



Cambridge
International

Professional Research Thesis

Titled

The impact of modern financial management in
the development of educational
institutions

Researcher

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Supervisor signature

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SUMMARY

The primary goal of the operational existence of business organizations is to remain on the path of profit and growth. To embody this, it is necessary to establish an organizational framework that ensures a balanced distribution of roles and functions within the institution in a complementary manner. Additionally, a strategic management approach characterized by effectiveness and efficiency should be adopted. In this context, the financial function within the economic institution plays a crucial and sensitive role as it represents the core of the institution. It is fundamentally responsible for facing competition and addressing any developments arising from external influences.

This is achieved through its core operations, which focus on identifying the daily financial needs of the institution, exploring funding sources in appropriate quantities and at suitable costs, ensuring optimal spending, and participating in top management decisions such as investment choices, financing, and the use of loans. This involves utilizing various methods and tools, including analysis, forecasting, and planning.

The financial function plays a significant role in the continuity of the institution's operations and its goal is to provide the institution with the necessary funds for its functions and growth in a timely manner and at the lowest cost. Ensuring the independence of functions leads to the institution's sustainability through economic activities, meaning that the institution generates financial flows through its operations. This is only possible if the funds are continually increasing to support its growth and address cash flow disruptions. Real financing challenges appear when they are minimal compared to cash flows (such as wages and general expenses).

Consequently, due to the institution's need for external financing, which is provided by banks and financial institutions in the form of long-term and short-term loans or by raising capital through bonds and shares, the institution must manage external financing effectively. This represents a critical turning point in its financial life.

The balance of the financial budget is based on adjustments made to transition from the accounting budget to the financial budget. Hence, the more accurate the adjustments, the more balanced the financial budget will be. Financial balance indicators play a crucial role in financial management because they provide valuable information for control and planning operations and are among the most important indicators used by financial analysts to uncover strengths and weaknesses within the institution.

Undoubtedly, financial management is an administrative financial approach that should be maintained regarding its desirable or undesirable traits. Is there strong financial administrative planning? Yes, in our beloved country, we have very good planning that cannot be underestimated, as evidenced by the available economy.

Financial management and budgeting are critical to the success and continuity of schools. The ability to manage financial resources effectively and to develop strategies to balance expenses and revenues are crucial for ensuring quality education and a sustainable learning environment. Today, financial managers in schools face numerous challenges and pressures that require innovative strategies to address them.

The study Problem.

Contemporary organizations, in the midst of electronic transactions and the shift towards dynamic operations, are striving to advance from the routine of traditional dealings to implementing modern financial management programs. This shift is necessary to keep pace with the changing landscape and adapt to the new administrative, scientific, and technical practices. Schools must carefully plan their budgets to ensure adequate resources for teachers, facilities, and student activities. Maintaining financial balance requires finding ways to reduce costs, increase spending efficiency, diversify funding sources, and develop self-financing programs that can reduce dependence on government support. Additionally, adopting modern financial management systems can accelerate processes and improve the accuracy of financial reports. In light of the static framework experienced by the investigated company, the study addressed the following problem: "The Impact of Modern Financial Management in the Education Sector."

The importance of studying:

The importance of the study lies in advancing the operational reality of institutions from the routine of traditional financial transactions to electronic methods and modern developments in financial management. This transition aims to prevent waste of time, effort, and costs, enabling institutions to achieve their goals by providing appropriate services, exporting abroad, and generating profits to retain employees and avoid unemployment. Encouraging a culture of efficiency and establishing monitoring systems to track spending and control financial matters is crucial.

In light of the challenges of financial management and budgeting in schools, it becomes clear that innovative and well-considered strategies are key to ensuring the sustainability of education and achieving high-quality educational goals. Adopting modern methods and technology in financial management can significantly enhance efficiency and achieve a balance between revenues and expenditures, ultimately leading to educational excellence and the development of the learning environment for future generations.

Objectives of the study:

- *Understanding the nature of financial management.*
- *Examining the impact of modern developments in financial management on the growth of business management institutions.*
- *Identifying the stages of evolution in financial management.*
- *The importance of financial management in education.*

Study hypotheses and questions.

