FINANCIAL MANAGEMENT ANDSUSTAINABILITY OF EDUCATIONAL PROJECTSIN BOSASO DISTRICT, PUNTLAND SOMALIA

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DECLARATION A

This thesis report is my original work and has not been presented for a degree or any other academic award in any university or institution of learning.

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DATE 13th - 11 - 2014

DECLARATION B

I confirm that the work reported in this thesis was carried out by the candidate under my supervision and submitted to the CHDR for examination with my approval as the supervisor.

SIGNATURE_____

(Dr. Ssendagi Mohamed (PhD)

DATE 13th/11/2014

DEDICATION

I dedicate this work to our father, mother, brothers and sisters and whole family for their encouragement during my academic struggle and support to successfully come to a completion of this report.

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This project would not have been possible without the support of many people. First and foremost I wish to express my gratitude to Allah for making me come this far and I am so grateful for His unconditional protection.

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TABLE OF CONTENTS

LIST OF TABLES

LIST OF FIGURES

LIST OF EQUATIONS

LIST OF ACRONYMS AND ABBREVIATIONS

ACCA	ASSOCIATION OF CHARTERED CERTIFIED ACCOUNTANTS
ARRI	ANNUAL REPORT ON RESULTS AND IMPACT
CPA	CERTIFIED PUBLIC ACCOUNTANTS
CVI	CONTENT VALIDITY INDEX
FM	FINANCIAL MANAGEMENT
IFAD	INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT
SPSS	STATISTICAL PACKAGE FOR SOCIAL SCIENCES
UNDP	UNITED NATIONS DEVELOPMENT PROGRAMME

ABSTRACT

This study carried out an investigation on financial management and sustainability of educational projects in Bosaso, Puntland, Somalia. The objectives of the study were 1) To examine the financial management practices in Bosaso, Puntland, Somalia 2) To determine the sustainability of educational projects in Bosaso, Puntland, Somalia and 3) To determine the relationship between financial management and sustainability of educational projects in Bosaso, Puntland Somalia. The study employed descriptive correlation study design which involved a quantitative approach. With regards to this method, the researcher used structured questionnaires and an interview guide.Out of a target population of 170, 119 respondents were identified as the sample size by use of the Slovene's formula. Systematic random sampling was used to identify the respondents to take part in the study. Analysis entailed frequencies, percentages, means, standard deviation, t-statistic andranks. Findings suggested thatfinancial management practices were low. The sustainability of educational projects was also found to be low. It was also established that there was indeed a relationship between financial management and sustainability of educational projects which stood at 0.627 on the Pearson Correlation scale which was interpreted as positive and strong relationship. There was a general revelation that the decision makers and practitioners are well aware of and agreed to the importance of financial management practices in the educational projects sector.The study suggestsrecruiting of better financial managers, ensuring proper internal controls, training of managers and administrators, emphasis should be put on forecasting, sound records keeping and maintenance.

CHAPTER ONE

INTRODUCTION

1.0 Introduction

This chapter provides the background information about research area to the readers, background of the study, statement of the problem, purpose, objectives of the study, significance of the study, scope, hypothesis and definition of terms.

1.1 Background of the Study

1.1.1 Historical perspective

Financial management emerged as a separate field of study in the early 1900s, the emphasis was on the legal aspects of mergers, the formation of new firms, and the various types of securities firms could issue to raise capital. During the Depression of the 1930s, the emphasis shifted to bankruptcy and reorganization, to corporate liquidity, and the regulation of security markets. During the 1940s and early 1950s, finance continued to be taught as a descriptive, institutional subject, viewed more from the standpoint of an outsider rather than from that of a manager. However, a movement towards theoretical analysis began during late 1950s, and the focus shifted to managerial decisions regarding the choice of assets and liabilities with the goal of maximizing the value of the firm(Mwele, 2005)

The history of sustainability traces human-dominated ecological systems from the earliest civilizations to the present. This history is characterized by the increased regional success of a particular society, followed by crises that were either resolved, producing sustainability, or not, leading to decline. Long gone are the days when companies could simply dismiss sustainability as little more than a touchy-feely, tactic with little-to no Return on Investment. A new global paradigm all but mandates sustainability efforts be integrated in every facet of business and project management is no exception. Sustainability today is really about adapting to change and being able to be effective in the face of change. Moreover, project sustainability has been

attributed with creating positive development around the world, but in Modern times its ability to promote development, specifically in Africa, has been less than so (Douglas, 2001)Project sustainability is a major challenge in many developing countries. Large number of projects implemented at huge costs often tends to experience difficulties with sustainability. All major donors, such as the World Bank, the Asian Development Bank and the bilateral aid agencies have been expressing concerns on this matter.

According to several recently conducted studies, while the trend with implementation is showing significant improvement, the trend with post implementation sustainability is rather disappointing increasingly, fewer projects are being sustained. This means that while huge expenditures are being incurred by these countries in implementing projects, poor sustainability is depriving them from the returns expected of these investments. This further means that while the debts from development expenditure are increasing, gains from these expenditure have either not been forthcoming fully or been accrued at a lower rate (Morris, 2003)

Project sustainability has been a major challenge in Africa considering the fact that most of the funding comes from outside countries. Management of such projects has been marred with unsuitable techniques which have proved ineffective. In Nigeria for example, there were many health projects that were terminated during the year 2004 in Kaduna State due to lack of proper management of the resources availed for the projects. Most of the complaints came as a result of the initiative inadequacies in addressing the health problem in the region. This state, which is not as big as the neighboring state of Kano in Northern Nigeria, had faced a lot of health challenges that required addressing especially regarding water borne diseases like cholera and dysentery. It was argued that much of the problem came as a result of inappropriate forecasting of the magnitude of the spread of the scourge(The Vanguard, 2013).

In the current situation, Somalia has taken more position in the level of financial management; they managed in terms financial planning, financial control and financial decision-making. However, since financial management is the application of knowledge,

skills, and techniques of the finances of business in order to achieve financial objectives in order to meet or exceed stakeholder needs and expectations from a project, financial management in the side of project sustainability is still poor, because of the process of educating and sensitizing the masses is still going on. Therefore, financial management has not yet developed in Somalia, specially the side of project Sustainability (UNDP, 2008). To obtain funds, financial managers can obtain it from within and outside the company. This study focused on the case of educational projects in Somalia, more preferably in Bosaso Puntland(Puntland Post, 2014).

1.1.2 Theoretical perspective

This study was guided by the theory of agency by Jensen and Meckling (1976). In an agency relationship, one party, called the agent, makes decisions and acts on behalf of another, called the principal. The agency theory attempts to summarize and solve problems arising from the relationship between a principal and an agent. Agency relationships are common in financial management, due to the nature of the industry. When one person manages another person's financial affairs, an agency relationship exists by default. Understanding the agency theory's application in financial management can give you greater insight as an investor, stockholder or aspiring financial professional (Jensen &Meckling, 1976). The theory was preferred since it clearly depicts the relationship between the donor organizations and the project financial managers.

1.1.3 Conceptual perspective

Financial management is that managerial activity which is concerned with the planning and controlling of the firm's financial resources. It involves Planning, directing, monitoring, organizing and controlling of the monetary resources of an organization(Edwin, 2009).Financial management is the management of financial functions which include the process of obtaining funds (raising of funds) and how to use these funds (allocation of funds)(Eugene, 2006). Financial managers are concerned with the determination of total assets worth of investments in various assets and

choose the sources of funds to finance the asset. Financial management can be defined in a broad and a narrow sense. In the broad sense; it is concerned with the raising and allocation of resources within the firm, in order to attain the firm's objects. By this definition, financial management plays a key role in ensuring that the goal of the firm realized. The decision of raising funds determines the financing mix of the firm and hence the financing risk that the firm faces. The other aspect of the definition is that the financial manager has to be involved in the allocation of funds within the firm. The commitment of funds into long and short-term assets is decided in this role(Konde, 1997). Financial management in this study meant the allocation of funds finally determines the asset mix of the firm and hence its business risks

Project sustainability is a collaborative effort focused on developing a system that supports individual choice and self-direction, provides equitable assessment and transparent rate methodology, and above all, is sustainable (Crisontom, 2006). Projects sustainability is Maintaining the outcomes, goals and products in a project and institutionalizing the process for continued success of the project inquestion(Mwele, 2005). Project Sustainability means the opportunities made available to the people would also be available to their children and that the gains that they made would not suffer setbacks if, for instance, an adult family member became ill or died. A key to sustainability for one group related to continued improvements in the education of their children. Project sustainability means a continuation of the assistance being received(Silvius, 2009). While individuals can and should have their own points of reference and areas of interest regarding sustainability, a single project needs to have a broad, clear and well-defined concept of sustainability to guide implementation and serve as a basis for evaluation. In this study Project sustainability will examine through three different lenses: sustainability of outcomes, sustainability of processes, and sustainability of resources through project management (Duncan, 1998). Project sustainability in this study meant the degree to which projects can be self supporting for the longest time in terms of outcomes, resources and process.

1.1.4 Contextual perspective

Sustainability of projects has been a contentious issue not only in the educational sector but almost cutting across every sector one may think of. Projects especially those initiated by funds obtained from abroad have had a tendency of failing or its funding being cut. In 2010, "Project Amal" and "Raising the Girl Child" are amongst the ten schools projectsthat were geared towards improving the education of the girl child and were axed from funding due to "lack of clear objectives" (Puntland Post, 2010). Although this caused much controversy, it was already far being reproach and had to be endured. Ever since the termination of those projects, there has been a rampant trend of projects being terminated or indefinitely halted (Puntland Post, 2014).

On the other hand,like many sub-Saharan African countries, financial management in Somalia has been placed under restrictionsdue more than 20 years of civil war. Considering the importance of financial management, it has become increasingly hard for both public and private sector. This has resulted in poor management of educational institutions, skills development, health, water and sanitation. Sustainability of projects has also been influenced, which is a disastrous effect of the poor financial management of the projects(Duale, 2011).

After the civil war in Somalia, donors provided money for rebuilding up the country and to start some projects that could boost up the economy. In this context project where conceived, initiated and upraised in an uncoordinated manner. Resources borrowed, grants received or national budget for development were having the desired impact. The situation got worse due to the emergency conditions and poor financial management which may have been understandable circumstances. Failure of strategic coordination and a structured national system to oversee the planning and management of the financial elements of the projects has led to a situation where by projects became strictly donor driven (UNDP, 2008).

