Teachers' Participation in Budget Planning and Its Relationship with Classroom Resource Allocation and Financial Transparency in a Private Basic Education Institution

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Teacher involvement in school financial decision-making has gained increasing attention in decentralized and school-based management systems. This study examined the extent of teachers' participation in budget planning and its relationship with classroom resource allocation and perceived financial transparency in a private basic education institution. Anchored on Participatory Decision-Making Theory and Distributed Leadership Theory, the study employed a descriptive quantitative research design. Data were collected from 34 basic education teachers of Christian School International using a researcher-developed survey instrument measuring participation in budget planning, perceptions of instructional resource adequacy, financial transparency, and trust in the School-Based Management Committee (SBMC). Descriptive statistics were used to analyze the data. Findings revealed that teachers' participation in budget planning was moderate, with respondents strongly affirming the importance of teacher involvement in financial decisions. Financial transparency and trust in the SBMC were also perceived at moderate levels, particularly in terms of access to financial reports and comfort in raising financial concerns. Despite these limitations, results indicated that greater teacher participation was positively associated with improved alignment of budget allocations with classroom needs and perceived improvements in educational quality. Teachers reported that inclusive budgeting contributed to more adequate instructional resources and better student support. The study concludes that while participatory budgeting mechanisms exist, gaps remain between policy intentions and actual practice. Strengthening structured teacher involvement, improving financial communication, and enhancing transparency mechanisms are essential to maximizing the benefits of participatory governance. The study recommends institutionalizing teacher representation in budget planning, promoting budget literacy, and adopting transparent reporting practices to foster trust, accountability, and instructionally responsive resource allocation.

Keywords: teacher participation, budget planning, resource allocation, financial transparency, school-based management, distributed leadership

Introduction

Contemporary school systems increasingly emphasize decentralized governance and shared accountability as strategies for improving educational quality, equity, and institutional transparency. Within this evolving governance landscape, teachers are no longer viewed solely as implementers of curriculum but as key stakeholders whose professional expertise and classroom-based knowledge can inform critical organizational decisions, including school budgeting and resource management (Leithwood et al., 2006; Bush & Glover, 2016). Teacher participation in budget planning has therefore emerged as a vital component of school-based management, particularly in contexts where limited resources necessitate strategic prioritization to support teaching and learning effectively.

Participatory approaches to school budgeting are premised on the assumption that those closest to the instructional process are best positioned to identify resource needs that directly affect classroom practice. Empirical studies suggest that schools that actively involve teachers in financial planning are more likely to align expenditures with instructional priorities, professional development requirements, and learner support services (Gurr, 2017; Darling-Hammond, 2015). Moreover, Fullan and Hargreaves (2016) argue that teacher engagement in budgetary decisions fosters a sense of professional ownership and collective responsibility, which in turn enhances teacher morale, commitment, and willingness to support school improvement initiatives. These outcomes are particularly critical in basic education settings, where the availability and appropriateness of instructional resources significantly influence student learning experiences.

Beyond improving resource alignment, teacher participation in budget planning plays a crucial role in promoting financial transparency and strengthening stakeholder trust. Financial transparency in schools extends beyond the mere disclosure of financial data; it encompasses open communication, clear justification of spending priorities, and inclusive decision-making processes (Transparency International, 2021). Procedural Justice Theory posits that stakeholders are more likely to trust institutional leadership when decision-making processes are perceived as fair, inclusive, and transparent, regardless of resource constraints (Tyler & Blader, 2003). Consistent with this perspective, Zhang and Yin (2023) found that teachers who are informed and involved in budget discussions demonstrate higher levels of trust in school leadership and greater acceptance of financial decisions.

Despite policy shifts toward decentralization and participatory governance, teacher involvement in school budgeting remains inconsistent in practice. In many educational institutions, financial authority continues to be centralized among administrators or governing bodies, with teacher participation often limited to consultative or symbolic roles rather than substantive decision-making (Bush & Glover, 2016; Spillane, 2017). Such limited involvement can result in resource allocation decisions that inadequately reflect classroom realities and instructional needs (Odden & Picus, 2014). This disconnect between policy intentions and institutional practice is particularly evident in private and faith-based schools, where hierarchical leadership traditions may persist alongside emerging participatory frameworks (Abulencia, 2015; Dizon, 2020).

