

Analysis of School Financial Management in Improving the Quality of Education at Vocational High School 3 Linggabuana, Purwakarta, Indonesia

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Abstract: *This study examines the influence of financial management on the educational quality of SMKN 3 Linggabuana, Indonesia. Utilizing descriptive quantitative methods, data were gathered from 80 participants, including students, teachers, and staff, and analyzed using Structural Equation Modeling via SMARTPLS. The findings reveal that effective financial management, encompassing budget planning, fund management, and resource allocation, significantly enhances educational quality. Key factors include infrastructure availability, curriculum relevance, and teacher competence, which collectively improve student outcomes.*

Keywords: financial management, educational quality, school infrastructure, curriculum development, teacher training

1. Introduction

Good financial management is a crucial element in running an educational institution, including SMKN 3 Linggabuana. With effective financial management ensures the optimal allocation of resources to improve the quality of education. The quality of education in this school can be seen from the following points:

- a) Good Accreditation: SMKN 3 Linggabuana has a grade B accreditation from the National Accreditation Board (BAN-S/M) with a score of 85/100. This shows that this school has met the expected standards in various aspects, including financial management.
- b) Investment in Infrastructure: This school continues to strive to improve facilities and infrastructure to support the teaching and learning process. For example, there are efforts to improve and expand classrooms and practice rooms.
- c) Programs and Activities: SMKN 3 Linggabuana has various programs and activities that support student development, such as training, student activities, and internship programs. All of these require proper allocation of funds to ensure their proper implementation.
- d) Partnership with Industry: The school also establishes partnerships with various external parties, including local industries, to provide internship opportunities and practical experience for students. This shows that the school has a good strategy in managing available resources.

Researchers are interested in conducting research on the influence of financial management on improving the quality of education at SMKN 3 Linggabuana. The purpose of this study is to investigate how financial management practices influence the educational quality at SMKN 3 Linggabuana. This study highlights the critical role of effective financial management in improving school performance and student outcomes, serving as a model for other institutions.

2. Literature Review

2.1 Quality of Education

Quality of education is a measure that reflects the extent to which an education system is successful in achieving its goals of imparting knowledge, skills, and values to students. It encompasses various aspects that contribute to an effective and meaningful learning experience.

According to Ace Suryadi dan H.A.R Tilaar in Suhadak (2010:26), the quality of education is the ability of educational institutions to utilize educational resources to improve learning abilities as optimally as possible. The quality of education is not only determined by test results or academic achievement, but also by the extent to which the education system is able to create an environment that supports holistic learning and personal development of students. It is a shared task of the government, schools, teachers, students, and the community to continue to improve the quality of education.

2.2 Financial Management

Financial management is the activity of managing a company's finances related to the acquisition, allocation and distribution of the company's profits. According to Astawinetu & Handini (2020), Financial management is an activity related to obtaining funds and using funds effectively and efficiently. According to Mokhammad Anwar (2019), The goal of financial management is for companies to be able to manage their financial resources to generate maximum profits.

2.3 Financial Analysis

Analysis of how financial management plays a role in improving the quality of education in schools:

- 1) Proper Budget Planning A thorough budget planning allows schools to identify the main needs and priorities in the implementation of education. At SMKN 3

Linggabuana, budget planning is carried out by considering various aspects, such as:

- a) Procurement of Facilities and Infrastructure: Purchase of adequate learning equipment and facilities.
 - b) Curriculum Development: Allocation of funds for the development of learning materials and programs that are in accordance with industry needs.
 - c) Teacher Training: Investment in training and professional development for teaching staff to improve their competence.
- 2) Transparency and accountability in fund management
 - 3) Improving Infrastructure Quality Investments in school infrastructure, such as building renovations, improving laboratory facilities, and building comfortable classrooms, have a direct impact on the quality of learning. With adequate facilities, students can learn in a conducive and safe environment.
 - 4) Application of Technology in Learning The use of technology in the learning process is one strategy to improve the quality of education. Good financial management allows SMKN 3 Linggabuana to allocate funds for the procurement of technological devices, such as computers, projectors, and internet networks, which support modern learning methods.
 - 5) Human-Resource Management Investment in the development of human resources, especially teachers and staff, is very important. Through training programs and workshops, teachers at SMKN 3 Linggabuana can continue to improve their teaching skills and adapt to the latest learning methods. This directly contributes to improving the quality of education.
 - 6) Community Participation and Partnership Good financial management also includes collaboration with external parties, such as industry and local communities. At SMKN 3 Linggabuana, community participation and partnerships with local companies help provide additional resources and internship opportunities for students, which enrich their learning experience.