Therefore, this study examined financial management and Project sustainability of educational Projects in Bosaso Puntland Somalia

The integration of projects with strategic plan has been a challenge to most of the project managers. Since the stakeholder is not involved in the project design and know everything concerning the project or one team does its work while another team does its own work without integration. This leads to conflict and failure of most of the project sustainability (Larson, 2009).

1.2 Statement of the Problem

Puntland educational prospects have been at low levels for a long time. This has caused concern among the major stakeholders including the state, federal government and non governmental organisations that are concerned with education and development of the region and country(UNDP, 2008). This problem has been persistent to the extent of students dropping out of school and others claiming that they found no value for the education that they were going through. Ineffective teaching practices were also acknowledged by principals and heads of schools. It is public knowledge that Somalia (not only Puntland) lack adequately qualified personnel to carry out financial management practices in the projects. Most of those who are good in the field select to be brain drain statistics. This has left Bosaso organisations with extremely poor financial management prospects. Many initiatives have so far been put to test to try and correct the problem, some of which were to carry out civic education on the masses in order to help the parents appreciate the relevance of putting the students through school(Puntland Post, 2014). Projects that have been started to address the problem have ended up failing to provide solutions to the regions need for education quality. 10 adult literacy projects were shut down only in the year 2010 alone underscoring the fact that sustainability of such projects had become questionable(Duale, 2011). On the other hand lack of adequate technical manpower has made it hard for the region to embrace financial management as a resort. Only three out of the 22 schools have accountants who had internationally recognized and accredited qualifications of CPA and ACCA(Puntland Post, 2014). This means that most of these schools and educational

projects lacked proper financial management. This study therefore seeks to establish the role of financial management practices in improving the sustainability of the educational projects in Bosaso Puntland Somalia.

1.3 Objectives of the Study

1.3.1 General Objectives

The general objective of the study was to establish the association between financial management and sustainability of educational projects in Bosaso, Puntland, Somalia.

1.3.2 Specific Objectives

1. To establish the level of financial management practices in Bosaso, Puntland, Somalia.
2. To determine the level of sustainability of educational projects in Bosaso, Puntland, Somalia.
3. To determine the relationship between financial management and sustainability of educational projects in Bosaso, Puntland Somalia.

1.4 Research Questions

1. What are thefinancial management practices in Bosaso, Puntland Somalia?
2. How is thelevel of project sustainability ofeducational projects in Bosaso, Puntland Somalia?
3. Is there a relationship between the financial management and sustainability of educational projects in Bosaso, Puntland Somalia?

1.5 Hypothesis

H_0:There is no significant relationship between financial management and sustainability of educational projects in Bosaso, Puntland Somalia.

1.6 Scope ofthe Study

1.6.1 Geographical Study

The study was carried out in Bosaso District, Puntland, Somalia. Bosaso is the business capital of Puntland state found North East of Somalia on the Gulf of Aden coast and is one of the bisggest cities in Somalia. It borders Rehiss to the East, Mareero to the North East LaasGeel to the South East and Lasgorigato the south. The study was done at the premises of 10 primary and secondary schools and Non Governmental Organisations (both local and international) running educational projects.

1.6.2 Content Scope

This study examinedfinancial management as independent variable in terms of financial planning, financial control and financial decision-making.Project Sustainability involves three aspects namely sustainability of outcomes, sustainability of processes, and sustainability of resources.

1.6.3 Time Scope

The study was undertaken within two years stretching from January 2013 - December 2014. This time encompassed all activities from proposal drafting to submission of final report.

1.6.4 Theoretical Stage

The study was guided by the agency theory. This theory was advanced by Jensen and Meckling (1976). It was selected because it gave an appropriate explanation of the relationship that exists between the project financial managers (agents) and the project donors (principals) where accountability is primarily element of this relationship.

1.7 Significance of the Study

1) The study is of significance to all stakeholders especially those in the Ministry of Finance, Economic Planning and Development, Ministry of Education, District

leaders, Sub County Chiefs and National Planning Authority and other policy implementers to measure how well they are doing in terms of project sustainability.

2) The study expanded the frontiers of knowledge on Financial Management. The knowledge would be useful in shaping policy, practice and implementation of planned self-sustainable development strategies in Somalia.
3) The literature generated and issues raised on the subject may be useful for further studies and research.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter reviews literature relevant to the study. The literature is cited from various scholarly works, journals, periodicals and quarterly publications, and is organized according to the variables of the study. The theoretical review, conceptual frameworks and related studies form this section.

2.1 Theoretical review

The study was underpinned by the agency theory as propounded by Jensen and Meckling (1976). A number of specific agency relationships can exist in the world of financial management. Corporate executives and company shareholders serve as a prime example. CFOs and other financial executives make decisions on behalf of the interests of shareholders, the principals in the relationship. As another example, financial planners and mutual fund managers act as agents on behalf of individual clients and fund participants (Jensen &Meckling, 1976).

The problem around which the agency theory revolves describes the main challenge of agency relationships: reconciling two distinct sets of personal goals (Eugene, 2006). In an agency relationship, agents are required to work toward meeting principals' goals, yet it is the agents' own goals that drive them to succeed on behalf of their principals. In order for an agency relationship to be mutually beneficial, both parties' goals must be addressed within a climate of compromise, but with the understanding that meeting the principal's goals is the primary function of the relationship. To this end, it is vital that information be shared freely and openly between the two parties so agents are always clear on their principals' priorities and principals are always aware of their agents' decisions and actions (Duncan, 1998).

In project management, project funds are usually provided by a donor, or organisation and the project managers are expected to manage them and achieve desired objectives. In this case the donor organisation assumes the position of the principal while the project team assumes the role of the agent. The principle logic in this context according to the theory dictates that if this relationship is well respected and adhered to by both parties, the project is then bound to be successful for a longer period of time. If not, problems will occur and the project will be shattered or flagged down (Silvius, 2009).

Financial management is all about risk, and each investor comes to the table with a different tolerance for risk. In an agency relationship, chances are high that principals and agents have different risk tolerances, which can lead to misunderstandings and a failure to agree on investing decisions. Even when agents act toward principals' goals, their means of doing so may conflict with principals' risk tolerances. For example, in a shareholder-executive relationship, an executive may wish to acquire struggling companies to achieve the shared goal of increasing market share at a discount, but this plan may be deemed too risky by a majority of shareholders (Levine, 2002).

In the world of finance, some agency relationships are fiduciary, meaning that agents are legally required to act in the interest of their principals. Fiduciary responsibilities formalize an agency relationship and provide greater security for principals. In the case of a financial planner who holds power of attorney for an individual client, for example, that planner has the right to conduct financial transactions on behalf of the individual without his consent or awareness. In this example, the financial planner is legally required to make decisions solely in the best interest of his client, rather than doing things with his clients' money simply for his own personal gain (Morris, 2003).

2.2 Conceptual framework

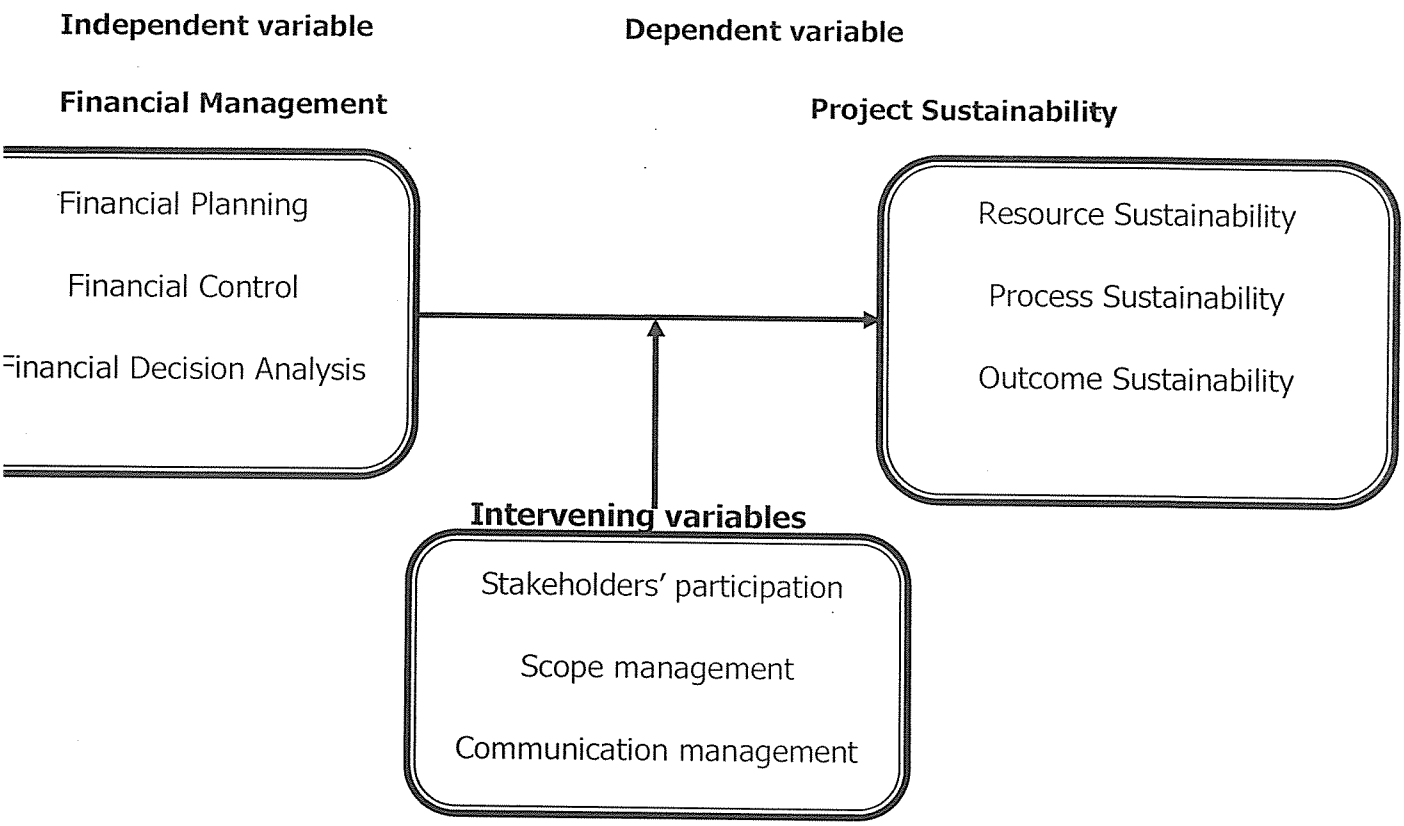

Figure 1: Conceptual Framework

Source: Researcher, 2014

The above framework shows how the independent variable of financial management and its constituent elements influences the dependent variable of project sustainability and its constituent elements. The independent variable however competes with the intervening variables in order to influence the dependent variable. Such intervening variables are stakeholder's participation, scope management and communication management.