The Philippine education context provides a relevant setting for examining these governance dynamics. While school-based management policies promote stakeholder participation in planning and budgeting, empirical evidence indicates that teachers' actual involvement in financial decision-making varies widely across schools (World Bank, 2007; Dizon, 2020). In some institutions, participatory structures are well established, whereas in others, teachers remain peripheral to budgetary processes, limiting opportunities to enhance transparency, accountability, and instructional responsiveness. Understanding teachers' perceptions of their participation and its effects on resource allocation and financial transparency is therefore essential for strengthening democratic school governance.

Anchored on Participatory Decision-Making Theory and Distributed Leadership Theory, this study examines the relationship between teachers' participation in budget planning and their perceptions of classroom resource allocation and financial transparency in a private basic education institution. Participatory Decision-Making Theory emphasizes that inclusive stakeholder engagement leads to more effective and legitimate organizational decisions (Bush & Glover, 2016), while Distributed Leadership Theory underscores the value of sharing leadership functions with individuals who possess relevant expertise, such as teachers in instructional resource planning (Spillane, 2017). By empirically examining these relationships, the study seeks to contribute to the literature on educational leadership and school finance and to provide practical insights for school leaders and policymakers aiming to strengthen participatory budgeting practices, enhance transparency, and ensure that financial resources are more effectively aligned with instructional needs.

Method

This study employed a descriptive quantitative research design to examine teachers' participation in budget planning and its relationship with classroom resource allocation and perceived financial transparency in a private basic education institution. The respondents consisted of 34 basic education teachers from Christian School International, representing preschool to senior high school levels, who were selected through purposive sampling due to their direct involvement in instructional processes and resource utilization. Data were gathered using a researcher-developed, self-administered questionnaire distributed online via Google Forms, which measured respondents' demographic profiles, extent of participation in budget planning, perceptions of instructional resource adequacy, financial transparency, and trust in the School-Based Management Committee (SBMC). The instrument was reviewed by an educational management expert to establish content validity. Data collection was conducted from April to May 2025 with informed consent and assurances of confidentiality and voluntary participation. Descriptive statistical techniques, including frequency counts, percentages, means, and standard deviations, were used to analyze the data and summarize prevailing patterns and perceptions related to participatory budgeting and financial governance within the school.

Results

This study examined teachers' participation in budget planning and its relationship with classroom resource allocation and perceived financial transparency within a private basic education institution. The findings reveal a consistent pattern: while participatory structures exist and teachers express strong support for involvement in financial decision-making, actual participation, transparency, and trust remain at moderate levels. This section discusses these findings in relation to existing literature and the theoretical frameworks underpinning the study.

Teacher Participation in Budget Planning

The results indicate that teachers' participation in budget planning is moderate, with respondents reporting involvement in consultations, proposal of instructional needs, and attendance in budget-related meetings. However, participation appears to be stronger at the consultative level than in final decision-making, as evidenced by lower mean scores for reviewing budget proposals and receiving updates on approved budgets. This finding aligns with Bush and Glover's (2016) assertion that participatory governance in schools often remains symbolic when authority over final decisions is retained by administrators. Although teachers in this study strongly agreed that they should be involved in budgeting and expressed willingness to participate when invited, their limited exposure to complete budget cycles suggests that opportunities for substantive engagement are constrained.

Table 1
Extent of Teachers' Participation in Budget Planning

Statement	Mean	Interpretation
Consulted during budget planning	3.22	Moderately Participative
Participate in budget-related meetings	3.36	Moderately Participative
Propose items for classroom/office needs	3.38	Moderately Participative
Review budget proposals	3.22	Moderately Participative
Suggestions are considered	3.24	Moderately Participative
Collaborate in identifying priorities	3.16	Moderately Participative
Receive updates on approved budget	3.06	Moderately Participative
Understand fund allocation	3.22	Moderately Participative
Teachers should be involved in budgeting	3.78	Strongly Agree
Willingly participate when invited	3.54	Agree
Overall Mean	3.34	Moderately Participative

From a Distributed Leadership Theory perspective, this moderate participation reflects an underutilization of teachers' instructional expertise in financial planning (Spillane, 2017). Distributed leadership emphasizes shared responsibility and collective expertise; however, when teachers are only partially involved, leadership remains functionally centralized. The findings suggest that while the school acknowledges the value of teacher input, institutional mechanisms may not yet fully support shared financial leadership.

