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PERSONNEL ACCOUNTING AND ADMINISTRATION OF SECONDARY SCHOOLS IN NIGERIA IN AN ERA OF ECONOMIC RECESSION

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Abstract:
Personnel accounting has suffered neglect over the years, considering it as a liability is a common feature of all the accounting practices. In teaching profession, their reward, they say, is in heaven. This paper examined which personnel actually fits into the human capital accounting in the administration of secondary school. It also tried to fathom out the impact of economic recession on the productivity of the personnel and suggested ways of wriggling out or cushioning the effect of it.

Keywords: personnel, accounting administration, economic recession

1. Introduction

It is highly incredible that the human element is not contained in an organization's balance sheet. The corporate mantra about the indispensability of man in any corporate existence or placing human capital at the top echelon of an organization is been grossly undermined in this regard. The quality of the human capital in an organization is the barometer on which one measures her effectiveness. Yet accountants over the years, because of the payment of salaries and pensions to personnel erroneously classify them under liabilities. Kaye (2012) opposed this greatly; he said that in a situation where more companies are into services, the directors of the firm see their personnel as assets. Even when the company is goods production one, personnel still serves as the hub on which the wheel of the company revolves therefore should be enlisted amongst the assets for proper accountability. Human Capital (CA) therefore, concisely put, is the economic value of every employee. Schroeder, Clark and Carthey (2011) as cited in Igbalajobi (2015) said it is a sum total of economic view of an employee acting within economies, endeavouring to capture the social, biological, and psychological complexities in every economic transaction.

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Human Capital does not refer to the employee *per se* but his competence, potential, knowledge, novelty, flexibility and experience as they relate to the achievement of the organizational goals. It is a measure of the human skills geared towards the actualization of the objectives of the firm. This presupposes the disparity of the employees and implicitly suggests that the workers with low productive inputs are not human capital and then should be weeded out. In like manner the human capital should be encouraged by endowing them with a culture of transparency, high expectancy, involving them in decision making mainly as it affects their day-to-day operations and finally create a climate where the employee feels his life is not complete outside the organization.

Human capital is devoid of the census or the numerical strength of the employees. However, it is an umbrella word for the potentials, wealth of knowledge, skills and talents possessed by the employees, (Dean, Mckenna & Krishnan, 2012). In the views of Appelian (2009) as cited in Igbalajobi (2015) people of the organization do not constitute the human capital because they exercise control on human capital and that they are free to invest it however they wanted, in different spheres of lives, be it in the family, community, interest groups, observance of religious beliefs, physical fitness pursuits, other outside interests and work.

Human Capital Accounting (HCA) involves accounting for the institution’s management and employees as human capital provides future benefits. Under this accounting, expenditures related to human capital are reported as assets on the statement of financial position as opposed to the traditional accounting approach which treats costs related to an institution’s human capital as expenses on the income statement that reduce profit (Oseni & Igbinosa, 2015).

2. Human Capital as an Asset

Institutions consider personnel as assets when they assume that they will work better when they have interesting and challenging work to do. They are also seen as assets when they assume that personnel work harder when they are motivated and committed to their work, experiencing high levels of job satisfaction. Another assumption is that personnel should be brought into the organization on the basis of their potential to develop and grow, and finally investment in training and skills are assumed to be worthwhile, if there is likely to be a return on that investment in the medium to long term (Oseni & Igbinosa, 2015).

In the light of the above it is worthwhile for school managers to carry out personnel audit to:

- ensure that the institution is operating at its optimal level;
- rationalize staff, if necessary, by merging some programmes or departments or do away with some of them completely;
- reduce staff by staff appraisal and weeding out the incompetent ones.
- ascertain the optimal staff strength, whether they are over or under staffed as in human capital;

- check if there is evidence of disguised unemployment whose marginal product is zero and needs to be fired to cope with the concomitants of economic recession;
- identify ghost workers and remove their names from the voucher;
- verify personnel certificates and weed those who do not have or forged their own; and
- ascertain the working experiences of the personnel as to enable the inexperience to key into the administrative succession plan by under-studying the experienced or stand the chance of been laid off if their services are no longer required. In administration of secondary schools these are very cardinal mainly in an era of economic recession, where there is scarcity of virtually everything.

3. Administration of Secondary School

Administration of secondary school is what the principal and the vice principals do with the teaching, non-teaching and students of a particular secondary school. The principal ensures that the students' academic performance meets with the government's standards; teachers enter class when it is their period, and students are disciplined. School administration according to Omoregie (2005) as cited in Effiong (2015) is the arrangement of human and material resources and programmes available to education for the attainment of educational objectives.

Achievement of secondary school curriculum with its inherent objectives of training children who will be useful to the society and prepared to serve as the raw materials for tertiary education is possible only when the schools possess the teachers who contain the greatest stock of human capital and are motivated by further training and other incentives to put in their best. It is however, the duty of the principal, as the administrative head, to play major roles to actualize the objectives of secondary education. From the foregoing it is clear that numerical strength is not human capital rather it is the productivity of each teacher that counts and makes the fellow to be enlisted as human capital. The primary duty of the principal is supervision; he does this as a path finding and not as a fault finding exercise. He motivates the teachers and as the representative of Schools' Management Board, he appraises the teachers. He can recommend a teacher for in-service training and promotion or report an erring teacher for punishment. Can all these be realized in an era of economic recession? When already Nigerian secondary schools according to Omoregie (2005) as cited in Effiong (2015) are plagued with:

1) poor funding,
2) misappropriation of fund,
3) poor planning,
4) unmerited admission,
5) undue promotion,
6) poor implementation of curriculum,
7) inadequate data, and

8) lateness.