The variables in the conceptual framework are related to each other as illustrated in the following model as shall be analysed in the regression section

$y = \propto + \beta x + \mathcal{E}$..... i

$y = \propto + \beta_1 x_1 + \beta_2 x_2 + \beta_3 x_3 + \mathcal{E}$.....ii

Equation (i) displays the relationship between the main study variables of financial management and project sustainability.

Equation (ii) displays the relationship between the construct variables of financial management and the dependent variable of project sustainability.

$\propto$	=	constant	X_1	=	Financial Planning
$\beta 1$	=	coefficient of x_1	X_2	=	Financial Control
$\beta 2$	=	coefficient of x_2	X_3	=	Financial Decision Analysis
$\beta 3$	=	coefficient of x_3			
Y	=	Project Sustainability	ε	=	error term
			X	=	financial management

Independent variable: Financial Management helps to sustain projects through effective systems financial planning, financial control and financial decision-making.

Dependent variable: Project Sustainability can be measured using indicators such as resource sustainability, process sustainability and outcome sustainability.

Intervening variables: help the financial management to improve the performance. Intervening variables include stakeholders' participation, effective scope management and communication management.

2.3 Financial Management

Financial management can be defined in a broad and a narrow sense. In the broad sense; it is concerned with the raising and allocation of resources within the firm, in order to attain the firm's objects. By this definition, financial management plays a key role in ensuring that the goal of the firm realized. The decision of raising funds determines the financing mix of the firm and hence the financing risk that the firm

faces. The other aspect of the definition is that the financial manager has to be involved in the allocation of funds within the firm. The commitment of funds into long and short-term assets is decided in this role. The allocation of funds finally determines the asset mix of the firm and hence its business risks (Kerzner, 2010).

2.3.1 Financial planning

Financial planning is a comprehensive evaluation of an investor's current and future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans. Most individuals work in conjunction with an investment or tax professional and use current net worth, tax liabilities, asset allocation, and future retirement and estate plans in developing the plan. These will be used along with estimates of asset growth to determine if a person's financial goals can be met in the future, or what steps need to be taken to ensure that they are (Eugene, 2006)

Financial planning is an alert for the investor to changes that must be made to ensure a smooth transition through life's financial phases, such as decreasing spending or changing asset allocation. Financial plans should also be fluid, with occasional updates when financial changes occur (Wiley, 2001).

Without careful financial planning it is likely that your project will fail to achieve its objectives. In a small project it is possible that one plan may be used to define the entire scope of work and all the resources needed to carry out that work. For larger projects, planning will be carried out at different levels of detail at different times. In all types and sizes of project you must be prepared to re-plan in the light of experience. Remember that financial plans are essential for ongoing project control and must be used and kept up to date right through the life of the project (Morris, 2003).

Financial planning is a series of steps or goals used by an individual or business, the progressive and cumulative attainment of which are designed to accomplish a financial goal or set of circumstances, e.g. elimination of debt, retirement preparedness, etc. This often includes a budget which organizes an individual's finances and sometimes

includes a series of steps or specific goals for spending and saving future income. This plan allocates future income to various types of expenses, such as rent or utilities, and also reserves some income for short-term and long-term savings. Financial planning is sometimes referred to as an investment planning, but in personal finance a financial planning can focus on other specific areas such as risk management, estates, college, or retirement (Lendrum, 2009).

Financial planning is the task of determining how a business will afford to achieve its strategic goals and objectives. Usually, a company creates a Financial Plan immediately after the vision and objectives have been set. The Financial Plan describes each of the activities, resources, equipment and materials that are needed to achieve these objectives, as well as the timeframes involved. Performing Financial Planning is critical to the success of any organization. It provides the Business Plan with rigor, by confirming that the objectives set are achievable from a financial point of view. It also helps the CEO to set financial targets for the organization, and reward staff for meeting objectives within the budget set (Kerzner, 2010).

2.3.2 Financial control

Financial controls helps to ensure project success by controlling (and giving visibility to) money coming in and being spent. Some tools that project managers can use to finances and budget include payback period and other financial forecasting calculations, as well as budgeting techniques including variance . Financial controls are the only ways to determine if the budgeting is being followed to look at the budget over a period of time compared to the actual amount of money spent during that time. Financial controls ensures financial forecasting calculations such as payback period which calculates the period of time required for the return on an investment to repay the sum of the original investment (Lewis, 2012).

Determining the cost of a project is one of the most important initial steps for a project manager. If a project manager is not able to stay within a controlled budget when completing their project, they may not have the funds to complete the project. The

budget and financial plan is typically created during the initial stage of project development. Costs and resources should be set in the initiation stage in order to adequately and allocate costs. Some tools that project managers can use to finances and budget include payback period and other financial forecasting calculations, as well as budgeting techniques including variance analysis(Levine, 2002).

Financial controls are the written rules and procedures for financial management that all organisations should have. Financial controls should cover, for example, who can sign cheques, who maintains the cash books, and how petty cash is administered. Some of these rules will be laid down by the constitution (or, in the case of registered companies, memoranda and articles of association) and others may simply be unwritten understandings, or ways of working traditionally adopted by the management committee or staff of the organisation. To appreciate how project control works you must first understand that, despite all the effort devoted to developing and gaining commitment to a financial plan, there is little chance that the resulting project will run precisely according to that financial plan. This does not mean that you will fail to achieve the objectives of the plan - on the contrary, you must have a very high level of confidence that you can achieve those objectives and deliver the full scope, fit for purpose, on time and to budget (Gregory, 2009).

Financial plan describes what you would like to do but it models just one of the infinite number of routes from where you are now to where you want to be. In practice your project will follow a different route to the one shown in your plan, you do not know which one, but you will need control to make sure it is a route that takes you to where you need to be, when you need to be there, and at a cost you can afford. The power of the plan is that it gives you a baseline against which you can compare actual achievement, cost and time and determine the amount of deviation from plan and hence take corrective action if required. The essential requirement for control is to have a plan against which progress can be monitored to provide the basis for stimulating management action (Larson, 2009).

A number of elements must be in place for effective financial management of a company or project to take place. Effective financial control is defined as keeping costs to an agreed level, ensuring that a project is developed within budget. Critically, all managers should take responsibility for financial management and should not assume that this falls within the remit of the accounts team alone. Strategic or long-term planning is also a critical building block for effective financial control. This planning can help you to decide where your financial priorities lie and how much of your total budget can be allocated to different areas of the company or project (Kerzner, 2010).

Good financial and accounting systems are paramount: it is essential that management has current, accurate, and relevant financial data to ensure sound decision-making. In addition, this information must be presented in a useful form that addresses the needs of individual managers. Internal controls should be robust and should be rigorously overseen. This could apply, for example, to the handling of cash by employees. Devolving the management of budgets can bring advantages in terms of flexibility, but there must be a clear reporting structure, so that, for example, it is easy to identify who is responsible for making spending decisions (Lewis, 2012)

2.3.3 Financial Decision analysis

Financial Analysis and Decision Making provides a financial framework to underpin the life cycle approach of managing complex projects over a long time-scale. The concept provides a foundation from which a participant will be able to achieve a financial perspective over the life of a project. It considers the fundamental financial management structures necessary to provide sound information on which decisions to make based on accounting criteria, or, to support decision-making processes where accounting information underpins other decision-making priorities. It mainly entails understanding and applying time value for money, performing the net value present value analysis for projects, evaluating a project from the return perspective, understanding value chain analysis and its applicability(Wamala, 2012).Making good financial decisions is often the difference between a prosperous, growing farm business

and one that is constantly wondering how to pay the next bill.Financial metrics have long been the standard for decision making in organizations. The BSC supports the role of finance in establishing and monitoring specific and measurable financial strategic goals on a coordinated, integrated basis, thus enabling the firm to operate efficiently and effectively

2.4 Project Sustainability

Sustainability is the long-term maintenance of responsibility, which has environmental, economic, and social dimensions, and encompasses the concept of stewardship, the responsible management of resource use. Sustainability today is really about adapting to change and being able to be effective in the face of change. Smart organizations have long understood the business benefits of disciplined project management practices: lower costs, greater efficiencies, improved customer and stakeholder satisfaction, and greater competitive advantage. By making sustainability a required and measured part of that process, companies also deliver environmental, social and financial benefits to the business (Lewis, 2012).

Sustainability means the opportunities made available to the people would also be available to their children and that the gains that they made would not suffer setbacks if, for instance, an adult family member became ill or died. A key to sustainability for project management is related to continued improvements in the sustainability of outcomes, sustainability of processes, and sustainability of resources through project management. Project sustainability means a continuation of the assistance being received (Duncan, 1998)

It is important to take the main project and context-level factors into account during the project design and implementation, to enhance its sustainability. Since these factors may not all have the same importance for your specific project, do not hesitate to highlight the most influential ones in your application form. (European Commission Directorate-General Education and Culture, 2006) Government counterparts defined sustainability as sustained funding and government takeover of the services provided by

the project and a continuing flow of capital and credit into rural areas. In addition, sustainability would be marked by strong, well-prepared community groups with a sense of ownership of project outputs and a willingness to maintain the structures. Sustainability would be assured if community groups assume the functions of the project(Silvius, 2009).

A project is sustainable when it continues to deliver benefits to the project beneficiaries and other constituencies for an extended period after the Commission's financial assistance has been terminated. While individuals can and should have their own points of reference and areas of interest regarding sustainability, a single project needs to have a broad, clear and well-defined concept of sustainability to guide implementation and serve as a basis for evaluation. For the purposes of this study, sustainability can be considered through three different lenses: sustainability of outcomes, sustainability of processes, and sustainability of resources. The paragraphs below briefly describe these elements (Crisontom, 2006)

2.4.1 Sustainability of Outcomes

Sustainability of outcomes is concerned with whether the improvements in quality of life or standard of living of project beneficiaries will endure beyond the project completion. In the case of project management, the anticipated impacts must increase income and well-being of beneficiaries. Implied therein is the resilience of households in the face of shortages or hardship. Secondary outcomes must be related to behaviors associated with health, hygiene, environmental conservation and market access, among others. An assessment of sustainability in this regard would measure the gains made due to the project, then predict the durability of those gains in the years following the project. Therefore, for project to be sustainable the most important element is how far the outcome of the project is beneficial to the target or beneficiaries (Franklin, 2011). It is important to address sustainability because improved outcomes achieved during the implementation phase of a project do not automatically result in lasting improvements. For example, a social service agency might increase the number of referrals to a

parenting program as a result of their activities during a grant project, but, once the grant has ended, that number drops back down to its earlier level. This occurs far too often. Indeed, a frequently referenced study of organizational improvements found a 70% failure rate in sustaining long-term changes. Formally focusing on sustainability throughout the planning and implementation of an improvement project can increase the sustainability of those improvements.