Based on the description of the literature review above, it can be concluded that the framework for thinking in this research is as follows:

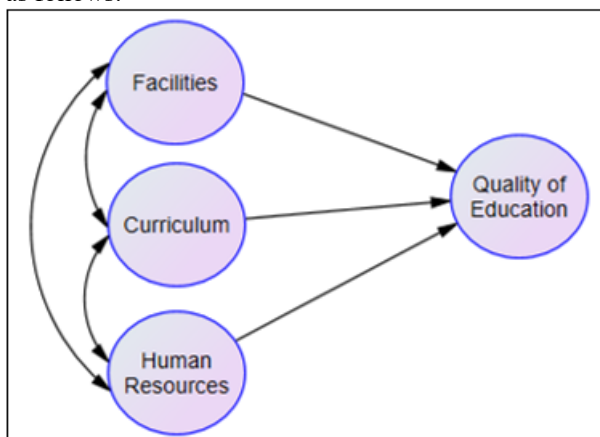


Figure 2.1: Research Thinking Framework

2.4 Research Hypothesis

Based on the theoretical study and the framework of thought of this research, the following are: 1) There is an influence between Educational Facilities on the quality of Education. 2)

There is an influence between the Curriculum on the quality of Education. 3) There is an influence between Human Resources as educators on the quality of Education.

3. Research Methods

3.1 Methods

This method was chosen because it allows researchers to measure and describe variables related to financial management and education quality systematically. According to Echdar 2017 at Damayanti 2022, This method objectively measures phenomena described across various components.

3.2 Operational Definition

To explain the variables used in this study, here are the operational definitions of each variable:

- 1) School Financial Management:
 - a) Budget Planning: The process of planning the use of school funds for various purposes.
 - b) Fund Management: How funds are managed including transparency and accountability in the use of funds.
 - c) Resource Allocation: How financial resources are allocated to various school needs such as infrastructure, technology, and human-resource development.
- 2) Quality of Education:
 - a) Curriculum and Learning: Relevance of the curriculum to the needs of the workplace and students' ability to understand the material.
 - b) Infrastructure and Facilities: Availability and condition of facilities that support the teaching and learning process.
 - c) Educators: Competence, training, and effectiveness of teaching methods used by teachers.
 - d) Learning Outcomes: Students' academic achievement and their critical, creative, and innovative thinking abilities.

3.3 Population and Sample

The sample to be used in this study was obtained by distributing questionnaires to several students and alumni of SMKN 3 Linggabuana. The statements in the online questionnaire were assessed using a Likert scale approach, namely with the following answer choices: Strongly disagree with a value of 1, Disagree with a value of 2, Neutral with a value of 3, Agree with a value of 4, Strongly agree with a value of 5.

The population in this study were all students, teachers, and administrative staff at SMKN 3 Linggabuana. This study used a purposive sampling technique, where samples were selected based on certain considerations that were relevant to the research objectives.

3.4 Data Analysis Techniques

Questionnaire data will be statistically analyzed. The following are the steps of data analysis:

- 1) Data Collection: Data is collected through questionnaires filled out by students, teachers, and administrative staff.

- 2) Data Processing: Raw data from the questionnaire will be processed and inputted into a statistical program, such as SPSS or Excel.
- 3) Descriptive Statistical Analysis: Descriptive statistics are used to describe the collected data, including frequency distribution, mean, median, and standard deviation.
- 4) Correlation and Regression Analysis based on Structural Equation Modeling, which is used to measure the relationship between school financial management and education quality and to determine the extent to which financial management variables (independent) affect education quality variables (dependent).
- 5) Interpretation of Results: The results of the statistical analysis will be interpreted to answer research questions and test hypotheses.

