meeting the need for more adequate facilities. Supporting and inhibiting factors related to improving SMA Negeri 1 Palopo facilities and infrastructure have been identified. Supporting factors emphasize the importance of managerial attention to the quality and feasibility of facilities while inhibiting factors include limited human resources and funds. This provides a clear picture of the key aspects that need to be considered in efforts to improve facilities and infrastructure at the school.

One of the limitations of this study is that it primarily relies on respondents' perceptions, which may introduce subjectivity in assessing financial management and facility improvement. Additionally, the study focuses on a single school, limiting the generalizability of the findings to other educational institutions with different financial management structures and resource availability. Future research should incorporate a more diverse sample of schools to provide broader insights into financial management effectiveness. Moreover, employing mixed-method approaches, including direct financial audits and in-depth qualitative interviews, could enhance the validity of the findings. Further exploration of government policy impacts and comparative studies

across different school types would also be valuable in identifying best practices for optimizing financial management and infrastructure development.

REFERENCES

- Albaum, G. (1997). The Likert Scale Revisited. *Market Research Society. Journal*, 39(2), 1–21. <https://doi.org/10.1177/147078539703900202>
- Amos, D., Au-Yong, C. P., & Musa, Z. N. (2021). The mediating effects of finance on the performance of hospital facilities management services. *Journal of Building Engineering*, 34, 101899. <https://doi.org/10.1016/j.jobbe.2020.101899>
- Amos, O., Ephrahem, G., & Bhoke-Africanus, A. (2021). Effectiveness of School Heads' Financial Management Skills in Provision of Quality Education in Secondary School. *Journal of Education, Society and Behavioural Science*, 20–28. <https://doi.org/10.9734/jesbs/2021/v34i230302>
- Anwar, K., Hendrik, M., Waruwu, Y., Suyitno, S., & Dewi, C. (2022). Pengaruh Sarana Prasarana Pendidikan dan Kompetensi Guru Terhadap Mutu Pendidikan di Sekolah Menengah Kejuruan. *Al-Mada: Jurnal Agama, Sosial, Dan Budaya*, 5(3), Article 3. <https://doi.org/10.31538/almada.v5i3.2659>
- Azzahra, N., & Safira, L. (2022). *The Importance of Financial Management and Entrepreneurship Competencies for School Principals* (0 ed.). Center for Indonesian Policy Studies. <https://doi.org/10.35497/555486>
- Behn, R. D. (2003). Why measure performance? Different purposes require different measures. *Public Administration Review*, 63(5), 586–606.
- Brimley, V., Verstegen, D. A., & Garfield, R. R. (2016). *Financing education in a climate of change*.
- Burger, R., Kaufman, P., & Atkinson, A. (2015). Disturbingly Weak: The Current State of Financial Management Education in Library and Information Science Curricula. *Journal of Education for Library and Information Science*, 56(3), 190–197. <https://doi.org/10.3138/jelis.56.3.190>
- Burhanuddin. (2019). Kepemimpinan Pendidikan Islam. *Jurnal Kajian Islam & Pendidikan*, 1(1), 9–13. <https://doi.org/10.47435/al-qalam.v1i1.44>
- Bush, T. (2018). *Leadership and management in education*.
- Bush, T., & Glover, D. (2014). *School leadership and management in education: Theory, research, and practice*.
- Chen, H., & Volpe, R. P. (1998). An Analysis of Personal Financial Literacy Among College Students. *Financial Services Review*, 7(2), 107–128. <https://doi.org/10.3788/CJL201643.0811001>
- Dewi, P. K., & Hafni, N. (2017). Analisis Rasio Keuangan Untuk Mengukur Kinerja Keuangan Pemerintah Daerah Kabupaten Labuhan Batu Tahun Anggaran 2011–2013. *Kitbah: Jurnal Akuntansi Dan Keuangan Syariah*, 1(1).
- Dwangu, A. M., & Mahlangu, V. P. (2021). Accountability in the financial management practices of school principals. *International Journal of Educational Management*, 35(7), 1504–1524. <https://doi.org/10.1108/IJEM-06-2021-0243>
- Erlinawati, T., & Badrus, B. (2018). Manajemen Keuangan Sekolah Dalam Rangka Meningkatkan Mutu Pendidikan Islam Di SMAN1 Papar Kediri Tahun Pelajaran 2017/2018. *Jurnal Intelektual: Jurnal Pendidikan Dan Studi Keislaman*, 8(3), 413–428. <https://doi.org/10.33367/intelektual.v8i3.733>