2.4.2 Sustainability of Process

A development project provides a set of direct and indirect services – its process – to beneficiary communities. Sustainability of the process depends on individuals and institutions to continue providing those same services after the assistance and subsidies of a project end. More often than not, and certainly in the case of project management, a project seeks and expects this type of sustainability, which depends on the viability of institutions and their capacity and potential for survival and continued function. This means that, project sustainability is concerned the process of sustainability which involves the consistency of the deliverables for the beneficiaries (Kramer, 2010). For most organisations it is their process which consumes the most resources but also delivers the most value. That is the product – whether physical or service based. All processes have the potential for waste and by understanding the process better you can often reduce or eliminate this waste. So, the process is at the heart of the organization's sustainability impact. Process improvements will often deliver reductions in energy and other resource use or better productivity from the same level of resources(Kramer, 2010).

Process improvement is more than just tweaking to do things 'a bit better' or responding a specific problem or event. It is about being systematic in analyzing what you do, identifying and evaluating options and solving challenges so that you can make improvements that make a significant difference.In order to improve your process you need to analyse what is currently happening. There are a number of techniques that focus on different factors and yield different results. They may target areas such as

customer value and non-value add, wasted energy and materials and the flow of productivity, among others. You may want to use more than one technique so that you cover more aspects of your process(Crisontom, 2006).

2.4.3 Sustainability of Resources

This theme refers to the extent to which activities promoted by the project will preserve/deplete the natural resource base. Obviously a lucrative activity that gradually exhausts the resources upon which it depends will not be sustained.Sustainability of resources in this study involves how can the natural resources be used and the way they can be preserved which is the most sophisticated task for most projects in third world countries (Silvius, 2009).

Resource Sustainability is the ability of a resource to maintain a certain status or process in existing systems. The most frequent use of the term "sustainability" is connected to biological or human systems in the context of ecology. The ability of an ecosystem to function and maintain productivity for a prolonged period is also sustainability. Living a sustainable lifestyle is one way to help. In this series pages we will go into what sustainability has to with ecology, recycling, water, and more. We will also reveal what some companies are doing to make a difference by operating their businesses in a sustainable way(Franklin, 2011).

Natural resources like land and other raw materials can be found as naturally occurring substances. The value of these deposits is usually dependent on the amount available for extraction.This means that if even valuable resources exist in quantities to small to be extracted profitably or exist in a form that make extraction exceedingly difficult then the value is lessened as a consequence(Remmy, 2011).

However if the amount of available material for extraction as well as the ease of that extraction makes exploitation commercially viable then the value of the land increases as well.A situation where natural resources or natural capital is being used up faster than replenishment can occur is called an "unsustainable situation". Natural

capital is the store of ecosystems that can provide a flow of material sustainably or indefinitely.In recent years development agencies have focused on sustainable development because of the obvious depletion of natural resources that has become apparent with the current rates of consumption(Duncan, 1998).

2.5 Related Studies

Recent evaluations of International Fund for Agricultural Development (IFAD) in 2010 in India, programming have highlighted the shortcomings of many of its projects in terms of sustainability. For example, the Annual Report on Results and Impact (ARRI) of IFAD Operations for 2006 noted that sustainability remains a major challenge for the organization. In response to these findings, the IFAD strategic framework for 2007-2010 commits the organization to enhancing sustainability, acknowledging that ensuring sustainability has been a challenging endeavor, not just for IFAD but for all international development agencies. It concludes by noting that financial management practices are important in improving the sustainability of such projects(IFAD, 2010).

Financial management and project performance

Remmy (2011) conducted a study on the impact of financial management on project performance and found out that sound financial planning, management, and control provides the basis for an organization achieving its goals and can be the difference between success and failure in projects. He further found out that Good financial management enables an organization to monitor its daily activities, maintain short-term working capital needs, and effectively manage its resources as well as provides the information it requires to enable it to plan and operate more efficiently (Remmy, 2011).

Another study carried out by Rajesh (2010) in India of the Institute of Cost Accountants of India conclude that development a series of financial management practices in institutions of learning provide a structured approach to cost measurement and help achieve consistency in classification, measurement, and assignment of cost to products and services and attain sustainability to such programs. In the Islamic World, Sharia law

and principles affect how some elements of conventional finance theory are applied. For example, Islamic Finance prohibits interest and interest-based transactions; however, there are ways to estimate the value of a proposed project or investment. Accounting standards for financial reporting by Islamic financial institutions have been developed to help Islamic financial institutions deal with the accounting conflicts associated with existing accounting standards, such as International Financial Reporting Standards (IFRSs) or local GAAP (Rajesh, 2010).

Financial Management and Sustainability of Projects

Edwin (2009), in his study on relevance of financial management in projects, finds out that financial management is essential to achieving sustainable success, and is universal to all organizations, regardless of size, type, and location. Strategies and plans need to be informed by quantitative and qualitative insights and a sound understanding of the external competitive environment, including customers, as well as of internal organizational performance. Executing strategy involves translating strategies into action, allocating resources to the right areas, and measuring results and holding people accountable. Performance & financial management covers all of these core aspects of managing and improving organizational performance. It involves understanding the linkages between intangible—or non-financial—factors and financial outcomes, as well as ensuring that operational activities are carried out effectively and efficiently. Managers need to know that the organization is doing the right things as well as doing them in the best way possible (Edwin, 2009).

Financial Management and Performance Approaches in Projects

Lewis (2012) found out that financial management philosophies play a part in the design and implementation of performance approaches in projects, which are also referred to as management control systems. Approaches to management control in different countries are affected by various factors, including governance, structural, and ideological differences and also financial management. The various approaches all bring

together systems thinking and the interplay between financial and non-financial information (e.g., physical, quality, process, environmental, and social) to provide a comprehensive view of the drivers of performance. Some countries, he notes, and companies have developed specific approaches to help ensure managers have the financial and operational skills to improve the performance of the programs being managed by such managers(Lewis, 2012).

European Commission Directorate-General Education and Culture carried out a research in 2010, in Russia that the Russian university set up a Training Centre specialized in environment, with the support of four European partners. The Centre was officially recognized in 2002 and courses were taught majorly on financial management. The same students who were being trained were also placed as the employees of the institute to harness the skills learnt in class. It was found out the most important skill that was being in use that led to the success of the project was financial management.(Franklin, 2011). The findings of this research is that, the international network is maintained, i.e. partners take care of the follow-up, the local network is maintained, i.e. the universities meet regularly with the private firms concerned and finally, the initial network can be enlarged to incorporate other domains or entities, i.e. new universities or research teams join the constituencies. The global assessment is highly positive and the results can be qualified as sustainable.

European Union carried out a research on Review and Identification of The effect of financial management and sustainability of Agriculture Programmes for Somalia in 2010, the findings of this research is that there are several issues that have a bearing on sustainability. Firstly, an overriding problem is security which has impacted most previous EC interventions. Notwithstanding this, there are numerous positive aspects of programme that are likely to evolve and include: findings suggested that strengthening the agricultural policy analysis and planning is likely to contribute to ensuring that appropriate and sustainable interventions are designed based upon robust information to provide an enabling environment for the promotion of sustainable resource management, including that of human, financial and natural assets. Supporting

improved financial forecasting in the agricultural sector southern Somalia according to the IDP is a cost effective means of improving national food production capacity, and will contribute to sustainable food production. This support should result in sustainable food security at household and national level(Morris, 2003).The focus on the involvement of rural labour linked with cash-for-work schemes as indicated in the IDP, will promote employment creation and the availability of cash retention within rural households providing funds for alternative investments and community development. Capacitating financial management in agricultural service delivery systems as observed within the ARDOPIS programmecomplements the above and contributes towards the sustainability of all farming processes in the country(European Union Final Report, 2010).

2.6 Research Gaps

Morris (2003) investigated the influence that financial management and forecasting has on the agricultural projects sustainability. Though his findings were based on a sample size that is almost equal to the one identified by this study, he failed to embrace the various forms of financial management. His approach was rather general since he considered financial management as a single concept and that it affected sustainability as a whole. This might be quite misleading since in this study financial management has been conceptualized as financial planning, control and decision analysis.

Franklin (2011) analysed how students being taught financial management fared in work while they were still in training. A project was specifically set up for such students and the project sustainability measured. It gave out reliable results about the impact of financial management skills and the general performance and sustainability of projects. However the approach of the study adopted by Franklin (2011) was very different from the one adopted in this study. The previous study was experimental but the current one will be mainly descriptive correlation in design which is bound to give different answers to the same questions.

Lewis (2012) sought to establish how the financial management practices can be used to improve the performance of projects. This is definitely a short term scope in terms of the findings where performance of the present was looked at by Lewis (2012). This study on the hand seeks to establish the sustainability of projects which has the time component and is actually a crucial component to the process.Performance may be there in a project but whether such performance can be maintained over time is a totally different question altogether.

Remmy (2011) who conducted a study on the impact of financial management on project performance faulted on fundamental rounds of considering only one aspect of financial management which was financial control. As much as this is an important element of financial management, it is not prudent to leave out the other important elements of financial management which are financial planning and financial decision analysis.Edwin (2009) and Rajesh (2010) also made the same error of not incorporating all the aspects of financial management where they selected and analysed only one or two aspects (in the case of Rajesh (2010)).

CHAPTER THREE

METHODOLOGY

3.0 Introduction

This chapter explains the methods that were used in this study. Specifically it entails the research design, sample procedure, research instruments, validity and reliability, data gathering procedures, data analysis, ethical consideration and limitations of the study.

3.1 Research design

The study useddescriptive correlation design. This design focused on exploring the behavior and dimensions of a problem under investigation in order to unveil the causal effect one or more variables have on another/ others. Descriptive correlational studies deal with the relationship between variables, testing of hypothesis and development of generalizations and use of theories that have universal validity.Both qualitative and quantitative approaches were used in this study. Respondents offered qualitative data in their responses which afterwards were quantified to establish trends to be used in analysis.

3.2 Research Population

The target population size for this study was 170 and this consisted ofproject managers who have witnessed different projects in educational sector; school head teachers (30), school teachers (115) who were working in aid funded schools and project managers of the educational projects (25).