- *There is a relationship between the use of modern financial management methods and the growth and development of business management institutions.*
- *The use of modern electronic methods in financial management leads to greater accuracy in data and saves time and effort.*
- *There is a relationship between modern financial management and budgeting in schools.*
- *Strategies for modern financial management and budgeting in schools.*

Research Questions:

- *Is there a relationship between the use of modern financial management methods and the growth and development of business management institutions?*
- *Does the use of modern electronic methods in financial management lead to greater accuracy in data and save time and effort?*
- *Is there a relationship between modern financial management and budgeting in schools?*
- *What are the strategies for modern financial management and budgeting in schools?*

Study Approach.

"The descriptive analytical method was used to understand the impact of modern financial management on the development of the education sector."

The limits of the study:

Spatial boundaries: The Egyptian Arabic Republic .

Time limits: 2000-2024

Study plan:

Introductory Chapter: Theoretical Framework and Scientific Concepts

Chapter One: Theoretical Framework and Scientific Concepts

Section One: Introduction to Financial Management

- 1. The Nature of Financial Management*
- 2. Stages and Approaches of Financial Management*
- 3. Sections of Financial Management*

Section Two: Concept and Importance of Financial Performance

- 1. Information: Benefits and Characteristics*
- 2. Administrative Control: Concept and Importance*
- 3. Defining Performance Goals and Metrics and Performance Control Reports*

Chapter Two: The Role of Modern Financial Management in Developing Business Management Institutions

Section One: Introduction to Management

- 1. The Nature and Importance of Management*
- 2. Management Divisions and Areas*

Section Two: The Role of Modern Financial Management in Developing Institutions

- 1. Objectives of Modern Financial Management*

2. *Factors Affecting Financial Management*
3. *Functions of Modern Financial Management in Developing Business Management Institutions*

Chapter Three: Enhancing Education Through Modern Financial Management

Section One: Improving Financial Management in Education

1. *Effective Budget Management*
2. *ERP Programs for Education*
3. *The Importance of Financial Management in Education*

Section Two: The Impact of Modern Financial Management and Budgeting in Schools

1. *Implementing Effective Financial Management Systems*
2. *Keeping Up with Technology in Education*
3. *Providing Development Opportunities through Financial Management*

Conclusion.

Modern financial management is part of the financial system that serves the community by providing the financial services needed for daily activities and economic development. The financial system is essentially a network of financial institutions, financial intermediaries, businessmen, and individuals, along with the components that participate in and regulate its operations according to mechanisms and regulations established for that purpose. The primary function of financial institutions within this system is to transfer funds from lenders to borrowers or from units with surplus funds to units with financial deficits. This involves connecting those who offer and seek funds, as well as through other financial institutions that mediate these transactions, such as banks and finance companies, among others. This chapter aims to highlight the nature of these institutions, their importance, objectives, as well as the types and services they provide, and how they manage to cope with the challenges faced by global economies in the context of the knowledge economy and technological advancements.

Results:

- *There is a relationship between the use of modern financial management methods and the growth and development of business management institutions.*
- *The use of modern electronic methods in financial management leads to greater accuracy in data and saves time and effort.*
- *We live in an automated world. From online shopping to managing finances, automation touches every aspect of our lives. However, amidst this technological revolution, educational institutions are still grappling with the complexities of manual administrative tasks.*
- *The administrative workload within these institutions can often become overwhelming, causing teachers and support staff to feel stressed. Whether it's maintaining student records, organizing schedules, or managing enrollment processes, the administrative burden can be relentless.*
- *Imagine having a system that can reduce the time spent on administrative tasks by 90% or improve teacher evaluation time by 60%. Student Information Systems (SIS) offer this potential game-changing benefit. However, despite their ability to enhance efficiency, many institutions fail to fully leverage these systems.*

Recommendations:

- *The necessity of using modern developments in financial management to support the growth of institutions.*
- *The need to train staff on modern financial management technologies and developments.*
- *The necessity of adopting modern technology in financial management.*
- *SIS platforms prioritize data security through robust encryption protocols, access controls, and regular security audits. They comply with relevant data protection regulations to ensure the confidentiality and integrity of student information.*
- *SIS streamline administrative tasks, reduce manual workload, improve data accuracy, enhance communication among stakeholders, and support data-driven decision-making to improve overall outcomes.*

The reviewer:

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