- Guthrie, J., & Neumann, R. (2007). Economic and non-financial performance indicators in universities. *Public Management Review*, 9(2), 231–252.
- Hallinger, P., & Murphy, J. (2013). Running schools like a business: Principal effectiveness and school management. *International Journal of Educational Leadership Preparation*, 8(2).
- Hancock, D. R., & Hellowell, D. E. (2020). *Ethical leadership in schools: Creating a culture of integrity*.
- Harahap, H. F. (2020). Analisis Kinerja Keuangan Pemerintah Daerah Kabupaten Tapanuli Tengah. *Ekonomis: Journal of Economics and Business*, 4(1), 34. <https://doi.org/10.33087/ekonomis.v4i1.87>
- Hartanto, T. M. B., Susanto, N., Saputra, N., Abdussyukur, A., & Kartiko, A. (2022). The Influence of Teacher Professional Competence on Education Quality Through Infrastructure as an Intervening Variable. *Tafkir: Interdisciplinary Journal of Islamic Education*, 3(2), Article 2. <https://doi.org/10.31538/tijie.v3i2.269>
- Hood, C. (2010). *The blame game: Spin, bureaucracy, and self-preservation in government*.
- Iskandar, J. (2019). Implementasi Sistem Manajemen Keuangan. *Idaarah*, 3(1), 114–123.
- Ismail, F., Pawero, A. M. D., & Bempah, A. (2022). Problematika Manajemen Sarana Dan Prasarana di Madrasah Swasta. *Journal of Islamic Education Leadership*, 1(2), 108–124. <https://doi.org/10.30984/jmpi.v1i2.155>
- Jebb, A. T., Ng, V., & Tay, L. (2021). A Review of Key Likert Scale Development Advances: 1995–2019. *Frontiers in Psychology*, 12. <https://doi.org/10.3389/fpsyg.2021.637547>
- Jensen, M. C., & Meckling, W. H. (1976). Theory of the firm: Managerial behavior, agency costs, and ownership structure. *Journal of Financial Economics*, 3(4), 305–360.
- Johnstone, D. B. (2019). *Financing higher education: Worldwide perspectives and policy options*.
- Levacic, R. (2009). *Financial management in education: Principles and practice*.
- Lodyono, E. M. (2017). Keadilan dan Kelayakan dalam Sistem Pemberian Kompensasi. *Jurnal Manajemen*, 2(1), 2–6.
- Masbullah, As, A. Bin, Mudzafaroh, N., Hariyadi, A., & Nurdiana, D. D. (2023). Implementasi Manajemen Keuangan Sekolah dalam Pemenuhan Sarana dan Prasarana. *Jurnal Agama Sosiasl Dan Budaya*, 6(1), 2599–2473. <https://doi.org/10.31538/munaddhomah.v1i2.30>
- Mestry, R. (2018). The role of governing bodies in the financial management of South African public schools. *South African Journal of Education*, 38(1), 1–9.
- Mulyasa. (2013). *Menjadi Kepala Madrasah Profesional*. Remaja Rosdakarya.
- Munawaroh, S., & Wiranata, R. S. (2020). Upaya Sekolah Dalam Meningkatkan Prestasi Non Akademik Siswa Melalui Manajemen Sarana Prasarana Di SMP Muhammadiyah Boarding School Plere. *Al-Fabim: Jurnal Manajemen Pendidikan Islam*, 2(2), 85–98.
- Muslimin, T. A., & Kartiko, A. (2021). Engaruh Sarana Dan Prasarana Terhadap Mutu Pendidikan Di Madrasah Bertaraf Internasional Nurul Ummah Pacet Mojokerto. *Munaddhomah: Jurnal Manajemen Pendidikan Islam*, 1(2), 75–87. <https://doi.org/10.31538/munaddhomah.v1i2.30>
- Najihah, I., & Muhammad, S. (2021). Konsep Manajemen Keuangan Dalam Lembaga Pendidikan Islam Perspektif Al Qur'an Dan Hadis. *Idaarah: Jurnal Manajemen Pendidikan*, 5(2), 223. <https://doi.org/10.24252/idaarah.v5i2.21616>
- Odden, A., & Picus, L. O. (2014). *School finance: A policy perspective*.
- Pont, B., Nusche, D., & Moorman, H. (2008). *Improving school leadership: Volume 1: Policy and practice*.
- Pusvitasari, Rita, & Sukur, M. (2020). Manajemen Keuangan Sekolah Dalam Pemenuhan Sarana Prasarana Pendidikan (Studi Kasus Di Sd Muhammadiyah 1 Krian, Sidoarjo). *Al-Tanzim: Jurnal Manajemen Pendidikan Islam*, 4(1), 94–106.

- Rosanti, I. A., & Marlius, D. (2023). Pengaruh Sistem Kerja, Kompensasi Dan Kesejahteraan Terhadap Kinerja Tenaga Outsourcing di Bank BNI Kota Padang. *Jurnal Publikasi Ilmu Manajemen (JUPIMAN)*, 2(2), 152–168. <https://doi.org/10.55606/jupiman.v2i2.1656>
- Setyaningsih, A., Handayani, E. S., Solissa, E. M., Sapulete, H., & Fathurohman, A. (2023). The Instrumental Role of Principal Leadership in Efforts to Improve The Quality of Education in Indonesia. *Jurnal Pendidikan Dan Konseling (JPDK)*, 5(1), 1954–1961. <https://doi.org/10.31004/jpdk.v5i1.11250>
- Spillane, J. P. (2005). Distributed leadership. *Educational Forum*, 69(2), 143–150.
- Subekti, I. (2022). Pengorganisasian dalam Pendidikan. *Tanjak: Journal of Education and Teaching*, 3(1), 19–29. <https://doi.org/10.35961/tanjak.v3i1.422>
- Unesco. (2019). *Global education monitoring report: Building bridges for education*.
- Warumu, Y., Rahmadani, D., Mayasari, E., Idrus, I., & Kartiko, A. (2022). Manajemen Keuangan dalam Meningkatkan Mutu Pendidikan. *Prodi Pendidikan Bahasa Inggris*, 5(3), 440.
- Yulianti, E. (2017). Manajemen Pembiayaan Pendidikan di SMP. *Manajer Pendidikan*, 11(4), 296–303.
- Zajda, J. (2018). *Globalisation and education reforms*.