3.3 Sample Size

The research sample size was 119 which included 21 school head teachers; 81 School Teachers and 17 Project Managers. The sample size for this study was determined by the Slovene's formula as illustrated below:

$$n = \frac{N}{1 + N(\mathrm{e})2}$$

Equation 1: Slovene's Formula

Where **n** = **minimum sample size**

N = **research population**

e = **significance level = 0.05**

$$n = \frac{170}{1+170\,(0.05)2} = \frac{170}{1.425} = 119.298 \cong 119 respondents$$

Table 1: Target population and sample size:

Population Category	Population	Sample Size	Sampling Technique
School Head Teachers	30	21	Purposive
School Teachers	115	81	Systematic Random
Project Managers	25	17	Systematic Random
TOTAL	**170**	**119**	

To obtain the sample size for each category, a special formula was used whereby

Sample size for a category = $\frac{population\ in\ category}{total\ population\ size} * total\ sample\ size$

3.4 Sampling Procedure

The sampling technique that was used in this study was systematic random sampling. Using this method, a list of the potential respondents in the institutions was used. In selecting the school teachers who were the majority the systematic random sampling

was used. This was where two consecutive respondents were selected while skipping the next one respondent and selecting the next two all over again until the sample size was met. This sampling technique was employed because it was simple and prevented cases of bias in sampling. Purposive sampling was also used to determine high profile respondents like head teachers and project managers who were believed to have more information about the financial management and sustainability of educational projects in Bosaso.

3.5 Research Instruments

3.5.1 Questionnaire

Close ended questionnaires were used in this study which had three sections (A, B and C). SectionA collected information about the demographic characteristics of the respondents and contained four questions.Section B which asked about the financial management contained 12 items categorized into three sub categories of financial planning, financial control and financial decision analysis. Section C asked about the sustainability of the education projects and contained 12 items too categorized into three sub categories of resource sustainability, process sustainability and results sustainability.

3.5.2 Interview Guide

An interview guide is an oral administration of a questionnaire and it gives a general plan to follow for data collection (Muganda & Mugenda, 2003). An interview guide was used because it encouraged face to face interaction with the respondents so that issues can be clarified therefore gaining in-depth information on the subject. However, the interview guide was time consuming which limited responses to just a small number of respondents (17) who were the project managers. In addition, the interview guide was used to supplement the information given in the questionnaires.

3.6 Validity and Reliabilityofthe Instruments

3.6.1 Validity

The validity of research instrument was measured using content validity Index. In the process of determining the validity of questionnaire, two raters or experts in the area of research instrument consultedabout the content in the questionnaire. These experts included the supervisor who I was assigned to Dr. Ssendagiand private consultation with Mr. Kombe (a statistical analyst based in Kampala). The experts verified the instruments and assessed the extent to which the questions related to the topic of the study. The coefficient of validity was estimated as computed below. According to Amin (2005), validity of an instrument has to be above 70% for it to be considered for a research study.

$$\text{CVI} = \frac{\text{Number of items rated as relevant}}{\text{Total number of items rated in the questionnaire}}$$

$$CVI = \frac{\text{no of items declared valid}}{\text{total no of items}} = \frac{24}{28} = 0.8571 = 85.71\%$$

Equation 2: Content Validity Index

The principle with content validity index is that if the index is above 70% then the instrument is declared valid(Amin, 2005). The above computation producedan index of 85.71% which is enough to confirm the validity of the instruments.

3.6.2 Reliability

Reliability is a measure of the degree to which a research instrument yields consistent results or data after repeated trials (Muganda & Mugenda, 2003). Reliability of the instrument was established through a test-retest technique. The researcher conducted a pre-test of the instrument on group of subjects and waited one week then administered the same test to the same subjects a second time.

Cronbach's alpha was also used to determine the reliability of the instruments. A Cronbach's alpha value of 0.7 0 is considered to be the criteria for demonstrating internal consistency of new scale and established scales respectively. The table below shows each main constructs of the model were considered acceptable since the Cronbach's alpha related to each of them exceeded 0.70, confirming satisfactory reliability.

Table 2: Cronbach's Alpha

Construct Variable	Cronbach's Alpha	Number of items
Financial Planning	0.73	3
Financial Control	0.92	3
Financial Decision Analysis	0.88	3
Outcome Sustainability	0.97	3
Process Sustainability	0.77	3
Resource Sustainability	0.82	3
Mean	**0.85**	**24**

The mean for the reliability test was established at 0.81 which is well above 0.70 and therefore the internal consistency (reliability) of the instrument was confirmed.

3.7 Data gathering procedures

3.7.1 Before Data Collection

An introductory letter was obtained from the College of Higher Degree and Research (CHDR) of Kampala International University. This letter gave a go ahead to the researcher to seek permission from the different administrators of the select institutions that had been targeted for this study. This paved way for sampling of the intended respondents.

3.7.2 DuringData Collection

Data collection started with administration of self-administered questionnaires to respondents. This was done with the help of research assistants. Respondents were kindly requested to fill in the questionnaires within one week. The researcher collected back the research instruments after checking that all the questionnaires had been well answered.

3.7.3 After Data Collection

The researcher went ahead with the coding of data. This involved tallying the information in the questionnaire and analyzing it using Pearson's product moment correlation and multiple regression analysis. Necessary editing was also done to make sure that the report that was produced met the university standards for higher degrees research studies. The last copy was presented for approval and defended before the panel of viva.

3.8 Data analysis

Data analysis of this study was done with the help of Statistical Package for Social Sciences software package (SPSS), excel and Minitab. This packages and programshelped in establishment of statistical measures which in turn were used to analyse the collected data.

Demographic characteristics of respondents were analyzed through frequencies and percentages while issues concerning financial management and sustainability of educational projects (objective one and two)were analyzed through basic descriptive statistics such as means, standard deviations, ranks and interpretations.The following mean ranges and their interpretations were used for both the independent and dependent variables.

Table 3: Mean Range for Interpretation

Mean range	Response Mode	Interpretation
3.26-4.00	Strongly Agree	Very high
2.51-3.25	Agree	High
1.76-2.50	Disagree	Low
1.00-1.75	Strongly disagree	Very low

Further still, the relationship between the level of financial management and sustainability of educational projects (objective three) was determined by the Pearson's Linear Correlation Coefficient at 0.05 level of significance.

Qualitative data from the interviews was analysed by use of content and context analysis. Content analysis involves coding and classifying data, also referred to as categorizing and indexing and the aim of context analysis is to make sense of the data collected and to highlight the important messages, features or findings.

3.9 Ethical Considerations

Bearing in mind the ethical issues, the researcher provided the respondents with the necessary information as regards the main purpose of the research, expected duration and procedures to be followed, and was ensuredthe privacy of the respondents came first.

The researcher also acquired an introduction letter from College of Higher Degrees and Research (CHDR) which was used to obtain credibility from the institutions under study. Thereafter, copies of the letter were used to introduce the researcher to the

respondents, after getting the testimonial letter; the researcher made sure that the instruments of the research were developed and suitable for work.

3.10 Limitations of the Study

The threats to validity in this study included the following: Intervening or confounding variables were beyond the researcher's control. Some of these involved honesty of the respondents and personal biases. To minimize such conditions, the researcher requested the respondents to be as honest as possible and to be impartial/ unbiased when answering the questionnaires.

The use of research assistants somehow caused inconsistencies such as differences in conditions and time when the data was obtained from respondents. This limitation was minimized by orienting and briefing the research assistants on the data gathering procedures.

Another limitation to the study was instrumentation. The research tools somewhat non-standardized. However, the validity and reliability of the instruments was ensured so as to achieve some level of measurement and this was done by expert judgment and pre-testing.

Since top management staffs with busy schedules were part of the respondents, the research found it challenging to get as much time from them as anticipated. This challenge was solved by seeking appointments with them at their convenient places and time.

CHAPTER FOUR

FINDINGS PRESENTATIONS, ANALYSISAND INTERPRETATION

4.0 Introduction

This chapter analyzes and presents the findings of the study. The findings are presented and analysed using frequencies, percentages, means, ranks, interpretations and correlations. The findings are guided by the following objectives:

1. To examine the financial management practices in Bosaso, Puntland, Somalia.
2. To determine the sustainability of educational projects in Bosaso, Puntland, Somalia.
3. To determine the relationship between financial management and sustainability of educational projects in Bosaso, Puntland Somalia.

4.1 Demographic Characteristics of Respondents

To determine the general attributes of respondents, frequency distribution table was used coupled with percentages. Attributes included: Gender, age, level of education and experience. The results are shown in table below.

The table below shows that there were more male than female respondents. The females accounted for 55% of the 119 respondents while the rest of the 45% was composed of the female gender.

Majority of the respondents were between 20-30 years old constituting with 40.4%, followed by 31-40 years at 38.0% and finally those above 40 years were 21.6% of the total number of 119 respondents.

Table 4.1: Demographic Characteristics of Respondents

Variable	Category	Frequency	Percent
Gender	Male	65	55
	Female	54	45
	Total	**119**	**100**
Age	20-30	48	40.4
	31-40	45	38
	41 & Above	26	21.6
	Total	**119**	**100**
Level of Education	Secondary	13	10.9
	Certificate	15	12.4
	Diploma	33	28.3
	Degree	38	31.8
	Master	20	16.5
	Total	**119**	**100**
Work Experience	1-2 Years	42	35.6
	3-4 Years	37	31
	5-6 Years	24	20.5
	6-7 Years	10	8.2
	>8 Years	6	4.7
	Total	**119**	**100**

Source: Primary Data, 2014

Most respondents had a bachelor's degree as their highest academic achievement whose contribution to the total tally stood at 31.6%. They were followed by undergraduate diploma holders at 28.1%, then by Master's degree holders at 16.4%, then certificate holders at 12.3%, and lastly secondary schools certificate holders who contributed a mere 11.7%.

With regards to work experience, most staff belonged to the 1-2 years bracket contributing 35.7%, followed by 3-4 years at 31.0%, then by 5-6 years at 20.5%, then by 7-8 years and above at 8.2% and finally those above 8 years at 4.7%.