The objects to be studied in this study are people who know and or have attended SMKN 3 Linggabuana. The following is an explanation of the variables along with the measurement indicators of the variables in this study.

Table 3.1: Variable and Research Indicator

No	Variable	Indicator	Code
1	Facility (X1)	Availability and condition of classrooms, including cleanliness and comfort	FS1
2		Library Availability and Collections	FS2
3		Completeness of laboratory equipment	FS3
4		Access to computer and Internet technology	FS5
5		Availability and condition of sports facilities	FS5
6	Curriculum (X2)	Relevance of curriculum to the world of work	KS1
7		Ease of understanding the curriculum by students	KS2
8		up-to-date material taught	KS3
9		Developing students' critical thinking skills	KS4
10		Developing student creativity and innovation	KS5
11	Human-Resource (X3)	Teacher competence in teaching	SP1
12		Teacher's readiness in helping students	SP2
13		Teacher's participation in competency improvement training	SP3
14		Effectiveness of teaching methods used	SP4
15		Relationship between teachers and students	SP5
16	Quality of Education	Student satisfaction with the quality of education	KP1
17		Academic and personal development of students	KP2
18		Student's readiness to continue education or enter the world of work	KP3
19		Adequate learning environment	KP4
20		Student's willingness to recommend the school	KP5

The data analysis of this study used SEM (Structural Equation Modeling) with the help of SmartPLS software.

4. Results and Discussion

4.1 Validity test

To test validity, it can be seen from the loading factor obtained from the standardized loading for each indicator and data processing using the SmartPLS application.

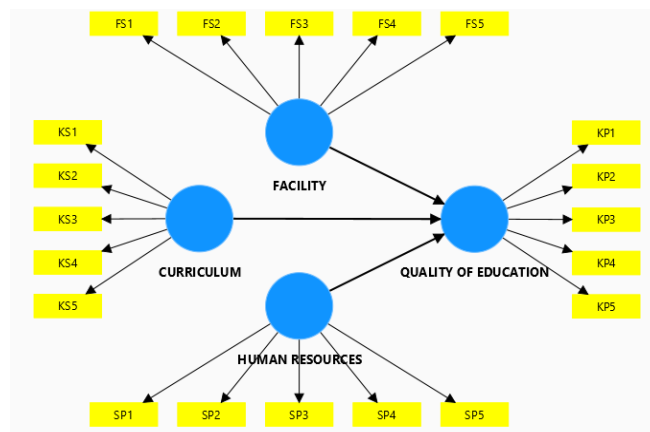


Figure 4.1: Results Data Simulation

According to Hair (1995), An indicator is declared worthy as a variable constructor if it has a loading factor > 0.40. Therefore, the following conclusions can be drawn regarding the indicators used:

Table 4.1: Outer Loading Output

	Curriculum	Facility	Human Resources	Quality of Education
FS1		0.643		
FS2		0.755		
FS3		0.784		
FS4		0.659		
FS5		0.703		
KP1				0.682
KP2				0.735
KP3				0.737
KP4				0.688
KP5				0.646
KS1	0.646			
KS2	0.722			
KS3	0.735			
KS4	0.782			
KS5	0.752			
SP1			0.713	
SP2			0.764	
SP3			0.711	
SP4			0.659	
SP5			0.784	

From the table above, then obtained the results of the loading factor stating the data of this variable is valid and invalid. Summarized in the following table:

Table 4.2: Validity and Reliability Construct

	Cronbach's alpha	Keandalan komposit (rho_a)	Keandalan komposit (rho_c)	Rata-rata varians diekstraksi (AVE)
Curriculum	0.779	0.785	0.85	0.531
Facility	0.754	0.763	0.835	0.505
Human Resources	0.777	0.782	0.849	0.529
Quality of Education	0.737	0.737	0.826	0.488