Financial Transparency and Procedural Justice

Teachers perceived the financial transparency of the School-Based Management Committee as moderate, particularly in terms of access to financial reports and confidence in the accuracy of financial disclosures. Although budget planning processes were reported to be communicated relatively clearly, transparency appeared limited to general information rather than detailed financial data. This pattern reflects Transparency International's (2021) distinction between nominal transparency—where information is technically available—and meaningful transparency, which requires clarity, accessibility, and opportunities for dialogue.

Procedural Justice Theory provides a useful lens for interpreting these findings. According to Tyler and Blader (2003), stakeholders evaluate institutional legitimacy based on the fairness and openness of decision-making processes. In this study, moderate transparency may signal that teachers perceive budgeting procedures as partially fair but insufficiently inclusive. Without regular access to financial reports and clear explanations of budget decisions, teachers may struggle to fully understand or trust the rationale behind resource allocation. This finding corroborates Zhang and Yin's (2023) conclusion that decentralization alone does not guarantee transparency unless accompanied by deliberate communication and stakeholder engagement strategies.

Table 2
Teachers' Perceived Level of Financial Transparency of the SBMC

Indicator	Mean	Interpretation
Budget planning processes are clearly communicated	3.15	Moderately Transparent
Teachers are informed about allocation of instructional funds	2.97	Moderately Transparent
Financial reports are accessible to staff	2.71	Moderately Transparent
Opportunities to ask questions about school finances	2.94	Moderately Transparent
Confidence in accuracy of financial disclosures	2.79	Moderately Transparent
Overall Mean	2.91	Moderately Transparent

Stakeholder Trust in School Financial Leadership

The study found a moderate level of trust in the SBMC and its leadership, with teachers expressing confidence that the committee acts in the school's best interest but showing hesitation in raising financial concerns. This ambivalence suggests a climate of cautious trust, where leadership intentions are viewed positively but communication channels may not feel sufficiently open or safe. Tschannen-Moran (2014) emphasized that trust in educational leadership is built through openness, reliability, competence, and care; partial transparency and limited participation can therefore constrain the development of strong trust relationships.

The observed relationship between moderate transparency and moderate trust reinforces the argument that trust is both a product and a prerequisite of participatory governance (Bush & Glover, 2016). When teachers are involved in budgeting but lack consistent access to information or feedback mechanisms, trust may plateau rather than deepen. From a distributed leadership standpoint, trust is essential for sharing authority; without it, leadership remains centralized, and teacher participation risks being perceived as procedural rather than empowering (Spillane, 2017).

Table 3
Level of Stakeholder Trust in the SBMC and Its Leadership

Indicator	Mean	Interpretation
Trust in SBMC to act in the school's best interest	3.38	Moderate Trust
SBMC leadership is honest and transparent	3.18	Moderate Trust
Comfort in raising financial concerns	3.00	Moderate Trust
SBMC listens to teacher feedback	3.26	Moderate Trust
SBMC allocates funds fairly	3.09	Moderate Trust
Overall Mean	**3.18**	**Moderate Trust**

Perceived Effects on Resource Allocation and Educational Quality

Despite the moderate levels of participation and transparency, teachers strongly agreed that their involvement in budget planning positively influenced resource allocation and educational quality. High mean scores for alignment of budgets with instructional needs and perceived benefits to students suggest that even limited participation can yield tangible instructional gains. These findings support Odden and Picus's (2014) argument that resource allocation is most effective when informed by educators who understand classroom realities. Similarly, Darling-Hammond (2015) noted that teacher input in financial planning increases the likelihood that resources are directed toward instructional materials, learner support, and professional growth.