4.2 Financial Management

Table 5: Descriptive statistics on level of financial management in Bosaso Educational Institutions

tructs	Indicators	Mean	Construct Mean	Std Deviation	T statistic	Interpretation	Rank
ıcial ıing	Planning for projects entails forecasting	2.31	2.34	0.74	3.15	LOW	2
	There are competent individuals in the planning of our projects	1.42					
	Mathematical procedures and models are used to plan for the future	3.6					
	Plans made by our financial management team are feasible.	2.02					
ıcial rol	There are few deviations from the expected financial plans	1.55	2.72	0.64	4.27	HIGH	1
	Management of the deviations are managed aptly	3.23					
	Our projects allow feedback processes to be effected	3.61					
	Contingencies are pre-diagnosed and accounted or allowed for	2.5					
ıcial ;ion /sis	Decisions made with regards to financial matters are made maturely	1.28	1.99	0.73	2.73	LOW	3
	The team of experts making financial decisions is duly qualified	3.23					
	Enough data is collected before a decision can be made relevant to it	1.96					
	Investment is only done in light with what is beneficial to the projects long term objectives	1.47					
	GENERAL MEAN		2.3483333			LOW	

Table 6: Mean Range Interpretation 1

n range	Interpretation
– 4.00	Very high
– 3.25	High
– 2.50	Low
– 1.75	Very low

Source: Primary Data, 2014

Generally the financial management was found to be low as evidenced by the mean of 2.348 which according to the mean scale of interpretation (see appendix III) reads as low. Two construct variables were rated as low and one rated as high.

The construct that was significantly higher than any other was financial control whose mean measured at 2.72 which translates as high. This confirms the work of (Jorge, 2010) which underscores the need for financial control in all entities where money is a necessity.

The construct that faired poorest of the three measured hereunder was financial decision analysis which was measured at 1.99 (low). This means that the institutions did not consider decisions made by analyzing financial data as a significant factor to boosting their educational projects' performance or sustainability. This is also evident from the high labor turnover as analysed under the section on work experience.

The other construct variable (financial planning)was torn between these two levels and measured at a mean of 2.34 which was interpreted as low. In terms of the specific indicators, the indicator variable that received the best rating was the fact that respondents agreed to the fact their projects allowed feedback processes to be effected and its mean was computed at 3.61. The worst rated indicator was the fact that there were competent individuals in the planning of their projects. This indicator scored a mean of 1.42 which is interpreted as very low.

From the interviews suggested that the respondents rated the educational projects lowly especially compared to other regions in the country. They lamented that much is not being done by the various authorities and stakeholders to ensure the continuity and prosperity of educational projects. On respondent actually said;

"I think our government, our local NGO's and even the international NGO's are too lazy and do not really care about the educational projects for this region ... It is as if they have given up on us ..."

Respondents also were of the idea that financial controls as the most important aspect of financial management compared to the rest as presented in the conceptual framework. This they reasoned out that it builds the framework for the whole financial management practice and would be impractical to regard it as any thing less. One of the managers was captured saying;

"Without a plan there would be nothing to control or make a decision on, so I prefer to think that financial controls as the most important aspect of financial management from the options given"

4.3 Project Sustainability

Table 7: Descriptive statistics on the level of Project Sustainability in Bosaso Educational Institutions

tructs	Indicators	Mean	Construct Mean	Std Deviation	T statistic	Interpretation	Rank
ome ainability	The performance of the students studying in the educational institutions is high	2.33	2.44	0.66	3.69	LOW	1
	The performance of the students studying in the educational institutions is consistent	2.51					
	The teachers skills keep on improving with time	3.36					
	There has been little difference between the rate of growth of projects sustainability	1.57					
ess ainability	Teaching methods employed by the teachers are revolutionary	1.9	2.09	0.79	2.64	LOW	2
	Different teachers use different methods of teaching	1.42					
	The problem of illiteracy in Bosaso can only be solved by various and not one method	3.22					
	The students appreciate the methods of delivery adopted by the teachers and administrators	1.83					
urce ainability	These projects have not distorted the geographical sceneries much in building establishments	1.84	1.87	0.50	3.75	LOW	3
	Employee in the institutions are supportive of these projects	1.45					
	Teachers are readily found in the region	2.33					
	The educational projects can fund themselves	1.871					
	GENERAL MEAN		2.13611			LOW	

Source: Primary Data, 2014

Table 8 Mean Interpretations 2

Mean range	Interpretation
26 – 4.00	Very high
51 – 3.25	High
76 – 2.50	Low
00 – 1.75	Very low

The dependent variable of project sustainability was also found to be low as evidenced by the mean of 2.136 which according to the mean scale of interpretation reads as low. All three construct variables namely outcome, process and resource sustainability were rated as low.

The construct with the highest mean score was outcome sustainability whose mean measured at 2.44 which is interpreted as high. Most respondents were found to be in agreement with the fact that the outcomes for the projects were somewhat acceptable. As (Kings, 2010) writes, the effectiveness of education programs is based on the level of outcome that stems from such projects or programs. He opines that the higher the outcomes the better the effectiveness.

The construct with the lowest mean score was resource sustainability which was measured at 1.87 (low). This meant that the resources that were being utilized in undertaking the projects were cared for enough. A sustainable project or activity is that which cares not only for its outcome sustainability but whether the resources it uses can be projected to reach as far as the outcomes can be forecasted(Mwele, 2005)

The other construct variable (process sustainability) was torn between these two levels at 2.09 (low). In terms of the specific indicators, the indicator that received the best rating was the fact that the teachers skills keep on improving with time. This indicator variable was rated at the mean of 3.36. The worst rated indicator was the fact that respondents felt that different teachers use different methods of teaching. This indicator was rated at the mean of 1.42 (low).

The findings from the interviews indicated that the respondents in the organisations thought that the project performance was low. The management was however very quick to note that it was so because most of the projects were at their preliminary stages and were in high expectation for it to improve.

> *"It is sad that our institution is performing poorly compared to our counterparts. I would say that this is because it we are still new to the field and most of the others have more experience...with time we believe we will also get there"*

If placed in charge of the project, most respondents could not remain relevant to he topic of study and went about issuing fantastic scenarios. The few, who were relevant, echoed the fact that they would use financial management techniques to improve the sustainability of the projects they were working on.

"I would really apply the methods of financial management because as an accountant I believe in the power of managing finances in projects and how it can really impact our performance and sustainability for that matter"

4.4 Relationships

4.4.1 Correlations

Table 9 Relationships between the constructs of financial management and project sustainability

Variables Correlated	Pearson R	Significance p	Interpretation	Decision on Hypothesis
Financial Planning and Outcome Sustainability	0.563	0.000	Significant average Positive relationship	Rejected
Financial Planning and Process Sustainability	0.749	0.000	Significant Fairly Strong Positive relationship	Rejected
Financial Planning and Resources Sustainability	0.777	0.000	SignificantStrong Positive relationship	Rejected
Financial control and Outcome Sustainability	0.728	0.000	Significant Fairly Strong Positive relationship	Rejected
Financial control and Process Sustainability	0.496	0.000	Significant Fairly average Positive relationship	Rejected
Financial control and Resources Sustainability	0.583	0.000	Significant average Positive relationship	Rejected
Financial Decision Analysis and Outcome Sustainability	0.676	0.000	Significant Fairly Strong Positive relationship	Rejected
Financial Decision Analysis and Process Sustainability	0.739	0.000	Significant Fairly Strong Positive relationship	Rejected
Financial Decision Analysis and Resources Sustainability	0.711	0.000	Significant Fairly Strong Positive relationship	Rejected

Source: Primary data, 2014

Between the constructs the strongest relationship was established between financial planning and resources sustainability which was computed at 0.777. In this case financial analysis of the projects was seen to have a closer relationship with resource sustainability than any other variable in the study. The weakest correlation among the construct variables was established between financial control and process

sustainabilitywhich was computed at 0.496 on the person linear correlation coefficient scale. This was interpreted as significant fairly average positive relationship. In this case it was deduced that financial controls contributed marginally to the process sustainability of the projects.

Table 10: Main Correlations

Correlations				
		Financial Management	Sustainability of Educational Projects	Decision on hypothesis
Financial Management	Pearson Correlation	1	.629**	Rejected
	Sig. (2-tailed)		.000	
	N	119	119	
Sustainability of Educational Projects	Pearson Correlation	.629**	1	
	Sig. (2-tailed)	.000		
	N	119	119	
**. Correlation is significant at the 0.01 level (2-tailed).				

With regards to the general relationship between financial management and sustainability of educational projects, the two tailed significance offers a Pearson correlation coefficient of 0.629. This suggests a fairly strong positive correlation between the two variables. The relationship between financial management and sustainability of educational projects is 62.9%.

The asymptotic significance test expressed as sig (two tailed) in the table is at a convincing level of 0.000. Any value below 0.05 renders the data collected as significant and reliable. Inference can be made that the responses offered during the study were not obtained by chance since if they were, the significance level would have been computed as above 0.05.

For this reason the null hypothesis (H_o) of non relationship is hereby rejected due to the strong evidence obtained which attest to a relationship between the financial

management and sustainability of educational projects. Consequently, the alternative hypothesis is adopted.

Correlation does not necessarily mean causality, so it is prudent to only be confident of the relationship rather than the influence one has on the other. In other words, the above correlation may mean that project sustainability may influence financial management and vice versa. In order to really capture how sustainability of educational projects can be influenced by financial management, a more elaborate procedure needs to be employed. In the next section, this is tackled under regression modeling.

4.4.3 Regression

The following table summarizes the regression details for the independent variable constructs against the dependent variable of project sustainability. Each of the independent variable either contributes positively towards the project sustainability.

In order to derive a mathematical model relating the numerous variables x1 – x3 with the dependent variable of sustainability of educational projects (y), the regression equation needs to be formulated. For a linear relationship, the general formula is given as $y = \propto + \beta x + \varepsilon$ but since there are many x variables with differing coefficients the approach shall be a bit different as analyzed after the regression table.

Table 11: Regression of construct variables

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
Construct Variables (Independent)	(Constant)	2.128	.176		12.112	.000
	Financial planning	.192	.028	.176	2.078	.039
	Financial control	.311	.037	.055	.577	.565
	Financial Decision Analysis	.055	.041	-.096	-1.202	.231
A. Dependent Variable: Project Sustainability						

Source: Primary Data, 2014

$$y = \propto + \beta_1 x_1 \ + \ \beta_2 x_2 \ + \ \beta_3 x_3 \ + \mathcal{E}$$

Where

$\propto$	=	constant	X_1	=	Financial Planning
$\beta 1$	=	coefficient of x_1	X_2	=	Financial Control
$\beta 2$	=	coefficient of x_2	X_3	=	Financial Decision Analysis
$\beta 3$	=	coefficient of x_3			
Y	=	Project Sustainability	ε	=	error term

$$Y = 2.128 + 0.192x1 + 0.311x2 + 0.055x3$$

Equation 3: Construct regression Equation

The model aboveshows the relationships between dependent variable of project sustainability and the constructs of financial management.