Based on the table above, the indicators that state invalidity in School Facilities (FS1, FS4), Independent Curriculum (KS1), Human Resources (SP4), Education Quality (KP5) then the indicators cannot be used. The following is a re-estimation of the validity test:

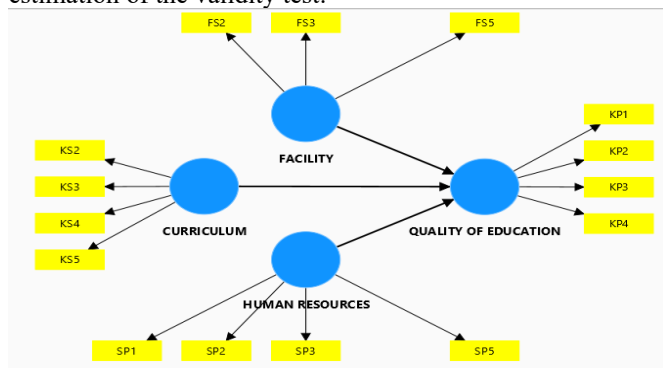


Figure 4.2: Results Re-simulation

From the simulation, the following data was obtained:

Table 4.3: Outer Loading Output 2

	Curriculum	Facility	Human Resources	Quality of Education
FS2		0.808		
FS3		0.833		
FS5		0.736		
KP1				0.695
KP2				0.768
KP3				0.764
KP4				0.726
KS2	0.73			
KS3	0.747			
KS4	0.796			
KS5	0.779			
SP1			0.728	
SP2			0.798	
SP3			0.719	
SP5			0.818	

4.2 Reliability Test

Reliability test shows the extent to which a measuring instrument can provide relatively the same results when re-measured on the same object. According to Ghozali (2017), the minimum acceptable reliability value is 0.70. The construct reliability coefficient can be calculated using the Average Variance Extracted (AVE) formula and Construct Reliability (CR) using the formula:

- Variance extracted = $\sum Std.Loading^2 / \sum Std.Loading^2 + \sum \epsilon_j$
- Construct Reliability = $\sum Std.Loading^2 / \sum Std.Loading^2 + \sum \epsilon_j$

Based on the minimum construct reliability of 0.70 while the minimum cut off value extracted is 0.50 (Ghozali, 2005). The following is a calculation table to find the Average Variance Extracted (AVE) and Construct Reliability (CR) values as follows:

Table 4.3: Validity and Reliability Construct 2

	Cronbach's alpha	Keandalan komposit (rho_a)	Keandalan komposit (rho_c)	Rata-rata varians diekstraksi (AVE)
Curriculum	0.762	0.765	0.848	0.583
Facility	0.706	0.718	0.835	0.629
Human Resources	0.767	0.776	0.851	0.589
Quality Of Education	0.722	0.724	0.828	0.546

From the calculation of the table above, the construct reliability value is obtained ranging from 0.835 to 0.851 so that it is greater than the cut off of 0.70, while the variance extracted value ranges from 0.629 to 0.589 so that it is greater than the cut off of 0.50. Thus, it can be concluded that all variables are consistent or reliable. That is Valid and Reliable.

4.3 Hypothesis test

	Sampel asli (O)	Rata-rata sampel (M)	Standar deviasi (STDEV)	T statistik ((O/STDEV))	Nilai P (P values)
Curriculum -> Quality of Education	0.331	0.335	0.108	3.07	0.002
Facility -> Quality of Education	0.31	0.312	0.106	2.92	0.004
Human Resources -> Quality of Education	0.223	0.225	0.108	2.07	0.039

From the table above, the P value is below 0.05, meaning that all variables, namely Facilities, Curriculum and Human Resources, have an effect on the Quality of Education.

5. Conclusion

This study underscores the importance of robust financial management in enhancing educational quality at SMKN 3 Linggabuana. By prioritizing infrastructure, curriculum development, and teacher training, schools can achieve significant improvements in student outcomes. Future research may explore additional variables influencing educational quality.

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