4. Concept of Economic Recession

The country, Nigeria, will better be economically described as passing through financial upheaval or bottleneck. Its catastrophic effect is dealing a deadly blow not only on individuals but institutions, education is not left out. Economic recession which the researcher has unavoidably used considering the fierce economic meltdown is a curse with the concomitants of less money in circulation, scarcity of goods and services, high cost of things, hardship and suffering.

This is the more reason why Central Bank of Nigeria (CBN) (2012) defined recession as a contraction in business circle or a general slowdown in economic activity for two consecutive quarters. This could result in a fall in: Gross Domestic Product (GDP), employment, investment spending, capacity utilization, household income, business income and inflation. Adesoji (2016) saw it simply as a downturn in the economy. Buttressing this Adeniyi (2016) highlighted the following as indicators of Economic recession.

1) slowing economy,
2) reduction in industrial output,
3) high inflation,
4) negative agricultural growth,
5) voluntary cut in production,
6) lay-offs,
7) reduction in wages, and
8) shutting down of companies.

The worry now is how could education that is mainly dependent on government for fund survive or wriggle out of this harsh effects of economic recession? Assessing critically the words of Alfred (2016, n.p.)

Our over reliance on oil has come back to haunt us 'unexpectedly'. (Analysts have always predicted this though!) Over the years, we have paid lip service to the development of the Non – oil sector. A significant drop in oil prices has depleted our revenue earnings and the effect is visible to all; less money for the Government to spend and undue pressure on the available foreign exchange! As a country heavily dependent on imports, this has been our albatross.

It is evident that the large chunk of fund meant for the administration of secondary schools comes from the government. Salaries are paid from the government coffer, facilities are provided from the same source, the school plant is maintained by the government and the source for the supply of resources did not deviate from the others. So, what are the likely effects of economic recession in the administration of secondary schools?

5. Effects of Economic Recession in Administration of Secondary Schools

It will be an understatement to say that problems of secondary schools started with the advent of economic recession while Effiong (2015), who carried out a research before the outbreak of the recession, on 'Effective Administration of Secondary Schools' had already mentioned poor funding and others as some of the challenges facing secondary schools. Be that as it may, economic recession has brought in an untold hardship. The poor funding has degenerated to non-payment of salaries, at times it is being rationed, salary irregularity and halving of salaries. This is counterproductive as teachers have lost interest in teaching. Only paying eye service to the administrator, yet salary is not seen as a motivator.

Secondly, there is a serious threat on downsizing of the workforce. The rarely observed personnel audit is now multiply carried out in quick succession. It is hoped that the essence is to appraise the staff and expunge those not performing optimally. The staff strength seems to be over bloated, personnel audit will fish out the disguised unemployment, those who are more active with salary collection with their marginal production amounting to zero, with or without them production is still constant. It will also fish out ghost employees whose dysfunctions are awash with fraud.

Thirdly, there is lack of incentives. Teachers are no longer promoted as at when due because of the fear of salary increment. Those who are qualified to become principal are stagnant. Some of them upgrade and seek for transfer of service to higher institution, where they think is a bed of roses.

Fourthly, there is lack of supply of resources. This culminates in ill-equipped laboratories and library. The instructional materials are inadequate and even moribund. Modern technologies will not be in use in the teaching and learning process.

Fifthly, teachers and students exhibit lackadaisical attitude. Teachers who are not paid for months go to school only when they wish to. Their excuse is that there was no money for transport. At school, they enter class only when they wish. The principal who is also a victim of non-payment of salary may not have the will power or nerve to ask the teacher to go and teach. It is obvious that this situation renders the principal impotent. The principal is expected to be proactive and forceful. Considering the fact that McGregor in his X and Y management theory assumed that man is lazy; man intentionally avoids work. He postulated that man needs to be coaxed to do his work. If majority of the teachers fall into this category, it then follows that the end result will be non-teaching with the ripple effect of poor academic performance of the students.

Lastly, there is indiscipline of the highest order. The teachers are no longer taking instructions from the principal and in the same vein the students no longer obey their teachers. They indulge in all manners of activities, they go to school late, they are truants, recalcitrant and exhibit low interest in learning. Parents are not helping matters, as they are genuinely full of excuses in assisting their wards financially.

6. Recommendations

1) Government should adequately fund secondary schools as it is the panacea for poor academic performance.
2) Government should drop teachers who do not fall into the category of human capital.
3) Government should encourage teachers by creating incentives like giving them housing allowance, in-service training, regular promotion, prompt and regular payment of salary and approving study leave with pay for the teachers.
4) Government should urgently tackle economic recession as it is a cankerworm eating deep into the purse of the government.
5) Having duly observed the above, government should at regular intervals inspect secondary schools to ensure that they meet with the predetermined standards.

7. Conclusion

Economic recession is an ill-wind that blows no one any good. Human capital talks of those personnel that are really doing the job and not just an employ of the institution. Unfortunately, in the face of economic recession realities, the efforts of these hardworking and self-supervised teachers in the secondary schools are doused. 'A hungry man', they say, 'is an angry man'.

Conflict of Interest Statement
The author declares no conflicts of interests.

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