For a unit increases in financial planning there is going to be 0.192 (19.2%) increase in project sustainability.

For a unit increases in financial control there is going to be 0.311 (31.1%) increase in project sustainability.

For a unit increases in financial decision analysis there is going to be 0.055 (5.5%) increase in project sustainability.

Table 12: Regression R Square Table

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.629[a]	.396	.384	.31909

a. Predictors: (Constant), Financial planning, financial controlling, financial decision analysis

Source: Primary Data, 2014

From the R square table above, it can be noted that 39.6% of the variation in the sustainability of projects can be explained by the variation in the three selected independent construct variables of financial planning, financial controlling and financial decision analysis. The rest of the variation is caused by other factors that are not encompassed by the study in focus like individual funding, workforce dedication etc.

Table 13: Regression table for financial management and sustainability of educational projects

Coefficients[a]							
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Interpretation
		B	Std. Error	Beta			
1	(Constant)	1.581	.301		2.598	.011	Significan
	Financial Management	0.737	.100	.490	5.680	.000	Significan
A. Dependent Variable: Sustainability of Educational Projects B. Significance Threshold: 0.05							

Source: Analysis of Primary Data

$$y = \propto + \beta x + \varepsilon$$

$$Y = 1.518 + 0.737x$$

Equation 4: Study Regression Equation

Where x = Financial Management, y = Sustainability of Educational Projects, β= coefficient for financial management, ε = error term

Table 14: Regression R Square Table

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.584[a]	.341	.363	.281342

a. Predictors: (Constant), financial management

Source: Primary Data, 2014

From the R square table above, it can be noted that 34.1% of the total variation in the sustainability of educational projects can be explained by the variation in the financial management. The rest of the variation (65.9%) is caused by other factors that are not encompassed in this study like funding, workforce dedication etc.

CHAPTER FIVE

DISCUSSIONS, CONCLUSIONS AND RECOMMEDATIONS

5.0 Introduction

This chapter presents the discussion of the findings, conclusions and recommendations arising out of the research findings in chapter four and suggests areas for further research. The findings and results are discussed in line with the objectives of the study.

5.1 Discussion of Findings

5.1.1 Demographic characteristics of respondents

There were more males than females amongst the employees who were also respondents. As much as males are always thought to be more effective than the females, teaching jobs require empathetic people especially when dealing with young children. Being a teacher in a primary school for instance requires high levels of humility which the male gender does not possess in abundance (Winfried, 2005). Majority of the respondents were mainly employees. In terms of age, it shows a lot of sustainability prospects due to their young age. Having a youthful staff is beneficial since youths are always ambitious and would go to any length to impress the management (Winfried, 2005). The employees for the organization were duly qualified for their jobs since most of them had either a degree or a diploma. This is a good prospect seeing that the institutions being studied were primary and secondary schools. The youth in the staff contributed to the majority of the employees who had few years of experience which is not a good phenomenon. Having staff that lack ample experience background is risky and can lead to inadequacies in terms of their work capabilities (Richard, 2002).

5.1.2 Financial Management

5.1.2.1 Financial Planning

Findings revealed that the financial management practices adopted by the entities are quite wanting and by looking at the processes themselves, a lot of inefficiencies were noted as discussed hereunder.

Financial planning was found to be generally low. Financial planning is the most important part of financial management in the practical sense since it provides a framework for the implementation of the techniques covered under financial control and financial decision analysis. In today's uncertain economy, financial planning has become increasingly important. With an overwhelming number of options for saving and investing, managing finances can be difficult. Creating a financial plan helps one see the big picture and set long and short-term life goals, a crucial step in mapping out your financial future. When you have a financial plan, it's easier to make financial decisions and stay on track to meet your goals. In educational institutions this becomes crucial since most of the students or parents do not pay in good time. Having a good financial plan for the educational institutions helps the school's administration to anticipate situations and prepare accordingly. Eugene (2006) proposes the budget as the best way to financially plan for educational institutions. The Annual Budget is a statement of what the likely income and expenditure will be in a school. It needs to be considered carefully so that schools can weigh up whether they have enough funds to pay for the activities that they believe are necessary for the school to deliver its School Development Plan (SDP)(Eugene, 2006).

The aim of the budget setting process is to ensure resource allocation matches school priorities. Unplanned over-spending or under-spending of a school budget can deflect schools from previously agreed spending priorities, and this can affect the achievement of school development plans. Each can equally be a sign of weak financial management. The important things a school needs to decide are whether their budget is realistic, and whether they have satisfactory systems in place to aid both the setting of the Annual Budget and subsequent regular period reporting

(monitoring) to the Head Teacher and Governors. For instance, an error in calculating the teaching staff budget could leave a school with an end of year shortfall and could result in spending cuts being necessary(Eugene, 2006).

5.1.2.2 Financial control

Financial controls were found to be high but not high enough. This meant that there was need to improve the level of financial control mechanisms in the institutions.Strong financial controls help internal auditing and the operations teams have confidence in the numbers being reported to management and help protect the organization's assets. As in any area of operations — whether it be gaming, food and beverage, or the hotel — the financial controls need to be documented, assessed, revised, and strengthened where necessary and tested regularly(Kerzner, 2010).

Due to the current troubled economic environment, the likelihood that fraud will occur has increased significantly. The pressures — the first of the three components of the Fraud Triangle — on employees and customers have increased through lower or lost wages, spouses being out of work, and lack of medical insurance especially in the educational sector. These tough times also have allowed potential fraudsters to easily rationalize — the second component of the Fraud Triangle — the fraud that they are contemplating. Many fraud perpetrators say they are "just borrowing the money to pay a medical bill" or "using the money to help out until their spouse gets a job." Other common rationalizations include: "They will never miss US $200 a day with all the money they make," or "They don't pay me enough anyway." Operations have little control over most of those pressures and rationalizations but it does have control over the last component of the Fraud Triangle: opportunity. By evaluating and strengthening the financial internal controls of the operation, internal auditors can greatly reduce the opportunity component(Gregory, 2009).

As an educational institution's management, one has to make sure that financial controls are well installed within the institution to prevent fraud which is currently a major problem in such institutions. In addition to the potential for fraud in the operation, without strong financial controls it would be easy for innocent mistakes (e.g., mis-posting to the general ledger or forgetting to book an entry) to allow a

major reporting error to go undetected and cause management to make an incorrect decision, which could potentially cost large amounts of money. Strong financial controls not only help prevent and detect fraud, but they also help detect true mistakes in the accounting and management reporting(Edwin, 2009).

5.1.2.3 Financial decision analysis

Financial decision analysis was found to be low despite its great relevance as put forward by Levine (2002). The ability to use financial analysis to drive action is an important skill for market facilitators. Capacity building starts by first understanding basic financial tools in order to then engage market actors across the levels in a value chain in financial discussions. Many managers are currently striving to increase their comfort with especially three of the most basic financial metrics—cash flow analysis, break-even analysis and return on investment—in order for them to then increase their ability to transfer the skills to internal and external team members. It is recognized that organizations will continue to have dedicated finance teams for complex budgeting, analysis and reporting (Levine, 2002).

Remmy (2011) notes that the financial decision analyst's position within the company is important because the topics of financial analysis are used to help improve the value of the company - frequently; they are also sensitive, conflict-provoking subjects. For instance, after conducting a financialanalysis, an analyst might recommend the dissolution of a certain division or department. To say the least, this recommendationwould not be popular with the members of the department or division inquestion. Centralizing the position of the financial analyst indicates that therole is a service and is different from the operational units for which mostof the analyses are performed. The advantages of placing the position in acentral service unit include: (1) it allows the grouping of financial analysts,thereby pooling expertise and encouraging cooperation among analysts; (2)it promotes flexibilityand accommodates departments that do not need ananalyst full-time; (3) it facilitates multidepartment assignments; and (4) itincreases the neutrality and objectivity of analyses.

5.1.3 Sustainability of Educational Projects

5.1.3.1 Outcome sustainability

Sustainability on outcomes was found to be low. This type of sustainability is the basic form of sustainability which focuses on consistently improving results.It is important to address sustainability of outcomes because outcomes achieved during the implementation phase of a project do not automatically result in lasting improvements(Duncan, 1998). For example, a social service agency might increase the number of referrals to a parenting program as a result of their activities during a grant project, but, once the grant has ended, that number drops back down to its earlier level. This occurs far too often indeed, a frequently referenced study of organizational improvements found a 70% failure rate in sustaining long-term changes. Formally focusing on sustainability throughout the planning and implementation of an improvement project can increase the sustainability of those improvements. Because there may be elements of projects that require ongoing funding, funding is included as one of the 12 factors in the sustainability framework described in (Crisontom, 2006). However, it should not be the sole or primary focus of sustaining improved outcomes. The normal experience has been that when individuals or organizations do not formally focus on sustainability, they frequently default to seeking continued funding. However, if new ways of working have truly become the norm, outcome sustainability can often be achieved without the need for ongoing funding.

5.1.3.2 Process sustainability

Process sustainability was found to be low. This entailed how far into the future the processes which are applicable today may be applicable tomorrow or years after now. Another question answered in process sustainability is whether after funding has been cut shirt the project may be able to sustain itself to continue and achieve its objectives(Franklin, 2011).Sustainability of the process depends on individuals and institutions to continue providing those same services after the assistance and subsidies of a project end. More often than not, and certainly in the case of project management, a project seeks and expects this type of sustainability, which depends

on the viability of institutions and their capacity and potential for survival and continued function. This means that, project sustainability is concerned the process of sustainability which involves the consistency of the deliverables for the beneficiaries (Kramer, 2010)

5.1.3.2 Resources sustainability

The resources sustainability like other sustainability constructs was found to be low. This meant that the educational projects had minor concerns for the immediate environment and the resources found within. As put across by (Duncan, 1998), it is always important to observe one's environment while putting up a development project or establishment. The resources in the immediate world could take the form of mineral resources, tourism sites or just labor. If any of these factors is not taken into proper consideration, chances are that the projectmay not last as long as it was expected.

Kramer (2010)also notes that many projects don't usually do their feasibility studies to encompass this very important aspect of the projects sustainability. A school built in the forest areas already rules out some tourist visits to such sites by interfering with the natural habitat of wildlife. An institution located where there is inadequate labor resource is also bound to fail in administering its objectives due to insufficient skilled manpower to offset the projects goals. It is therefore imperative that care be taken in selecting especially the location of such projects sites while putting the above mentioned factors into consideration(Crisontom, 2006).