Table 4
Perceived Effects of Teacher Participation on Resource Allocation and Educational Quality

Statement	Mean
Requested resources are usually provided	3.59
Quantity of teaching materials meets needs	3.41
Supplies are delivered on time	3.18
Participation improves resource allocation	3.68
More efficient distribution with participation	3.55
Students benefit from adequate resources	3.77
Budget aligns with actual instructional needs	3.66
Satisfaction with resource allocation process	3.45
Transparency in resource budgeting	3.41
Participation improves educational quality	3.68
Overall Mean	**3.54**

However, the lower rating for timely delivery of supplies highlights operational challenges that participatory planning alone cannot resolve. This finding echoes OECD (2019), which cautioned that participatory budgeting must be complemented by efficient implementation systems to translate plans into classroom impact. Thus, while teacher involvement enhances the relevance of budget decisions, institutional capacity and logistical efficiency remain critical determinants of educational quality.

Taken together, the findings affirm the core propositions of Participatory Decision-Making Theory and Distributed Leadership Theory. Teacher participation contributes to more instructionally responsive resource allocation and improved perceptions of educational quality, yet its full potential is constrained by moderate transparency, limited authority, and incomplete trust. The study illustrates that participatory budgeting is not merely a structural arrangement but a relational process requiring openness, shared authority, and continuous communication. Without these elements, participation risks becoming consultative rather than transformative.

In the context of private and faith-based schools, where hierarchical traditions may shape governance practices, the findings underscore the importance of intentional reforms that move beyond symbolic inclusion. Strengthening teacher representation in budget planning, institutionalizing transparent reporting practices, and fostering safe spaces for dialogue can help bridge the gap between policy aspirations and lived experiences. Ultimately, the study demonstrates that participatory budgeting holds significant promise for improving both resource equity and educational quality, provided that it is implemented as a genuine partnership grounded in trust, transparency, and shared leadership.

Conclusion

This study examined teachers' participation in budget planning and its relationship with classroom resource allocation and financial transparency in a private basic education institution. The findings indicate that while structures for participatory budgeting are present, teacher involvement remains moderate and is largely consultative rather than fully integrative. Teachers demonstrated strong support for participation in financial decision-making and expressed readiness to engage more actively when opportunities are provided. However, limited access to detailed financial information and partial involvement in the full budgeting cycle constrained the depth of participation.

Financial transparency and trust in the School-Based Management Committee were likewise perceived at moderate levels. Although teachers generally believed that the SBMC acted in the best interest of the school, hesitation in raising financial concerns and limited access to financial reports suggest gaps in open communication and procedural fairness. These findings support the propositions of Participatory Decision-Making Theory and Procedural Justice Theory, which emphasize that meaningful participation and transparency are essential to building trust and institutional legitimacy.

Despite these constraints, the study revealed that teacher participation positively influenced the alignment of budget allocations with instructional needs and contributed to perceived improvements in educational quality. Teachers reported that inclusive budgeting resulted in more adequate classroom resources and tangible benefits for learners. However, operational challenges—such as delays in the delivery of supplies—highlight that participatory planning must be complemented by efficient implementation mechanisms to fully realize its instructional benefits.

Recommendations

Based on the findings and conclusions of the study, the following recommendations are proposed:

Schools should formally include teacher representatives in budget planning committees and deliberations to ensure that instructional perspectives are consistently reflected in financial decisions. Clear roles and decision-making authority should be defined to move beyond consultative participation.

The School-Based Management Committee should regularly disseminate simplified and accessible financial reports to all teaching staff. Periodic budget forums or assemblies may be conducted to explain financial decisions, clarify priorities, and address stakeholder questions.

Professional development activities focused on school finance and budgeting should be provided to teachers. Improving budget literacy will enable teachers to engage more meaningfully in financial discussions and contribute informed recommendations.

School leaders should establish safe and structured avenues—such as anonymous feedback mechanisms or scheduled consultations—for teachers to raise financial concerns and offer suggestions without fear of reprisal. Transparent responses to feedback can strengthen trust and accountability.

To maximize the benefits of participatory budgeting, schools should review and streamline procurement and distribution processes to ensure the timely delivery of instructional materials and supplies.

School policies should be aligned with national school-based management guidelines to formalize participatory budgeting practices, even in private and faith-based institutions. Future studies may employ larger samples, mixed methods, or longitudinal designs to examine the long-term effects of teacher participation on financial governance and student outcomes.

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