5.1.4 Relationships

There was found to be a significant positive relationship between financial management and sustainability of educational projects in Bosaso, Puntland, Somalia. Many authors have acknowledged this fact though from different contexts. Performance and sustainability are both positive aspects of projects which have been known to be influenced by financial management. Financial literature suggests that optimal application and commitment towards financial management practices result in an increased company's performance and sustainability of projects therein. The financially well-managed companies are operationally efficient. This stands as a

positive sign for investors and regulatory authorities. According to Rajesh (2010) managers contracted to make decisions in the large open institutions and received compensation for services rendered. Thus the contractual nature of the publicly held institutions provided specialization between owners who specialized in risk bearing and managers or senior accountants who specialized in decision management using financial management techniques. Rajesh (2010) examined the financial practices in Indian corporate sector. The study reviewed the financial behavior and practices of different segments of the Indian private corporate sector with a view to bring out the differences between public and private limited companies, medium large and small companies with regards to how financial management has influenced the sustainability of their commercial projects. The findings were consistent with the one obtained in this study where a very close relationship was established on the Pearson scale of 0.732 (Rajesh, 2010).

5.2 Conclusion

The results reveal that the decision makers and practitioners are well aware of and agreed to the importance of financial management practices in the educational projects sector. However the results of this study are based on a selected sample of schools that are applying financial management practices but during the study it is revealed that a substantial number of firms in Bosaso education sector are not following these practices either partially or completely. So the efforts should he made to promote this culture in the sector. Top management should realize the usefulness of such practices and their contribution towards organizational performance. Schools ought tohire new employees or train existing employees to exercise high value financial management.

5.3 Recommendations

The research study identified probable weaknesses the financial management practices which are potential causes for the substandard sustainability exhibited in the educational projects. The conclusion above paves way for a string of suggestions and recommendations which could effectively curb the problem or at least minimize it. The following are the researcher's suggestions with regards to what should be

done to the financial management practices that should be revised for better sustainability of the educational projects in Bosaso, Puntland, Somalia.

1. Improve the financial planning of the projects. Planning of the projects should be integrated with the financial management aspects. More empirical measures should be used in strategizing the projects to ensure feasibility and viability of the projects in question. Budgeting processesshould be an all inclusive process whereby all organizational members are involved or at least have an input.
2. Financial control systems should be reviewed. The internal controls presently installed in the institutions have been established as ineffective and should therefore be revised and new one be installed in their place. This calls for auditing of the current and seeking professional consultation from external auditors who will aid in detecting further inconsistencies
3. More emphasis on financial decision making process. The financial experts in the institutions need to underscore the importance of building forecasting models for analysis of future values of money. Many decisions regarding the investment of capital should be made after having forecasted with reliable models while allowing for contingencies.Managers and administrators of the schools in which the educational projects are run should be accorded some basic financial management skills. These skills would help hem to make better and informed decisions while undertaking their management duties. This helps in proper decision making process

5.4 Areas for Further Research

There is need to conduct studies in the following areas:

1. Motivation and employee Performance
2. Financial incentives and employee performance
3. Non-Financial incentives and employee performance

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APPENDICES

APPENDIX IA: TRANSMITTAL LETTER

OFFICE OF THE DEPUTY VICE CHANCELLOR (DVC)

COLLEGE OF HIGHER DEGREE AND RESEARCH (CHDR)

Dear Sir/Madam,

RE: INTRODUCTION LETTER TO CONDUCT RESEARCH IN YOUR INSTITUTION

Mr. Abdulaziz Museis a bonafide student of Kampala International University pursuing a Masters of Arts in Project Planning and Management.

He is currently conducting a field research for his thesis entitled, **FINANCIAL MANAGEMENT AND SUSTAINABILITY OF EDUCATIONAL PROJECTS IN BOSASO PUNTLAND SOMALIA.**

Your institution has been identified as a valuable source of information pertaining to his research project. The purpose of this letter then is to request you to avail him with the pertinent information he may need.

Any data shared with him will be used for academic purposes only and shall be kept with utmost confidentiality.

Any assistance rendered to him will be highly appreciated.

Yours truly,

Novembrieta R. Sumil, Ph.D.

Deputy Vice Chancellor

APPENDIX IB: TRANSMITTAL LETTER FOR RESPONDENTS

Dear Sir/ Madam,

Greetings!

I am an **MPP** candidate of Kampala International University. Part of the requirements for the award is a thesis. My study is entitled, **FINANCIAL MANAGEMENT AND SUSTAINABILITY OF EDUCATIONAL PROJECTS IN BOSASO PUNTLAND SOMALIA.**

Within this context, may I request you to participate in this study by answering the questionnaires? Kindly do not leave any option unanswered. Any data you will provide shall be for academic purposes only and no information of such kind shall be disclosed to others.

May I retrieve the questionnaire within fourteen days (14)?

Thank you very much in advance.

Yours faithfully,

ABDULAZIZ MUSE ADAN

APPENDIX II: INFORMED CONSENT

I am giving my consent to be part of the research study of Mr. ABDULAZIZ MUSE ADAN that will focus on **FINANCIAL MANAGEMENT AND SUSTAINABILITY OF EDUCATIONAL PROJECTS IN BOSASO PUNTLAND SOMALIA.**

I shall be assured of privacy, anonymity and confidentiality and that I will be given the option to refuse participation and right to withdraw my participation anytime.

I have been informed that the research is voluntary and that the results will be given to me if I ask for it.

Initials: _____

Date_____

APPENDIX III: MEAN RANGE OF INTERPRETATION

Mean range	Interpretation
1.00 – 1.75	Very high
1.76 – 2.50	High
2.51 – 3.25	Low
3.26 – 4.00	Very low

APENDIX IV: RESEARCH INSTRUMENTS

APPENDIX IV A: FACE SHEET: PROFILE OF TEACHERS

Please tick any which applies:

Gender:

_____ Male

_____ Female

Age:

_____ <25

_____ 26- 35

_____ 36- 45

_____ 46- 55

_____ 56 and above

Education level:

_____ Certificate

_____ Diploma

_____ Bachelors

_____Masters

_____ Others

Work Experience:

_____<1 year

_____1-5 Years

_____6-10 years

_____11-15 years

_____>15 years

APPENDIX IV B: QUESTIONNAIRE TO DETERMINE THE LEVEL FINANCIAL MANAGEMENT

Direction: Please respond to each item by using the scoring guide below. Kindly tick your best choice on the number after each item.

Response Made	Rating	Description	Legend
Strongly Agree	5	You agree with no doubt et all.	SA
Agree	4	You agree with some doubt	A
Neutral	3	you don't have an opinion	N
Disagree	2	You disagree with some doubt	D
Strongly Disagree	1	You disagree with no doubt at all	SD

Table 15: Questionnaire on Financial Management

tructVariables	Indicators Variables	Response				
		1	2	3	4	5
ncial Planning	Planning for projects entails forecasting					
	There are competent individuals in the planning of our projects					
	Mathematical procedures and models are used to plan for the future					
	Plans made by our financial management team are feasible.					
ncial Control	There are few deviations from the expected financial plans					
	Management of the deviations are managed aptly					
	Our projects allow feedback processes to be effected					
	Contingencies are pre-diagnosed and accounted or allowed for					
ncial Decision Analysis	Decisions made with regards to financial matters are made maturely					
	The team of experts making financial decisions is duly qualified					
	Enough data is collected before a decision can be made relevant to it					
	Investment is only done in light with what is beneficial to the projects long term objectives					

APPENDIX IV C: QUESTIONNAIRE TO DETERMINE THE LEVEL OF PROJECT SUSTAINABILITY

Direction 2: Please tick the number of the question in each option, which corresponds to your best choice in terms of **level of project Sustainability**. Kindly use the scoring system below:

Response Made	Rating	Description	Legend
Strongly Agree	5	You agree with no doubt et all.	SA
Agree	4	You agree with some doubt	A
Neutral	3	you don't have an opinion	N
Disagree	2	You disagree with some doubt	D
Strongly Disagree	1	You disagree with no doubt at all	SD

Table 16: Questionnaire on Sustainability of educational projects

truct Variables	Indicators Variables	Response				
		1	2	3	4	5
	Indicators					
ome Sustainability	The performance of the students studying in the educational institutions is high					
	The performance of the students studying in the educational institutions is consistent					
	The teachers skills keep on improving with time					
ess Sustainability	There has been little difference between the rate of growth of projects performance					
	Teaching methods employed by the teachers are revolutionary					
	Different teachers use different methods of teaching					
	The problem of illiteracy in Bosaso can only be solved by various and not one method					
urce Sustainability	The students appreciate the methods of delivery adopted by the teachers and administrators					
	These projects have not distorted the geographical sceneries much in building establishments					
	Employee in the institutions are supportive of these projects					
	Teachers are readily found in the region					

APPENDIX V: INTERVIEW GUIDE

1. How would you rate the project sustainability of the educational projects in Bosaso?
2. How do financial controls safeguard the life cycle of a project?
3. According to you which is the most important aspect of financial management amongst these 1) financial planning 2) financial control 3) financial decision analysis?
4. Do your managers and senior accountants apply financial management techniques while undertaking their duties?
5. If placed as the financial manager of an educational project, what is the first thing you would do to improve its sustainability?
6. How are the academic and professional profiles of the managers and senior accountants of this educational project you are working on?
7. Do you feel that there is room for improvement in the educational projects of Bosaso and why?

APPENDIX VIII: RESEARCHER'S CURRICULUM VITAE

CONTACT INFORMATION

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2. Telephone number : +256794 843 958
3. Email address : ashkir89@gmail.com
4. Physical Address: Kansanga, Ggaba Road, Kampala, Uganda

PERSONAL INFORMATION

1. Date of Birth: 25th January 1990
2. Nationality: Somali
3. Gender: Male
4. Marital Status : Single
5. Language proficiency (*Somali, English and Arabic*)

EDUCATION & PROFESSIONAL QUALIFICATIONS

1. *2013 Candidate of Master of Arts in Project Planning and Management In KIU*
2. 2012 Bachelor of Public Administration and Management in St. Lawrence University-Kampala Uganda.
3. 2009 Access Programme in Lugazi University, Lugazi Town Uganda
4. 2008 certificate of Secondary in Omar Samatar Secondary School. Galkaio, Somalia

STRENGTHS/TRAITS & SKILLS

1. *High degree of initiative*
2. *Hand-on experience*
3. *Strong presentation skills*
4. *Good interpersonal skills*
5. *Able to work within tight schedules*